OLIVEHURST PUBLIC UTILITY DISTRICT

RESOLUTION NO. 2139

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
OLIVEHURST PUBLIC UTILITY DISTRICT PROVIDING FOR AND
ESTABLISHING A WATER SYSTEM CAPACITY CHARGE FOR THE PLUMAS
LAKE NORTH ZONE, INCLUDING THE NORTH ARBOGA STUDY AREA AND
ADJOINING PORTIONS OF OLIVEHURST COMMONLY SERVED BY A
BACKBONE WATER SYSTEM

WHEREAS, the Board of Directors of Olivehurst Public Utility District ( "District")
owns and operates a Domestic Water System which operates under permits issued by the
Department of Health Services of the State of California; and

WHEREAS, the District is experiencing tremendous growth and development within an
area which has been, or will be, annexed to the District known as the Plumas Lake Specific Plan
(PLSP); and

WHEREAS, the area of the PLSP north of Algodon Road, an adjoining development
area known as the North Arboga Study Area (NASA), and a portion of the community of
Olivehurst will be served by certain water system expansions and improvements hereafter
referred to as the Plumas Lake North Zone (PLNZ) and;

WHEREAS, in order to provide for domestic water throughout the PLNZ, substantial
facilities, including wells, treatment plants and water mains have been and will be constructed
and dedicated to the District and/or constructed by the District; and

WHEREAS, the Board of Directors wishes to establish by resolution the capacity fee
required for the connection of all customers to be served by the PLNZ domestic water system;
and

WHEREAS, the capacity charge established herein, referred to hereafter as the Plumas
Lake North Zone Water Capacity Charge, is required in order to finance directly or through
credits/reimbursements to developers, the costs of the necessary facilities to meet the domestic
water requirements to serve new connections throughout the PLNZ; and

WHEREAS, the Board of Directors has heretofore reviewed, taken comment, and
approved a "WATER AND SEWER SYSTEM CAPACITY CHARGE REPORT—PLUMAS
LAKE SPECIFIC PLAN, NORTH ZONE, 2006 UPDATE", referred to hereafter as “the PLNZ
Capacity Fee Report”, determining costs, allocations, and recommended capacity charges for the
water system and the sewer collector system for the Plumas Lake North Zone; and

WHEREAS, these capacity charges set forth in Exhibit A are to be established for the
Plumas Lake North Zone, as shown within Maps 1 and 2 of the PLNZ Capacity Fee Report and are to be approved and authorized in accordance with the provisions of Section 66013, et seq. of the Government Code of the State of California; and

WHEREAS, the capacity charges established herein are required to meet the financial reserve needs and requirements of the District and to obtain funds for capital projects necessary to maintain water services within the District and are therefore exempt from the requirements of the California Environmental Quality Act in accordance with Public Resources Code Section 21080(b)(8)(C) and (D).

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Olivehurst Public Utility District that the PLNZ Capacity Fee Report is hereby incorporated herein by reference.

BE IT FURTHER RESOLVED by the Board of Directors of Olivehurst Public Utility District that it does hereby establish and approve a Plumas Lake North Zone Capacity Fee, payable prior to issuance of a building permit, for connection to its Domestic Water System within the Plumas Lake North Zone, described in Maps 1 and 2 of the PLNZ Capacity Fee Report, in the amount and under the terms and conditions set forth in Exhibit “A,” attached hereto, which Exhibit “A” shall become part of the District’s Domestic Water System Capacity Fee Tariff.

BE IT FURTHER RESOLVED that domestic water capacity charges set forth in Exhibit “A” are based on the costs of construction of the water system improvements required to serve domestic water to the area described and are found reasonable and necessary by the Board of Directors.

BE IT FURTHER RESOLVED that the Board does find that establishment of the domestic water system capacity charges herein is exempt from the provisions of the California Environmental Quality Act under Section 21080(b) of the California Public Resource Code.

BE IT FURTHER RESOLVED that said schedule of domestic water system capacity charges shall be subject to an annual inflation adjustment described in Exhibit “A” and shall further be subject to change in base rates as may be determined necessary by the Board of Directors of Olivehurst Public Utility District upon periodic review of the PLNZ system costs and required facilities.

BE IT FURTHER RESOLVED that the District may grant credits and/or reimbursements, subject to an approved agreement, of the fees set forth in Exhibit “A” (excluding that portion of the fee representing administrative costs) in those circumstances described in the PLNZ Capacity Fee Report, in accordance with District rules, and subject to the priorities for the use of capacity funds described in said Report.

PASSED AND ADOPTED this 16th day of November 2006.
OLIVEHURST PUBLIC UTILITY DISTRICT

[Signature]
President, Board of Directors

ATTEST:

[Signature]
District Clerk & ex-officio Secretary

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

[Signature]
Legal Counsel
I hereby certify that the foregoing is a full, true and correct copy of a Resolution duly adopted and passed by the Board of Directors of the Olivehurst Public Utility District, Yuba County, California, at a meeting thereof held on the 16th day of November 2006, by the following vote:

AYES, AND IN FAVOR THEREOF: Director Morrison, Carpenter, Hollis, Miller, and Patty.

NOES: None.

ABSTAIN: None.

ABSENT: None.

District Clerk & ex-officio Secretary
Exhibit A
Plumas Lake Specific Plan North Zone
Water System Capital Improvement Charges [1]

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[1] The proposed capacity charges will be adjusted annually by OPUD to account for the inflation of construction and acquisition costs. In March each year, the proposed capacity charge programs will be adjusted by averaging the percentage change in the *Engineering News Record*’s Construction Cost Index San Francisco index and 20-city average index for the 12-month period ending December the prior year.
Exhibit A
Plumas Lake Specific Plan North Zone & Historic Olivehurst
Water System Capital Improvement Charges

Effective March 1, 2008, Olivehurst Public Utility District Annual Fee Increases based on the Construction Cost Index (CCI):

CCI 1.41% for 2008

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District Clerk and ex-officio Secretary
Exhibit A
Plumas Lake Specific Plan North Zone & Historic Olivehurst Water System Capital Improvement Charges

Effective March 1, 2009, Olivehurst Public Utility District Annual Fee Increases based on the Construction Cost Index (CCI):

CCI 6.41% for 2009

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District Clerk and ex-officio Secretary