ORDINANCE NO. 003

AN ORDINANCE OF THE VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY AMENDING RATES FOR ACCEPTANCE OF SEPTAGE WASTE

WHEREAS, the Victor Valley Wastewater Reclamation Authority (AVVWRA@) operates the Interim Septage Receiving Facility (the "Facility") to accept septage and chemical toilet waste for treatment;

WHEREAS, in August of 2001, the Board of Commissioners of VVWRA established a rate of \$0.0507 per gallon to be charged to those hauling waste to the Facility;

WHEREAS, the \$0.0507 rate currently charged to those hauling waste to the Facility was established in anticipation of receiving an average flow of 40,000 gallons of waste each day that the Facility would be open for business, and that the strength of the waste would be consistent with previous studies;

WHEREAS, VVRWA staff and the Technical Advisory Committee ("TAC") of VVWRA have undertaken a review of the Facility's operations and found that between October 1, 2001, and November 30, 2002, VVWRA accepted an average of only 16,965 gallons of septage per day at the Facility, and the strength of the waste was significantly higher than expected;

WHEREAS, VVWRA staff and the TAC have also undertaken a review of the fiscal impact to VVWRA of operating the Facility while receiving less than fifty percent of the amount of septage and chemical toilet waste that had been originally estimated and determined that the \$0.0507 per gallon charge no longer represents the actual cost of operation of the Facility;

WHEREAS, the TAC has recommended that the charge to septage waste haulers be increased to reflect the actual cost of operation of the Facility, including the necessary capital recovery assessment;

WHEREAS, the VVWRA Board of Commissioners has determined, based on the recommendations from VVWRA staff and the TAC, as well as the Commission's independent review of the matter, that the rates charged to those hauling septage and chemical toilet waste to the Facility should be increased to reflect the actual cost of operation of the Facility.

NOW THEREFORE, the Board of Commissioners of the Victor Valley Wastewater Reclamation Authority does hereby ordain as follows:

SECTION 1. As of April 1, 2003, the effective date of this Ordinance, the rate to be charged to those hauling septage and chemical toilet waste to the Facility shall be increased to \$0.0783 per gallon received, which amount reflects the actual cost to operate the Facility, including the necessary capital recovery assessment.

Page 1 of 2

8

SECTION 2. This Ordinance shall take effect and be in full force on April 1, 2003, after its adoption. Prior to the expiration of fifteen (15) days from its adoption, the Ordinance or a summary of it shall be published in <u>The Daily Press</u>, a newspaper of general circulation within the boundaries of the Victory Valley Wastewater Reclamation Authority.

APPROVED AND ADOPTED this 25th day of February, 2003 by the following

vote:

AYES:

NOES:

ABSTENTIONS:

Robert G. Sagona

Chair, VVWRA Board of Commissioners

ATTEST:

John Graff
Secretary, VVWRA Board of Commissioners

APPROVED AS TO FORM:

James P. Morris, for Best Best & Krieger LLP

General Counsel, VVWRA