

**RESOLUTION NUMBER 2020 – 17**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF DIABLO WATER DISTRICT TEMPORARILY SUSPENDING A PORTION OF SECTION 1 (c) OF REGULATION NUMBER 3 - FACILITIES RESERVE CHARGE; AMENDING A PORTION OF SECTION 1 (c) OF REGULATION NUMBER 3 AND AMENDING SECTION 1 (d) OF REGULATION NUMBER 3 - MAIN EXTENSION REIMBURSEMENT ASSESSMENT**

WHEREAS, the District has recently completed, and the Board has accepted, the 2020 Facilities Plan; and

WHEREAS, the costs included in the Facilities Reserve Charge and Main Extension Reimbursement Assessment reflect a methodology of growth pays for growth;

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of Diablo Water District that the East and West of Jersey Island Rd Facilities Reserve Charges that are shown in Section 1 (c) of Regulation Number 3 shall be temporarily suspended, effective September 1, 2020, through August 31, 2022, unless the temporarily suspended portion is reinstated by the Board of Directors, in whole or in part, prior to August 31, 2022.

During the period referred to above, the Facilities Reserve Charges will be as shown on Exhibit A attached hereto. In order to be qualified for the charges shown on Exhibit A, the payment must be made during the period in which it is in effect.

BE IT FURTHER RESOLVED that the Delta Coves and Bethel Island Facilities Reserve Charges that are shown in Section 1 (c) of Regulation Number 3 shall be hereby amended, effective September 1, 2020, as references and hereby incorporated in Exhibit A.

BE IT FURTHER RESOLVED that Section 1 (d) of Regulation Number 3 shall be hereby amended, effective September 1, 2020, as referenced and hereby incorporate in Exhibit A.

\* \* \* \* \*

I certify that the foregoing is a true and complete copy of a resolution duly and regularly adopted by the Board of Directors of Diablo Water District at a meeting thereof regularly held on August 26, 2020, by the following vote:

AYES: Hobbs, de Fremery, Crockett, and Pastor

NOES: Seger

ABSENT: None

DATED: August 26, 2020



Dan Muelrath, Secretary

**EXHIBIT A FOR RESOLUTION 2020 – 17**

(c) Facilities Reserve Charge. Each applicant for water service shall pay a Facilities Reserve Charge, determined by the size of the meter installed, as follows:

**For New Connections West of Jersey Island Road**

| <u>Size of Meter<br/>in Inches</u> | <u>Facilities<br/>Reserve Charge</u> |
|------------------------------------|--------------------------------------|
| 5/8                                | \$ 7,880                             |
| * 1"                               | 11,032                               |
| 1 1/2"                             | 14,183                               |
| 2"                                 | 22,851                               |
| 3"                                 | 86,676                               |
| 4"                                 | 110,315                              |
| 6"                                 | 165,473                              |
| 8"                                 | 228,510                              |
| Greater than 8"                    | Case-by-Case                         |

**For New Connections East of Jersey Island Road  
Not Including Bethel Island**

| <u>Size of Meter<br/>in Inches</u> | <u>Facilities<br/>Reserve Charge</u> |
|------------------------------------|--------------------------------------|
| 5/8"                               | \$ 12,991                            |
| * 1"                               | 18,075                               |
| 1-1/2"                             | 23,239                               |
| 2"                                 | 37,441                               |
| 3"                                 | 142,018                              |
| 4"                                 | 180,750                              |
| 6"                                 | 271,124                              |
| 8"                                 | 374,410                              |
| Greater than 8"                    | Case-by-Case                         |

- \* The Facilities Reserve Charge for a one (1) inch meter for residential services which is made necessary for the installation of a fire sprinkler system shall be the same as the charge for a five-eighth (5/8) inch meter for one- and two- family residential systems.

**EXHIBIT A FOR RESOLUTION 2020 – 17**

**For New Connections on Bethel Island including Delta Coves**

| <u>Size of Meter<br/>in Inches</u> | <u>Facilities<br/>Reserve Charge</u> |
|------------------------------------|--------------------------------------|
| 5/8"                               | \$ 8,034                             |
| * 1"                               | 11,247                               |
| 1-1/2"                             | 14,461                               |
| 2"                                 | 23,298                               |
| 3"                                 | 88,370                               |
| 4"                                 | 112,471                              |
| 6"                                 | 168,707                              |
| 8"                                 | 232,976                              |
| Greater than 8"                    | Case-by-Case                         |

- \* The Facilities Reserve Charge for a one (1) inch meter for residential services which is made necessary for the installation of a fire sprinkler system shall be the same as the charge for a five-eighth (5/8) inch meter for one- and two- family residential systems.

(d) Main Extension Reimbursement Assessment. Each applicant for water service shall pay a Main Extension Reimbursement Assessment, determined by the size of the meter installed, as follows:

| <u>Size of Meter<br/>in Inches</u> | <u>Main Extension<br/>Reimbursement Assessment</u> |
|------------------------------------|--|
| 5/8                                | \$ 615   |
| 1 *                                | 861  |
| 1½                                 | 1,107  |
| 2                                  | 1,784  |
| 3                                  | 6,765  |
| 4                                  | 8,610  |
| 6                                  | 12,915   |
| 8                                  | 17,835   |
| Greater than 8"                    | Case-by-Case                                       |

# DIABLO WATER DISTRICT

## REGULATION NO. 3 CONNECTION CHARGES AND REIMBURSEMENTS

### Section 1. Charges for New Connections.

(a) Main Extension Charge. Each applicant for water service shall pay all the District's costs for necessary right of way, engineering, labor, materials, inspections, administration and overhead in any extension of the District's facilities required by Sections 2 and 3 of Regulation No. 7.

(b) Service Line and Meter. Each applicant for water service shall pay all the District's costs for necessary right of way, engineering, labor, materials, inspection, administration and overhead for installing a service line from the District's water main, a meter and a meter box for each water service. Said requirements also apply to the District's costs incurred when a residence is retrofitted to provide for a fire sprinkler system as well as for new construction.

(c) Facilities Reserve Charge. Each applicant for water service shall pay a Facilities Reserve Charge, determined by the size of the meter installed, as follows:

**For New Connections West of Jersey Island Road**

| <u>Size of Meter<br/>in Inches</u> | <u>Facilities<br/>Reserve Charge</u> |
|------------------------------------|--------------------------------------|
| 5/8                                | \$ 9,251                             |
| * 1"                               | 12,951                               |
| 1 1/2"                             | 16,651                               |
| 2"                                 | 26,827                               |
| 3"                                 | 101,757                              |
| 4"                                 | 129,509                              |
| 6"                                 | 194,263                              |
| 8"                                 | 268,268                              |
| Greater than 8"                    | Case-by-Case                         |

**For New Connections East of Jersey Island Road  
Not Including Bethel Island**

| <u>Size of Meter<br/>in Inches</u> | <u>Facilities<br/>Reserve Charge</u> |
|------------------------------------|--------------------------------------|
| 5/8"                               | \$ 13,456                            |
| * 1"                               | 18,839                               |
| 1-1/2"                             | 24,221                               |
| 2"                                 | 39,023                               |
| 3"                                 | 148,018                              |
| 4"                                 | 188,386                              |
| 6"                                 | 282,579                              |
| 8"                                 | 390,228                              |
| Greater than 8"                    | Case-by-Case                         |

- \* The Facilities Reserve Charge for a one (1) inch meter for residential services which is made necessary for the installation of a fire sprinkler system, shall be the same as the charge for a five-eighth (5/8) inch meter for one- and two- family residential systems.

**For New Connections on Bethel Island**

| <u>Size of Meter<br/>in Inches</u> | <u>Facilities<br/>Reserve Charge</u> |
|------------------------------------|--------------------------------------|
| 5/8"                               | \$ 6,607                             |
| * 1"                               | 9,250                                |
| 1-1/2"                             | 11,893                               |
| 2"                                 | 19,161                               |
| 3"                                 | 72,680                               |
| 4"                                 | 92,502                               |
| 6"                                 | 138,752                              |
| 8"                                 | 191,611                              |
| Greater than 8"                    | Case-by-Case                         |

\* The Facilities Reserve Charge for a one (1) inch meter for residential services which is made necessary for the installation of a fire sprinkler system, shall be the same as the charge for a five-eighth (5/8) inch meter for one- and two- family residential systems.

(d) Main Extension Reimbursement Assessment. Each applicant for water service shall pay a Main Extension Reimbursement Assessment, determined by the size of the meter installed, as follows:

| <u>Size of Meter<br/>in Inches</u> | <u>Main Extension<br/>Reimbursement Assessment</u> |
|------------------------------------|--|
| 5/8                                | \$ 562   |
| 1 *                                | 787  |
| 1½                                 | 1,012  |
| 2                                  | 1,630  |
| 3                                  | 6,182  |
| 4                                  | 7,868  |
| 6                                  | 11,802   |
| 8                                  | 16,298   |
| Greater than 8"                    | Case-by-Case                                       |

Assessments for larger meters shall be established by the District on receipt of application.

\* The Main Extension Reimbursement Assessment for a one (1) inch meter for residential services which is made necessary for the installation of a fire sprinkler system, shall be the same as the charge for a five-eighth (5/8) inch meter for one- and two-family residential systems.

(e) Surcharge for Facilities in Substandard Streets.

(1) As used herein the words "substandard street" mean a street or portion of a street in the District that will ultimately be regraded by raising or lowering the existing surface elevation by more than 36 inches. The General Manager shall maintain a current list of all substandard streets that the Public Works Department of Contra Costa County determines will ultimately be regraded.

(2) Whenever pursuant to Section 3 of Regulation No. 7 the District solely determines that it is necessary, in order to furnish water service to an applicant, that a facility be installed in a substandard street, the District shall estimate the current cost of relocating the facility to accommodate the regrading of the substandard street. The facility shall not be installed unless and until the applicant for water service pays the District the amount of the estimate.

(3) If thereafter the District solely determines that the substandard street will not be regraded in the foreseeable future, or that the cost of the regrading is less than said payment, the unspent amount of said payment shall be refunded to the applicant together with the interest earned from the investment thereof.

(f) Time of Payment of Charges. All charges and assessments for new connections shall be paid in full before water service from a meter is requested or, prior to issuance of a building permit for any building that the metered water service is intended or, within 36 months after the date of a Facilities Installation Agreement between the applicant for water service and the District, whichever occurs first. The charges paid shall be those in effect on the date of payment. Water service shall not be furnished to any lot or irrigation



service until the applicant for water service provides satisfactory evidence that all facilities reserve charges of Contra Costa Water District have been paid.

(g) Methods of Payment – Payment for connection fees shall only be made by check, money order, cashier’s check, or wire transfer as approved by the General Manager.

Section 2. Enlargement of Connections.

Upon enlargement of a pre-existing connection the customer shall pay the difference between the Facilities Reserve Charge and Main Extension Reimbursement Assessment then in effect for the new meter and the amount of said charges then in effect for the meter replaced.

Section 3. Reimbursements.

(a) Entitlement to Potential Reimbursement. Each applicant for water service shall be entitled to potential reimbursement for extensions and enlargements of the District’s pipeline facilities, as conclusively determined by the District, in accordance with the following schedule:

| Master Plan Size | Size Needed by Development | Potential Reimbursement (cost differential based on size difference) |
|------------------|----------------------------|--|
| 12               | 8                          | 12-8=4   |
| 12               | 12                         | 12-12=0  |
| 12               | 16 or larger               | 12-12=0  |
| 16               | 8                          | 16-8=8   |
| 16               | 12                         | 16-12=4  |
| 16               | 16 or larger               | 16-12=4  |
| 18               | 8                          | 18-8=10  |
| 18               | 12                         | 18-12=6  |

| Master Plan Size | Size Needed by Development | Potential Reimbursement (cost differential based on size difference) |
|------------------|----------------------------|--|
| 18               | 16 or larger               | 18-12=6  |
| 20               | 8                          | 20-8=12  |
| 20               | 12                         | 20-12=8  |
| 20               | 16 or larger               | 20-12=8  |
| 24               | 8                          | 24-8=16  |
| 24               | 12                         | 24-12=12   |
| 24               | 16 or larger               | 24-12=12   |

Water mains to be extended into new street areas as a requirement of a city or county shall be deemed as 8 inches (8”) in size needed by the development for the purpose of the reimbursement determination.

(b) Costs Not Included. The cost differential shall not include costs connected with the acquisition of right of way, engineering, inspection, administration, and overhead as conclusively determined by the District.

(c) Limit on Reimbursement. The maximum entitlement to potential reimbursement shall be conclusively determined by the District on the basis of the maximum potential benefit to be derived by other potential users of the facilities paid for by the applicant.

(d) Reimbursement Payments. The District shall pay without interest, to each eligible applicant in July of each year following acceptance of the facilities by the District, that portion of the potential reimbursement in an amount not to exceed ten percent (10%) of the originally established potential reimbursement amount as adjusted by sub-section (g) below, to the extent that District has sufficient funds in its main extension reimbursement

account to make said payments.

(e) Reimbursement Period. Eligible applicants may receive reimbursement payments over a period of ten (10) years subject to extension permitted by sub-section (j) below.

(f) Minimum Payment. Notwithstanding sub-section (d) above, the minimum annual reimbursement payment shall not be less than \$5,000 per eligible applicant if there are sufficient funds available.

(g) Mera Fee Credits. Eligible applicants shall be entitled to a credit of up to fifty percent (50%) of this District's Main Extension Reimbursement Assessments (MERA) on any new connections served by the affected facilities. Said credit shall not exceed fifty percent (50%) of applicant's potential reimbursement amount.

(h) Insufficient Funds. In the event that this District's reimbursement fund is insufficient to fully reimburse all eligible applicants during any particular year, each eligible applicant shall receive a pro rata reimbursement proportionate to each applicant's percentage of the total amount of all eligible accounts. Said pro rata payment also applies to those eligible applicants who would otherwise have received the \$5,000 minimum payment.

(i) Reimbursement Shortage Catch-Up. In the event that sub-section (h) is implemented, any shortfall shall be reimbursed in future eligible years to the extent that sufficient funds are available in the fund subject to sub-section (j) below.

(j) Time Extension for Reimbursements. In the event that all potentially eligible reimbursements to any eligible applicant have not been fully reimbursed at the end of the ten

(10) year period referred to in sub-section (e) above, due to shortfalls in one or more annual payments, the affected applicants shall be entitled to an additional two (2) years [for a total of twelve (12) years] to receive future payments. In the event that any potentially eligible reimbursements have not been made within said extension period, there will be no further entitlement to future reimbursements.

(k) Reimbursement Calculations. This district shall be exclusively entitled to determine the potential reimbursement amount and shall regularly publish a table of unit reimbursable values inclusive of pipe in pavement, pipe in dirt, as well as other special conditions. All such values are binding on eligible applicants irrespective of actual expenditures made by applicant.

Section 4. Funding of Charges.

(a) All payments received by the District pursuant to each of subsections (c), (d) and (e) of Section 1 hereof shall be deposited in a separate fund designated, respectively, "Facilities Reserve Charge Fund", "Main Extension Reimbursement Assessment Fund", and "Substandard Streets Surcharge Fund."

(b) Interest earned from the investment of money in each of said funds shall be deposited in that fund.

(c) The money of each fund shall be disbursed only for a purpose of the fund, including but not limited to the costs of planning, engineering, construction, labor, materials, inspections, administration and overhead of a project financed by the fund.

## Amendments

Section 1 (d) Amended 8-22-18  
Effective 9-1-18

Section 1 (g) Added 10-29-14  
Effective 10-29-14

Section 1 (f) Amended 12-16-09  
Effective 12-16-09

Section 1 (f) Amended 2-28-07  
Effective 2-28-07

Section 1 (f) Amended 8-23-06  
Effective 8-23-06

Section 1 (c) Amended 7-26-06  
Effective 8-1-06

Section 3(g) Amended 9-28-05

Section 1 (c) Amended 9-1-05

Sections 1 (b), 1 (c) & 1 (d) Amended 5-25-05  
Effective 6-1-05

Section 1 (c) Amended 8-25-04  
Effective 9-1-04

Section 3 Amended 6-22-04  
Effective 7-6-04