

RESOLUTION NO. 22-055

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VICTORVILLE, CALIFORNIA, ADOPTING A CITY-WIDE COMPREHENSIVE USER FEE STUDY AND ADOPTING A COMPREHENSIVE MASTER USER FEE SCHEDULE ESTABLISHING AND AMENDING CERTAIN SERVICE AND DEVELOPMENT-RELATED FEES FOR CITY SERVICES

WHEREAS, pursuant to the provisions of the California Constitution and the laws of the State of California, the City is authorized to adopt and impose user and regulatory fees and charges for the municipal services and activities it provides (collectively hereinafter “**User Fees**”); and

WHEREAS, Article XIIC of the California Constitution generally states that such User Fees may not exceed the reasonable costs of providing the service or performing the activity; and

WHEREAS, the City Council has previously established various User Fees for the services and activities provided by the City, including those established under Resolution No. 14-013 specific to facility use and rental fees for certain City park amenities and facilities and related guidelines for implementation; and

WHEREAS, the City must periodically review User Fees to ensure the revenues produced by said fees are sufficient to defray the cost of providing such services and do not exceed the estimated reasonable cost of providing such services; and

WHEREAS, the City Council retained NBS Government Finance Group (“**NBS**”) to conduct a comprehensive analysis and study of its activities and services, the costs of providing those services and activities, the beneficiaries of those services, and the revenues produced by those paying fees and charges for such services and activities to ensure that existing fees did not exceed the costs of service and to provide an opportunity for the City Council to re-align User Fees with current cost recovery goals; and

WHEREAS, the results and findings of said analysis and cost of service study are detailed in the final report issued by NBS dated May 19, 2022, entitled: City of Victorville - Citywide User Fee Study (the “**User Fee Study**”), attached hereto as Exhibit A; and

WHEREAS, there is no requirement to implement the User Fees at the full cost recovery rate determined by the User Fee Study and it is within the discretion of the City Council to establish User Fees at a lesser amount based on local policies; and

WHEREAS, the draft User Fee Study was presented at a public workshop conducted at a duly noticed special meeting of the City Council held on May 9, 2022, and following said workshop, NBS developed a schedule based upon the final User Fee Study and City staff recommendations (the “**Master User Fee Schedule**”), which contains all proposed updates to User Fees recommended for adoption by the City Council, attached hereto as Exhibit B; and

WHEREAS, pursuant to Government Code Sections 66016 and 66018, notice of the proposed adoption of the User Fee Study and Master User Fee Schedule was provided in the form of a notice mailed to interested parties on May 24, 2022, and public hearing notices published on May 27 and June 2, 2022, in the Daily Press newspaper; and

WHEREAS, the proposed User Fee Study and Master User Fee Schedule were made available for public review in the City Clerk's office and on the City's website on May 27, 2022; and

WHEREAS, the City Council conducted a duly noticed public hearing regarding the proposed adoption of the User Fee Study and Master User Fee Schedule at its regularly scheduled meeting on June 7, 2022, during which it heard public testimony and comment; and

WHEREAS, adoption of the proposed Master User Fee Schedule is intended to improve the City's recovery of the costs incurred to provide individual services, and represents the costs reasonably borne by the City in providing direct services to particular individuals or groups rather than to the general populace of the City; and

WHEREAS, based upon the data and findings provided in the User Fee Study, the fees set forth in for adoption in the proposed Master User Fee Schedule represent the reasonable costs incurred by the City in providing the listed services and activities and therefore do not exceed the City's cost of providing the same.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF VICTORVILLE DOES HEREBY RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS.

Section 1. The recitals set forth above are true and correct and are incorporated into this Resolution by this reference together with any definitions and findings set forth therein.

Section 2. The City Council has reviewed and hereby approves and adopts the User Fee Study attached hereto as Exhibit A, as well as the Master User Fee Schedule attached hereto as Exhibit B. Adoption of the Master User Fee Schedule authorizes implementation of updated User Fees to be charged for City services and activities effective January 1, 2023. Annually thereafter, the User Fees will be reviewed, and where applicable, may be adjusted on January 1 according to the July over July Riverside-San Bernardino-Ontario, CA Consumer Price Index for all Urban Consumers (CPI-U); provided that: 1) no fee or charge exceeds the reasonable costs associated with providing the service; and 2) such adjustments are duly adopted by the City Council, following an appropriately noticed public hearing.

Section 3. The City Council hereby affirms, based on the findings of the User Fee Study, that the fees contained in the Master User Fee Schedule, attached hereto as Exhibit B, represent no more than the reasonable costs incurred by the City in providing the listed services and activities and do not exceed the City's cost of providing the same.

Section 4. Effective as of January 1, 2023, City Council Resolution No. 14-013 shall be rescinded and any other resolutions or administrative actions by the City Council, or parts thereof that are inconsistent with any provisions of this Resolution (including Exhibit B hereto) are hereby superseded, but only to the extent of such inconsistency. Following the adoption of this

Resolution, the City Council will take steps to amend any provisions of the Victorville Municipal Code which may contain User Fee amounts inconsistent with the Master User Fee Schedule attached hereto as Exhibit B, with such amendments to be effective as of January 1, 2023.

Section 5. The City Council finds that the setting or revising of fees pursuant to this Resolution is exempt from environmental review under the California Environmental Quality Act (“CEQA”), pursuant to Public Resources Code Section 21080(b)(8) and Section 15272 of the CEQA Guidelines, which provide an exemption for the establishment or modification of charges by public agencies that the public agency finds are for the purpose of meeting operating expenses. Based on the record as a whole, the establishment or modification of fees or other charges pursuant to this Resolution is entirely for the purpose of meeting operating expenses in that none of the recommended fees or fee increase would recover more than one hundred percent of the cost incurred by the City to deliver the service provided

Section 6. This Resolution shall take effect immediately upon its adoption. However, the User Fees set forth in the Master User Fee Schedule in the attached Exhibit B shall not be in force or effective until January 1, 2023.

Section 7. The City Clerk shall certify to the passage and adoption of this Resolution; shall enter the same in the book of original resolutions; and shall make a minute of passage and adoption thereof in the records of the proceedings, in the minutes of the meeting at which this Resolution is passed and adopted.

RESOLUTION NO. VWD- 22-008

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VICTORVILLE WATER DISTRICT ADOPTING THE WATER DISTRICT FEE RELATED PORTIONS OF A CITY-WIDE COMPREHENSIVE USER FEE STUDY AND ADOPTING THE WATER DISTRICT RELATED PORTIONS OF A COMPREHENSIVE MASTER USER FEE SCHEDULE ESTABLISHING AND AMENDING CERTAIN SERVICE AND DEVELOPMENT-RELATED FEES FOR WATER DISTRICT SERVICES

WHEREAS, the Victorville Water District (the “**District**”), is a county water district and subsidiary district of the City of Victorville (the “**City**” or “**Victorville**”); and

WHEREAS, the District constructs, owns, operates, improves, and maintains the water system and related facilities and infrastructure that serves the District's existing customers and provides water service availability to new customers and new developments within the jurisdictional boundaries of the District; and

WHEREAS, pursuant to the provisions of the California Constitution, and the laws of the State of California, the District is authorized to adopt and impose user and regulatory fees and charges for the water-related services it provides (collectively hereinafter “**User Fees**”); and

WHEREAS, Article XIIC of the California Constitution generally states that such User Fees may not exceed the reasonable costs of providing the services; and

WHEREAS, the District Board of Directors (“**District Board**”) has previously established various User Fees for water related services provided by the District within the jurisdictional boundaries of the District; and

WHEREAS, the District must periodically review User Fees to ensure the revenues produced by said fees are sufficient to defray the cost of providing such services and do not exceed the estimated reasonable cost of providing such services; and

WHEREAS, together with the Victorville City Council, the District Board retained NBS Government Finance Group (“**NBS**”) to conduct a comprehensive analysis and study of its activities and services, the costs of providing those services and activities, the beneficiaries of those services, and the revenues produced by those paying fees and charges for such services and activities to ensure that existing fees did not exceed the costs of service and to provide an opportunity for the District Board and City Council to re-align User Fees with current cost recovery goals; and

WHEREAS, the results and findings of said analysis and cost of service study are detailed in the final report issued by NBS dated May 19, 2022, entitled: City of Victorville - Citywide User Fee Study (the “**User Fee Study**”), attached hereto as Exhibit A; and

WHEREAS, there is no requirement to implement the User Fees at the full cost recovery rate determined by the User Fee Study and it is within the discretion of the District Board to establish User Fees at a lesser amount based on local policies; and

WHEREAS, the draft User Fee Study was presented at a public workshop conducted at a duly noticed special meeting of the City Council, which serves *ex-officio* as the District Board, held on May 9, 2022, and following said workshop, NBS developed a schedule based upon the final User Fee Study and District staff recommendations (the “**Master User Fee Schedule**”), which contains all proposed updates to User Fees recommended for adoption by the City Council and the District Board; and

WHEREAS, pursuant to Government Code Sections 66016 and 66018, notice of the proposed adoption of the User Fee Study and Master User Fee Schedule was provided in the form of a notice mailed to interested parties on May 24, 2022, and public hearing notices published on May 27 and June 2, 2022, in the Daily Press; and

WHEREAS, the proposed User Fee Study and Master User Fee Schedule were made available for public review in the City Clerk/District Secretary’s office and on the City/District’s website on May 27, 2022; and

WHEREAS, the District Board conducted a duly noticed public hearing regarding the proposed adoption of the User Fee Study and Master User Fee Schedule with respect to the Water District related fee portions thereof at its regularly scheduled meeting on June 7, 2022, during which it heard public testimony and comment; and

WHEREAS, adoption of the Water District related fee portions of the proposed Master User Fee Schedule is intended to improve the District’s recovery of the costs incurred to provide individual services, and represents the costs reasonably borne by the District in providing direct services to particular individuals or groups rather than to the general populace of those in the District’s jurisdictional boundaries; and

WHEREAS, based upon the data and findings provided in the User Fee Study, the Water District related fees proposed to be adopted as contained in Master User Fee Schedule represent the reasonable costs incurred by the District in providing the Water District related listed services and activities and therefore do not exceed the District’s cost of providing the same.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE VICTORVILLE WATER DISTRICT DOES HEREBY RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS.

Section 1. The recitals set forth above are true and correct and are incorporated into this Resolution by this reference together with any definitions and findings set forth therein.

Section 2. The District Board has reviewed and hereby approves and adopts the User Fee Study attached hereto as Exhibit A, as well as the Master User Fee Schedule attached hereto as Exhibit B, with respect to the Water District related fee portions thereof. Adoption of the Master User Fee Schedule authorizes implementation of updated User Fees to be charged for Water District services and activities effective January 1, 2023. Annually thereafter, the User Fees will

be reviewed, and where applicable, may be adjusted on January 1 according to the July over July Riverside-San Bernardino-Ontario, CA Consumer Price Index for all Urban Consumers (CPI-U); provided that: 1) no fee or charge exceeds the reasonable costs associated with providing the service; and 2) such adjustments are duly adopted by the City Council, following an appropriately noticed public hearing.

Section 3. The District Board hereby affirms, based on the findings of the User Fee Study, that the Water District related fees contained in the Master User Fee Schedule, attached hereto as Exhibit B, represent no more than the reasonable costs incurred by the District in providing the listed services and activities and do not exceed the District's cost of providing the same.

Section 4. Effective as of January 1, 2023, all District Board resolutions, polices, and/or any other administrative actions by the District Board, or parts thereof that are inconsistent with any provisions of this Resolution (including Exhibit B hereto) are hereby superseded, but only to the extent of such inconsistency. Following the adoption of this Resolution, the District Board will take steps to amend any provisions of the Victorville Municipal Code which may contain Water District related User Fee amounts inconsistent with the Master User Fee Schedule attached hereto as Exhibit B, with such amendments to be effective as of January 1, 2023.

Section 5. The District Board finds that the setting or revising of fees pursuant to this Resolution is exempt from environmental review under the California Environmental Quality Act ("CEQA"), pursuant to Public Resources Code Section 21080(b)(8) and Section 15272 of the CEQA Guidelines, which provide an exemption for the establishment or modification of charges by public agencies that the public agency finds are for the purpose of meeting operating expenses. Based on the record as a whole, the establishment or modification of fees or other charges pursuant to this Resolution is entirely for the purpose of meeting operating expenses in that none of the recommended fees or fee increase would recover more than one hundred percent of the cost incurred by the District to deliver the service provided

Section 6. This Resolution shall take effect immediately upon its adoption. However, the Water related User Fees set forth in the Master User Fee Schedule in the attached Exhibit B shall not be in force or effective until January 1, 2023.

Section 7. The District Secretary shall certify to the passage and adoption of this Resolution; shall enter the same in the book of original resolutions; and shall make a minute of passage and adoption thereof in the records of the proceedings, in the minutes of the meeting at which this Resolution is passed and adopted.