RESOLUTION NO. 192

CHESTER PUBLIC UTILITY DISTRICT

Resolution Confirming And Fixing Charges of the
Chester Public District for Monthly Sewer Rates.

Whereas, the Board of Directors of the District is empowered, pursuant to section 6-4.1.1(b) of the District's Code and the Public Utility District Act (Division 7, Public Contract Code, sections 15501, et seq.), including, but not limited to, sections16461 and 16467, to fix, by resolution, from time to time, monthly user fee charges for sewer service; and,

Whereas, notice was given pursuant to Section 6 of Article XIII D of the California Constitution of the proposed changes in charges for sewer service to record owners of the properties served by the District; and,

Whereas, a duly noticed public hearing was opened on July 25, 2002 and continued, pursuant to due and proper notice, to August 29, 2002 and September 12, 2002, and closed on that date; and,

Whereas, at said public hearing, on the above dates, the District's Board of Directors ("Board") received written protests in an amount less than a majority of owners of an identified parcel against the proposed increase to the monthly sewer service fee; and,

Whereas, the Board, by motion, approved and adopted the proposed changes set forth herein all to be effective November 1, 2002.

Now, Therefore, be it resolved by the Board of Directors of the Chester Public Utility District as follows:

1. **Sewer Service.**

   a. It is confirmed that Resolution 161, item 2(a)(i), shall be amended, such that the flat rate amount applicable to residential users, and all others whose water consumption is less than 11,600 gallons per month, shall be increased from $13.64/month to $38.05/month. The effective date of said total increase is November 1, 2002; however, the implementation of such increase shall be as follows:

November1, 2002: 18.53

November 1, 2003: 23.41
November 1, 2004: 28.29
November 1, 2005: 33.17
November 1, 2006: 38.05

It is the express intent of the Board that, by this Resolution, said complete fee increase from $13.64/month to $38.05/month is fully effective November 1, 2002. The deferred implementation dates are not intended, nor shall they be construed, as, themselves, a fee increase. The deferred implementation is intended as a benefit to the rate payers to defer full implementation of the complete increase effective November 1, 2002.

b. It is confirmed that Resolution 161, item 2(a)(ii), shall be amended, such that commercial or industrial users shall pay the greater of $38.05 per month or $1.16 per 1,000 gallons of water used per month. The effective date of said total increases is November 1, 2002; however, the implementation of such increases, respectively, shall be as follows:

November 1, 2002: 18.53
November 1, 2003: 23.41
November 1, 2004: 28.29
November 1, 2005: 33.17
November 1, 2006: 38.05

It is the express intent of the Board that, by this Resolution, said complete fee increase from $13.64/month to $38.05/month, or $1.16 per 1,000 gallons of water used per month, whichever is greater, is fully effective November 1, 2002. The deferred implementation dates are not intended, nor shall they be construed, as, themselves, a fee increase. The deferred implementation is intended as a benefit to the rate payers to defer full implementation of the complete increase, effective November 1, 2002.

c. It is confirmed that Resolution 161, item 2(a)(iii), shall be amended, such that for premises which have mixed commercial or industrial use with residential use, the single flat rate charge for one residential dwelling unit and all other uses shall be increased from $13.64 per month to $38.05 per month. The effective date of said total increase is November 1, 2002; however, the implementation of such increase shall be as follows:

November 1, 2002: 18.53
November 1, 2003: 23.41

November 1, 2004: 28.29
November 1, 2005: 33.17
November 1, 2006: 38.05

It is the express intent of the Board that, by this Resolution, said complete fee increase from $13.64/month to $38.05/month is fully effective November 1, 2002. The deferred implementation dates are not intended, nor shall they be construed, as, themselves, a fee increase. The deferred implementation is intended as a benefit to the rate payers to defer full implementation of the complete increase effective November 1, 2002.

It is further Confirmed that each flat rate shall entitle the user to a usage credit of 11,600 gallons per month. The charge to the user per 1,000 gallons of water used each month in excess of the 11,600 usage credit shall be $1.16 per 1,000 gallons of excess water used per month. The effective date of said total increase is November 1, 2002.

2. Limitations Period.

The provisions contained in California Civil Code Sections 860-870 shall be applicable to this resolution and to any action taken by the District by ordinance or resolution to determine the amount of the service charges. It is the express intent of the District in adopting this resolution that any legal action contesting the validity of the resolution and/or the service charges established hereunder shall be filed within 60 days from the date of the adoption of this resolution or the determination fixing and certifying the service charges in accordance with law.

In the event that a court should decide that the validation provisions are not applicable to the adoption of this resolution or to the determination fixing and certifying the service charges, the District hereby separately declares its intent to and does hereby establish a statute of limitation in which any legal action, suit or proceeding may be initiated in court in which to attack, set aside, void or otherwise annul this resolution or any portion or provision hereof and the determination fixing and certifying the service charges. Any such action shall be initiated and filed in the appropriate court within 60 days of the date of the adoption of this resolution and/or the determination fixing and certifying the service charges. Otherwise, any such suit shall be barred.

Passed and adopted by the Board of Directors of the Chester Public Utility District, Plumas County, California, at a special meeting thereof held on the **12th day of September, 2002,** by the following vote:

AYES, and in favor
thereof, Directors: Glines, Jimenez, Plakk, Withrow

NOES, Director: Spencer

ABSENT, Directors: None

ABSTAINED, Directors: None

Dated: Sept. 12, 2002

President

Attest:

Secretary

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I hereby certify that the foregoing is a full, true, and correct copy of a resolution duly passed and adopted by the Board of Directors of the CHESTER PUBLIC UTILITY DISTRICT, Plumas County, California, at a meeting thereof held on the 12th day of September, 2002, by the following vote.

AYES, and in favor
thereof, Directors: Glines, Jimenez, Plakk, Withrow

NOES, Director: Spencer

ABSENT, Directors: None

ABSTAINED, Directors: None

Dated:_____

_____
Secretary