



THOMAS L. BOLICH
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County of Santa Cruz⁰²²⁷

DEPARTMENT OF PUBLIC WORKS

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AGENDA: MARCH 19, 2002

March 11, 2002

SANTA CRUZ COUNTY BOARD OF SUPERVISORS

701 Ocean Street
Santa Cruz, California 95060

SUBJECT: 2002/2003 COUNTY SERVICE AREAS NO. 2, 5, 7, 10, AND 20
SEWER SERVICE CHARGE FEE INCREASES

Members of the Board:

The Public Works Department has been providing sewer service to the subject County Service Areas (CSA) for the past six to ten years without raising the sewer charge rates. This year, however, the Public Works Department must increase the rates to account for the cost of living increase, replacement and repairs to an aging infrastructure, the attendant increased labor cost associated with such systems, and payment for the utility cost increases currently being charged by Pacific Gas and Electric Company.

With the ages of the treatment plants ranging from 16 to 30 years old, Water and Wastewater Operations staff have had to increase weekday and weekend maintenance time at each of the CSA wastewater treatment facilities to assure that each plant meets current discharge standards. Preventive maintenance is required for the CSAs to remain within the State's guidelines and requirements for sewer treatment and discharges. Lack of proper maintenance could result in significant fines being levied against the CSAs by the State. Accordingly, the proposed rate increases also reflect an increase in the amount of capital replacement reserves needed to account for preventive maintenance of the aging infrastructure.

It is anticipated that future rate increases may be needed in order to rebuild and maintain various parts of the plants. Public Works expects to undertake a detailed rate study of all five CSAs as well as Davenport and Freedom County Sanitation Districts in the coming year. Each CSA is individually described below and summarized in Attachment "A."

CSA No. 2, Place de Mer

0228

This two-pump station community septic tank system, built in 1972, needs new electrical equipment (approximately \$55,000.00) and a new generator. Each of the pump stations need an additional pump installed to maintain conformity with regulatory agencies. The increase in utility costs, the time necessary for repairs (increased maintenance cost) to an aging system, and the purchase of new equipment requires an increase to the existing sewer service charge rate in order to operate responsibly and to prevent spilling sewage onto the beach. The rates for this multi-purpose CSA have not been increased since 1995. The annual sewer rate for CSA No. 2 is proposed to increase for the Apartment and Park Zones from \$402.42 per unit to \$503.00 per unit. This will result in the total CSA rate increasing from \$428.95 to \$558.49 for the Park and Apartment Zones. The annual overall rate for the Townhome Zone is proposed to increase from \$481.02 per unit to \$612.84 per unit, which includes the sewer rate increase and contract sewer flushing required for the townhomes. The rates for the Hill Zone will remain the same, since they are not served by the community septic system.

CSA No. 5, Sand Dollar Beach Zone

The Sand Dollar Treatment Plant was constructed in 1967. The increase in utility costs for this plant and its associated pump stations, the greatly reduced interest income due to dwindling reserves and lower interest rates, and the cost of increased maintenance and operations for the aging plant have resulted in a substantial decrease in fund balance. This requires a need to increase the annual rates for the Sand Dollar Beach Zone of CSA No. 5 from \$870.45 to \$920.45 per parcel. The adjacent Canon del Sol Zone will not require any increase, since they currently maintain adequate reserve funds.

CSA No. 7, Boulder Creek

The Boulder Creek Treatment Plant, built in 1977, requires numerous upgrades including upgrading a force main that is more than twenty years old. The force main is currently being televised to determine which sections must be replaced. Additionally, several extra hours are now spent on weekends and on regular workdays to maintain the aging treatment plant to meet current discharge standards. Modifications to portions of the plant are necessary to optimize the treatment of sewage and to provide tertiary treated water. Currently, new pumps and motors are needed to replace the worn out pumping system. The increase in utility costs, building of a capital replacement reserve, the time necessary to perform repairs (increased maintenance cost) to an aging system and the replacement of the force main require an increase to the existing rate in order to operate the treatment plant according to State law. The rates have not been increased since 1991. The annual sewer rate for CSA No. 7 is proposed to increase from \$725.00 per parcel to \$906.07 per parcel.

CSA No. 10, Rolling Woods

An increase to the existing sewer service charge rate for Rolling Woods is needed to account for additional operator time required to maintain the plant, built in 1986, an increased capital replacement reserve and for increases in utility costs. The rates for this CSA have not been raised since 1991. The annual sewer rate for CSA No. 10 is proposed to increase from \$1,065.00 per parcel to \$1,335.59 per parcel.

CSA No. 20, Trestle Beach

The Trestle Beach treatment plant, built in 1979, requires electrical upgrades and has experienced utility cost increases. Maintenance and operation of the aging plant now require the operators to be present Saturdays and Sundays to meet current discharge standards. These changes and the need to build a capital replacement reserve require the existing sewer service charge rates to be increased. The rates for this CSA have not been increased since 1991. The annual sewer rate for CSA No. 20 is proposed to increase from \$1,000.00 per parcel to \$1,250.00 per parcel.

As CSA Nos. 2, 5, 7, 10, and 20 fees are considered property-related charges, any increase in rates will have to comply with Proposition 218 procedures. Although these particular fees are considered health and safety-related costs, these procedures require that a public hearing be held to hear and consider any protests on the proposed rate increase. Furthermore, 45 days prior to the public hearing, a notice must be mailed to each property owner within CSA Nos. 2, 5, 7, 10, and 20. This notice must state the amount of the proposed increase to the charge, the reason for the charge, and the date, time, and location of the public hearing (see Attachment "B"). Lastly, the public hearing must be advertised at least 45 days prior to the public hearing in a newspaper of general circulation (Attachment "A").

Once the 2002/2003 rates have been established and approved by your Board, a second public hearing will be advertised.

It is therefore recommended that the Board of Supervisors take the following action:

1. Adopt the attached resolution setting Tuesday, May 7, 2002, during the morning agenda (which begins at 9:00 a.m.), as the date and time for a public hearing on CSA Nos. 2, 5, 7, 10, and 20 rates.
2. Approve the attached notice of public hearing (Attachment "B") on the proposed 2002/2003 property related charges for CSA Nos. 2, 5, 7, 10, and 20 and direct the Department of Public Works to mail out the notice to all affected property owners within CSA Nos. 2, 5, 7, 10, and 20 at least 45 days prior to the May 7, 2002, public hearing.

3. Direct the Clerk of the Board to publish the attached notice of public hearing (Attachment "A") once 45 days prior to the hearing and then again once a week for two weeks prior to the hearing in a newspaper of general circulation.

Yours truly,



THOMAS L. BOLICH
Director of Public Works

RLL:mg

Attachments

RECOMMENDED FOR APPROVAL:



County Administrative Officer

copy to: Public Works

NOTICE OF PUBLIC HEARING ON PROPOSED
INCREASED PROPERTY RELATED CHARGE FOR SEWER AND MISCELLANEOUS
SERVICES WITHIN COUNTY SERVICE AREA NO. 2, PLACE DE MER AND FOR 0231
SEWER SERVICE WITHIN COUNTY SERVICE AREA NO. 5, SAND DOLLAR BEACH;
NO. 7, BOULDER CREEK; NO. 10, ROLLING WOODS; AND NO. 20, TRESTLE BEACH

(SUMMARY)

NOTICE IS HEREBY GIVEN that the Santa Cruz County Board of Supervisors has scheduled a public hearing for Tuesday, May 7, 2002, which begins at 9:00 a.m. or thereafter in the Board Chambers, 701 Ocean Street, Room 525, Santa Cruz, California, to consider the adoption of a proposed resolution authorizing and levying an increased property related charge in compliance with Proposition 218 ("The Taxpayers Right to Vote Initiative") for the purpose of providing funding for sewer within County Service Area (CSA) No. 2, Place de Mer and sewer services within CSA No. 5, Sand Dollar Beach; CSA No. 7, Boulder Creek; CSA No. 10, Rolling Woods; and CSA No. 20, Trestle Beach. The charge for these sewer services for the 2002/2003 fiscal year, together with possible cost of living adjustments authorized for future fiscal years, is proposed to be increased as follows:

<u>CSA No</u>	<u>CSA Name</u>	<u>2001/2002</u> <u>CSA Rates</u> <u>\$ Per Year Per Parcel</u>		<u>Proposed 2002/2003</u> <u>CSA Rates</u> <u>\$ Per Year Per Parcel</u>	
2	Place De Mer	Zone A (Apartments)	\$ 428.95	\$ 558.49	
		Zone H (Hill)	\$ 55.54	\$ 55.54	
		Zone P (Park)	\$ 428.95	\$ 558.49	
		Zone T (Townhome)	\$ 481.02	\$ 612.84	
5	Sand Dollar Beach Zone		\$ 870.45	\$ 920.45	
7	Boulder Creek		\$ 725.00	\$ 906.07	
10	Rolling Woods		\$1,065.00	\$1,335.59	
20	Trestle Beach		\$1,000.00	\$1,250.00	

Notice is further given that at the time, date, and place stated above, the Board of Supervisors shall hear and consider all objections or written protests, if any, against the proposed increased charge. Further information regarding the proposed increased charge is on file with the Clerk of the Board of Supervisors, 701 Ocean Street, Room 500, Santa Cruz, California. If you have any questions regarding the proposed CSA property related charges above, please call Eleanor Anderson at (831) 454-2790.

Note: The public may attend the public hearing and/or comment on this matter. Testimony may be presented in person or submitted in written form prior to the hearing and made a part of the hearing record.

The County complies with the Americans with Disabilities Act (ADA). Questions regarding accommodation under the ADA should be directed to the Clerk of the Board at (831) 454-2323.

BY ORDER OF THE BOARD OF SUPERVISORS
By: Gail Borkowski, Chief Deputy Clerk

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ATTACHMENT "A"



NOTICE OF PUBLIC HEARING ON PROPOSED 2002/2003 PROPERTY RELATED CHARGE FOR SEWER AND MISCELLANEOUS SERVICES WITHIN COUNTY SERVICE AREA NO. 2, PLACE DE MER

IMPORTANT NOTICE

NOTICE IS HEREBY GIVEN that the Santa Cruz County Board of Supervisors has scheduled a public hearing for Tuesday, May 7, 2002, which begins at **9:00 a.m.** or thereafter in the Board Chambers, 701 Ocean Street, Room 525, Santa Cruz, California, to consider the adoption of a proposed resolution authorizing and levying an increased property related charge in compliance with Proposition 218 ("The Taxpayers Right to Vote Initiative") for the purpose of providing funding for sewer and miscellaneous services within County Service Area (CSA) No. 2, Place de Mer.

Notice is further given that at the time, date, and place stated above, the Board of Supervisors shall hear and consider all objections or written protests, if any, against the proposed increased charge. **For additional information regarding the proposed charge, please see the reverse side of this Notice.** If you have any questions regarding the proposed CSA No. 2 property related charge, please call Eleanor Anderson at (831) 454-2790.

Note: The public may attend the public hearing and/or comment on this matter. Testimony may be presented in person or submitted in written form prior to the hearing and made a part of the hearing record.

The County complies with the Americans with Disabilities Act (ADA). Questions regarding accommodation under the ADA should be directed to the Clerk of the Board at (831) 454-2323.

ATTACHMENT "B"

PROPERTY-RELATED CHARGE
INFORMATION

0233

1. The total amount of the proposed assessments for sewer and miscellaneous service within County Service Area No. 2, Place de Mer for the 2002/2003 fiscal year is \$46,895.42.

2. The amount of the proposed assessment on your parcel, based on your zone, for the 2002/2003 fiscal year is as follows:

Park Zone	\$558.49
Hill Zone	\$ 55.54
Townhouse Zone	\$612.84
Apartment Zone	\$558.49

3. The proposed property related charge is an annual fee and will continue indefinitely.

4. The express purpose for which this property related charge is levied is to provide a source of funding for County Service Area No. 2, Place de Mer, for sewer and miscellaneous services.

5. The property related charge for each parcel within Place de Mer is derived by dividing the total anticipated expenditure for 2002/2003 which will be \$73,180.56 (minus other revenue sources) by the number of developed parcels within the County Service Area which are connected to the sewer system.

6. Parcels which have been determined to be unbuildable by the Planning Department or Environmental Health regulations, common areas, and parcels with an assessed valuation of \$5,000.00 or less will not be charged.

7. For each fiscal year after 2002/2003, the property related assessment rate may be increased by a percentage which does not exceed the percentage increase in the Consumer Price Index, All Urban Consumers for the San Francisco/Oakland Metropolitan Area, as published by the U.S. Department of Labor, Bureau of Labor Statistics, (or in any price index which replaces that index in the future) for the prior calendar year. The property related charge will be increased only when necessary to meet approved expenses, and would not increase automatically each year. If in any year the assessment rate is not increased, or is increased

by an amount less than the increase in the Consumer Price Index, the difference between the rate of the increase in the assessment rate and the rate of increase in the Consumer Price Index will remain available for use in future years to raise the assessment rate as necessary to meet approved expenses.

ATTACHMENT "B"

COUNTY OF SANTA CRUZ

0234



NOTICE OF PUBLIC HEARING ON PROPOSED 2002/2003 PROPERTY RELATED CHARGE FOR SEWER SERVICES WITHIN COUNTY SERVICE AREA NO. 5 SAND DOLLAR BEACH

IMPORTANT NOTICE

NOTICE IS HEREBY GIVEN that the Santa Cruz County Board of Supervisors has scheduled a public hearing for Tuesday, May 7, 2002, which begins at 9:00 a.m. or thereafter in the Board Chambers, 701 Ocean Street, Room 525, Santa Cruz, California, to consider the adoption of a proposed resolution authorizing and levying an increased property related charge in compliance with Proposition 218 ("The Taxpayers Right to Vote Initiative") for the purpose of providing funding for sewer services within County Service Area (CSA) No. 5, Sand Dollar Beach Zone.

Notice is further given that at the time, date, and place stated above, the Board of Supervisors shall hear and consider all objections or written protests, if any, against the proposed increased charge. **For additional information regarding the proposed charge, please see the reverse side of this Notice.** If you have any questions regarding the proposed CSA No. 5 property related charge, please call Eleanor Anderson at (831) 454-2790.

Note: The public may attend the public hearing and/or comment on this matter. Testimony may be presented in person or submitted in written form prior to the hearing and made a part of the hearing record.

The County complies with the Americans with Disabilities Act (ADA). Questions regarding accommodation under the ADA should be directed to the Clerk of the Board at (831) 454-2323.

ATTACHMENT "B"

PROPERTY-RELATED CHARGE
INFORMATION

0235

1. The total amount of the proposed assessments for sewer and miscellaneous service within County Service Area No. 5, Sand Dollar Beach Zone for the 2002/2003 fiscal year is \$79,158.70.

2. The amount of the proposed assessment on your parcel, for the 2002/2003 fiscal year is \$920.45.

3. The proposed property related charge is an annual fee and will continue indefinitely.

4. The express purpose for which this property related charge is levied is to provide a source of funding for County Service Area No. 5, Sand Dollar Beach Zone, for sewer services.

5. The property related charge for each parcel within Sand Dollar Beach Zone is derived by dividing the total anticipated expenditure for 2002/2003 which will be \$99,935 (minus other revenue sources) by the number of developed parcels within this Zone of the County Service Area which are connected to the sewer system.

6. Parcels which have been determined to be unbuildable by the Planning Department or Environmental Health regulations, common areas, and parcels with an assessed valuation of \$5,000.00 or less will not be charged.

7. For each fiscal year after 2002/2003, the property related assessment rate *may* be increased by a percentage which does not exceed the percentage increase in the Consumer Price Index, All Urban Consumers for the San Francisco/Oakland Metropolitan Area, as published by the U.S. Department of Labor, Bureau of Labor Statistics, (or in any price index which replaces that index in the future) for the prior calendar year. The property related charge will be increased only when necessary to meet approved expenses, and would not increase automatically each year. If in any year the assessment rate is not increased, or is increased by an amount less than the increase in the Consumer Price Index, the difference between the rate of the increase in the assessment rate and the rate of increase in the Consumer Price Index will remain available for use in future years to raise the assessment rate as necessary to meet approved expenses.

ATTACHMENT "B"

COUNTY OF SANTA CRUZ



0236

NOTICE OF PUBLIC HEARING ON PROPOSED 2002/2003 PROPERTY RELATED CHARGE FOR SEWER SERVICE WITHIN COUNTY SERVICE AREA NO. 7 BOULDER CREEK

IMPORTANT NOTICE

NOTICE IS HEREBY GIVEN that the Santa Cruz County Board of Supervisors has scheduled a public hearing for Tuesday, May 7, 2002, which begins at 9:00 a.m. or thereafter in the Board Chambers, 701 Ocean Street, Room 525, Santa Cruz, California, to consider the adoption of a proposed resolution authorizing and levying an increased property related charge in compliance with Proposition 218 ("The Taxpayers Right to Vote Initiative") for the purpose of providing funding for sewer service within County Service Area (CSA) No. 7, Boulder Creek.

Notice is further given that at the time, date, and place stated above, the Board of Supervisors shall hear and consider all objections or written protests, if any, against the proposed increased charge. **For additional information regarding the proposed charge, please see the reverse side of this Notice.** If you have any questions regarding the proposed CSA No. 7 property related charge, please call Eleanor Anderson at (831) 454-2790.

Note: The public may attend the public hearing and/or comment on this matter. Testimony may be presented in person or submitted in written form prior to the hearing and made a part of the hearing record.

The County complies with the Americans with Disabilities Act (ADA). Questions regarding accommodation under the ADA should be directed to the Clerk of the Board at (831) 454-2323.

ATTACHMENT "B"

PROPERTY-RELATED CHARGE
INFORMATION

0237

1. The total amount of the proposed assessments for sewer service within County Service Area No. 7, Boulder Creek for the 2002/2003 fiscal year is \$235,578.46.

2. The amount of the proposed assessment on your parcel for the 2002/2003 fiscal year is \$906.07.

3. The proposed property related charge is an annual fee and will continue indefinitely.

4. The express purpose for which this property related charge is levied is to provide a source of funding for County Service Area No. 7, Boulder Creek for sewer services.

5. The property related charge for each parcel within Boulder Creek is derived by dividing the total anticipated expenditure for 2002/2003 which will be \$357,850.00 (minus other revenue sources) by the number of developed parcels within the County Service Area which are connected to the sewer system.

6. Parcels which have been determined to be unbuildable by the Planning Department or Environmental Health regulations, common areas, and parcels with an assessed valuation of \$5,000.00 or less will not be charged.

7. For each fiscal year after 2002/2003, the property related assessment rate may be increased by a percentage which does not exceed the percentage increase in the Consumer Price Index, All Urban Consumers for the San Francisco/Oakland Metropolitan Area, as published by the U.S. Department of Labor, Bureau of Labor Statistics, (or in any price index which replaces that index in the future) for the prior calendar year. The property related charge will be increased only when necessary to meet approved expenses, and would not increase automatically each year. If in any year the assessment rate is not increased, or is increased by an amount less than the increase in the Consumer Price Index, the difference between the

the rate of the increase in the assessment rate and the rate of increase in the Consumer Price Index will remain available for use in future years to raise the assessment rate as necessary to meet approved expenses.

ATTACHMENT "B"



NOTICE OF PUBLIC HEARING ON PROPOSED 2002/2003 PROPERTY RELATED CHARGE FOR SEWER SERVICE WITHIN COUNTY SERVICE AREA NO. 10, ROLLING WOODS

IMPORTANT NOTICE

NOTICE IS HEREBY GIVEN that the Santa Cruz County Board of Supervisors has scheduled a public hearing for Tuesday, May 7, 2002, which begins at 9:00 a.m. or thereafter in the Board Chambers, 701 Ocean Street, Room 525, Santa Cruz, California, to consider the adoption of a proposed resolution authorizing and levying an increased property related charge in compliance with Proposition 218 ("The Taxpayers Right to Vote Initiative") for the purpose of providing funding for sewer service within County Service Area (CSA) No. 10, Rolling Woods.

Notice is further given that at the time, date, and place stated above, the Board of Supervisors shall hear and consider all objections or written protests, if any, against the proposed increased charge. **For additional information regarding the proposed charge, please see the reverse side of this Notice.** If you have any questions regarding the proposed CSA No. 10 property related charge, please call Eleanor Anderson at (831) 454-2790.

Note: The public may attend the public hearing and/or comment on this matter. Testimony may be presented in person or submitted in written form prior to the hearing and made a part of the hearing record.

The County complies with the Americans with Disabilities Act (ADA). Questions regarding accommodation under the ADA should be directed to the Clerk of the Board at (831) 454-2323.

ATTACHMENT "B"

PROPERTY-RELATED CHARGE
INFORMATION

0239

1. The total amount of the proposed assessments for sewer and service within County Service Area No. 10, Rolling Woods for the 2002/2003 fiscal year is \$40,067.71.

2. The amount of the proposed assessment on your parcel for the 2002/2003 fiscal year is \$1,335.59

3. The proposed property related charge is an annual fee and will continue indefinitely.

4. The express purpose for which this property related charge is levied is to provide a source of funding for County Service Area No. 10, Rolling Woods for sewer services.

5. The property related charge for each parcel within Rolling Woods is derived by dividing the total anticipated expenditure for 2002/2003 which will be \$57,350.00 (minus other revenue sources) by the number of developed parcels within the County Service Area which are connected to the sewer system.

6. Parcels which have been determined to be unbuildable by the Planning Department or Environmental Health regulations, common areas, and parcels with an assessed valuation of \$5,000.00 or less will not be charged.

7. For each fiscal year after 2002/2003, the property related assessment rate may be increased by a percentage which does not exceed the percentage increase in the Consumer Price Index, All Urban Consumers for the San Francisco/Oakland Metropolitan Area, as published by the U.S. Department of Labor, Bureau of Labor Statistics, (or in any price index which replaces that index in the future) for the prior calendar year. The property related charge will be increased only when necessary to meet approved expenses, and would not increase automatically each year. If in any year the assessment rate is not increased, or is increased by an amount less than the increase in the Consumer Price Index, the difference between the

rate of the increase in the assessment rate and the rate of increase in the Consumer Price Index will remain available for use in future years to raise the assessment rate as necessary to meet approved expenses.

ATTACHMENT "B"

COUNTY OF SANTA CRUZ

0240



NOTICE OF PUBLIC HEARING ON PROPOSED 200212003 PROPERTY RELATED CHARGE FOR SEWER SERVICE WITHIN COUNTY SERVICE AREA NO. 20, TRESTLE BEACH

IMPORTANT NOTICE

NOTICE IS HEREBY GIVEN that the Santa Cruz County Board of Supervisors has scheduled a public hearing for Tuesday, May 7, 2002, which begins at 9:00 a.m. or thereafter in the Board Chambers, 701 Ocean Street, Room 525, Santa Cruz, California, to consider the adoption of a proposed resolution authorizing and levying an increased property related charge in compliance with Proposition 218 ("The Taxpayers Right to Vote Initiative") for the purpose of providing funding for sewer service within County Service Area (CSA) No. 20, Trestle Beach.

Notice is further given that at the time, date, and place stated above, the Board of Supervisors shall hear and consider all objections or written protests, if any, against the proposed increased charge. **For additional information regarding the proposed charge, please see the reverse side of this Notice.** If you have any questions regarding the proposed CSA No. 20 property related charge, please call Eleanor Anderson at (831) 454-2790.

Note: The public may attend the public hearing and/or comment on this matter. Testimony may be presented in person or submitted in written form prior to the hearing and made a part of the hearing record.

The County complies with the Americans with Disabilities Act (ADA). Questions regarding accommodation under the ADA should be directed to the Clerk of the Board at (831) 454-2323.

ATTACHMENT "B"

PROPERTY-RELATED CHARGE
INFORMATION

0241

1. The total amount of the proposed assessments for sewer service within County Service Area No. 20, Trestle Beach for the 2002/2003 fiscal year is \$26,250.00.

2. The amount of the proposed assessment on your parcel for the 2002/2003 fiscal year is \$1,250.00.

3. The proposed property related charge is an annual fee and will continue indefinitely.

4. The express purpose for which this property related charge is levied is to provide a source of funding for County Service Area No. 20, Trestle Beach for sewer services.

5. The property related charge for each parcel within Trestle Beach is derived by dividing the total anticipated expenditure for 2002/2003 which will be \$33,472.00 (minus other revenue sources) by the number of developed parcels within the County Service Area which are connected to the sewer system.

6. Parcels which have been determined to be unbuildable by the Planning Department or Environmental Health regulations, common areas, and parcels with an assessed valuation of \$5,000.00 or less will not be charged.

7. For each fiscal year after 2002/2003, the property related assessment rate may be increased by a percentage which does not exceed the percentage increase in the Consumer Price Index, All Urban Consumers for the San Francisco/Oakland Metropolitan Area, as published by the U.S. Department of Labor, Bureau of Labor Statistics, (or in any price index which replaces that index in the future) for the prior calendar year. The property related charge will be increased only when necessary to meet approved expenses, and would not increase automatically each year. If in any year the assessment rate is not increased, or is increased by an amount less than the increase in the Consumer Price Index, the difference between the

rate of the increase in the assessment rate and the rate of increase in the Consumer Price Index will remain available for use in future years to raise the assessment rate as necessary to meet approved expenses.

"ATTACHMENT B"