



May 16, 2019

Board of Directors
Ventura Regional Sanitation District
Ventura, California

MALIBU BAY CLUB ONSITE WASTEWATER TREATMENT SYSTEM SEWER SERVICE CHARGES FOR COLLECTION ON COUNTY OF VENTURA PROPERTY TAX ROLLS FOR FISCAL YEAR 2019-20

RECOMMENDATIONS:

- A. Accept the VRSD report listing parcels at the Malibu Bay Club to be placed on the County tax rolls for collection of related sewer service charges in FY 2019-20 (Attachment 1);
- B. Set 8:30 a.m. on June 20, 2019, at the Ventura Regional Sanitation District Board Room, 1001 Partridge Drive, Ventura, California, as the time and place for a public hearing to be held on the VRSD report listing parcels at the Malibu Bay Club to be placed on the County property tax rolls for collection of related sewer service charges in FY 2019-20;
- C. Approve and Adopt Resolution 19-02 to have Malibu Bay Club onsite wastewater treatment system sewer service charges for FY 2019-20 collected on the County of Ventura tax rolls (Attachment 2) following the June 20, 2019 hearing; and
- D. Direct VRSD staff to publish notice of June 20, 2019 hearing in accordance with Government Code section 6066 (Attachment 3).

FISCAL IMPACT

Collecting sewer service fees in this manner is extremely efficient and economical compared to costs associated with direct mailing and individual fee payer collection by the VRSD staff. There are also significant savings that result from not having to prepare and mail statements, process receipts, track payments, and handle late and delinquent payments.

BACKGROUND/ANALYSIS

The Ventura Regional Sanitation district collects sewer service charges from the Malibu Bay Club through the Ventura County general tax rolls by a method provided in California Health & Safety Code Section 5473. Section 5473 states that any sanitation and sewerage agency which has adopted an ordinance or resolution pursuant to Health &

Safety Code section 6520.5, which VRSD has done with Ordinance No. VRSD-114 (Attachment 4) on July 2, 2015, may “elect to have such charges collected on the tax roll in the same manner, by the same persons, and at the same time as, together with and not separately from, its general taxes. In such event, it shall cause a written report to be prepared each year and filed with the clerk, which shall contain a description of each parcel of real property receiving such services and facilities and the amount of the charge for each parcel for the year, computed in conformity with the charges prescribed by the ordinance or resolution.”

A complete listing of Malibu Bay Club parcels/condominium units must be approved by the Board prior to being placed on the tax rolls for collection of sewer service charges. Therefore, a listing of parcels currently on the tax rolls is submitted for your approval and reentry on the tax rolls for collection in FY 2019-20 (Attachment 1).

There are no new first-time parcels related to the Malibu Bay Club to be placed on the Ventura County property tax rolls for FY 2019-20. The procedures necessary to implement sewer service charge collection by placement on the Ventura County general tax rolls have been reviewed and approved by Legal Counsel.

It is recommended that the Health & Safety Code Section 5473-required hearing be held at your regular June 20, 2019 meeting. Public hearing notices will be published once a week for two successive weeks in accordance with the terms and conditions of Government Code section 6066.

Attachment 1 is on file with the Clerk of the Board and copies will be available at the meeting and upon request from any interested member of the public.

This letter and the corresponding attachments have been reviewed by Legal Counsel as to form.

If you have any questions or need additional information, please contact me by phone at (805) 658-4646 or via email at tinarivera@vrzd.com.



ALVERTINA RIVERA, DIRECTOR OF FINANCE



APPROVED FOR AGENDA: _____

Chris Theisen, General Manager

Attachments:

- Attachment 1: Malibu Bay Club parcel list
- Attachment 2: Proposed VRSD Resolution No. 19-02
- Attachment 3: Notice of Public Hearing
- Attachment 4: VRSD Ordinance No. 114

**MALIBU BAY CLUB
DISTRICT 04-20 ASSESSMENT
FY 19/20 - PRELIMINARY AS OF 04/29/19**

APN	Situs No	Situs Street	Assessment
700-0-220-015	11828	BEACH CLUB	\$1,955.28
700-0-220-025	11832	BEACH CLUB	\$1,955.28
700-0-220-035	11836	BEACH CLUB	\$1,955.28
700-0-220-045	11840	BEACH CLUB	\$1,955.28
700-0-220-055	11844	BEACH CLUB	\$1,955.28
700-0-220-065	11850	BEACH CLUB	\$1,955.28
700-0-220-075	11852	BEACH CLUB	\$1,955.28
700-0-220-085	11856	BEACH CLUB	\$1,955.28
700-0-220-095	11860	BEACH CLUB	\$1,955.28
700-0-220-105	11862	BEACH CLUB	\$1,955.28
700-0-220-115	11870	BEACH CLUB	\$1,955.28
700-0-220-125	11874	BEACH CLUB	\$1,955.28
700-0-220-135	11876	BEACH CLUB	\$1,955.28
700-0-220-145	11882	BEACH CLUB	\$1,955.28
700-0-220-155	11884	BEACH CLUB	\$1,955.28
700-0-220-165	11892	BEACH CLUB	\$1,955.28
700-0-220-175	11896	BEACH CLUB	\$1,955.28
700-0-220-205	11908	BEACH CLUB	\$1,955.28
700-0-220-215	11922	BEACH CLUB	\$1,955.28
700-0-220-225	11926	BEACH CLUB	\$1,955.28
700-0-220-235	11928	BEACH CLUB	\$1,955.28
700-0-220-245	11934	BEACH CLUB	\$1,955.28
700-0-220-255	11936	BEACH CLUB	\$1,955.28
700-0-220-265	11942	BEACH CLUB	\$1,955.28
700-0-220-275	11948	BEACH CLUB	\$1,955.28
700-0-220-285	11950	BEACH CLUB	\$1,955.28
700-0-220-295	11952	BEACH CLUB	\$1,955.28
700-0-220-335	11914	BEACH CLUB	\$1,955.28
700-0-220-355	11906	BEACH CLUB	\$3,910.56
700-0-230-025	11854	STARFISH	\$1,955.28
700-0-230-035	11856	STARFISH	\$1,955.28
700-0-230-045	11858	STARFISH	\$1,955.28
700-0-230-055	11860	STARFISH	\$1,955.28
700-0-230-065	11862	STARFISH	\$1,955.28
700-0-230-075	11866	STARFISH	\$1,955.28
700-0-230-085	11868	STARFISH	\$1,955.28
700-0-230-095	11872	STARFISH	\$1,955.28
700-0-230-105	11874	STARFISH	\$1,955.28
700-0-230-115	11876	STARFISH	\$1,955.28
700-0-230-125	11880	STARFISH	\$1,955.28
700-0-230-135	11882	STARFISH	\$1,955.28
700-0-230-155	11844	CORAL REEF	\$1,955.28

**MALIBU BAY CLUB
DISTRICT 04-20 ASSESSMENT
FY 19/20 - PRELIMINARY AS OF 04/29/19**

APN	Situs No	Situs Street	Assessment
700-0-230-165	11848	CORAL REEF	\$1,955.28
700-0-230-175	11850	CORAL REEF	\$1,955.28
700-0-230-185	11854	CORAL REEF	\$1,955.28
700-0-230-195	11856	CORAL REEF	\$1,955.28
700-0-230-205	11858	CORAL REEF	\$1,955.28
700-0-230-215	11862	CORAL REEF	\$1,955.28
700-0-230-225	11864	CORAL REEF	\$1,955.28
700-0-230-235	11866	CORAL REEF	\$1,955.28
700-0-230-245	11870	CORAL REEF	\$1,955.28
700-0-230-255	11872	CORAL REEF	\$1,955.28
700-0-230-265	11874	CORAL REEF	\$1,955.28
700-0-230-275	11876	CORAL REEF	\$1,955.28
700-0-230-285	11880	CORAL REEF	\$1,955.28
700-0-230-305	11838	EBB TIDE	\$1,955.28
700-0-230-315	11836	EBB TIDE	\$1,955.28
700-0-230-325	11840	EBB TIDE	\$1,955.28
700-0-230-335	11842	EBB TIDE	\$1,955.28
700-0-230-345	11846	EBB TIDE	\$1,955.28
700-0-230-355	11848	EBB TIDE	\$1,955.28
700-0-230-365	11850	EBB TIDE	\$1,955.28
700-0-230-375	11854	EBB TIDE	\$1,955.28
700-0-230-385	11856	EBB TIDE	\$1,955.28
700-0-230-395	11858	EBB TIDE	\$1,955.28
700-0-230-405	11862	EBB TIDE	\$1,955.28
700-0-230-415	11864	EBB TIDE	\$1,955.28
700-0-230-425	11866	EBB TIDE	\$1,955.28
700-0-230-435	11868	EBB TIDE	\$1,955.28
700-0-230-445	11870	EBB TIDE	\$1,955.28
700-0-230-455	11874	EBB TIDE	\$1,955.28
700-0-240-025	11912	WHALERS	\$1,955.28
700-0-240-035	11914	WHALERS	\$1,955.28
700-0-240-045	11916	WHALERS	\$1,955.28
700-0-240-055	11920	WHALERS	\$1,955.28
700-0-240-065	11922	WHALERS	\$1,955.28
700-0-240-075	11924	WHALERS	\$1,955.28
700-0-240-085	11926	WHALERS	\$1,955.28
700-0-240-095	11928	WHALERS	\$1,955.28
700-0-240-105	11934	WHALERS	\$1,955.28
700-0-240-115	11936	WHALERS	\$1,955.28
700-0-240-125	11938	WHALERS	\$1,955.28
700-0-240-135	11940	WHALERS	\$1,955.28
700-0-240-145	11942	WHALERS	\$1,955.28

**MALIBU BAY CLUB
DISTRICT 04-20 ASSESSMENT
FY 19/20 - PRELIMINARY AS OF 04/29/19**

APN	Situs No	Situs Street	Assessment
700-0-240-155	11946	WHALERS	\$1,955.28
700-0-240-165	11948	WHALERS	\$1,955.28
700-0-240-175	11950	WHALERS	\$1,955.28
700-0-240-185	11952	WHALERS	\$1,955.28
700-0-240-195	11956	WHALERS	\$1,955.28
700-0-240-205	11958	WHALERS	\$1,955.28
700-0-240-215	11962	WHALERS	\$1,955.28
700-0-240-225	11964	WHALERS	\$1,955.28
700-0-240-235	11966	WHALERS	\$1,955.28
700-0-240-245	11968	WHALERS	\$1,955.28
700-0-240-255	11972	WHALERS	\$1,955.28
700-0-240-275	11896	WHITE WATER	\$1,955.28
700-0-240-285	11900	WHITE WATER	\$1,955.28
700-0-240-295	11902	WHITE WATER	\$1,955.28
700-0-240-305	11906	WHITE WATER	\$1,955.28
700-0-240-315	11908	WHITE WATER	\$1,955.28
700-0-240-325	11910	WHITE WATER	\$1,955.28
700-0-240-335	11912	WHITE WATER	\$1,955.28
700-0-240-345	11916	WHITE WATER	\$1,955.28
700-0-240-355	11918	WHITE WATER	\$1,955.28
700-0-240-365	11920	WHITE WATER	\$1,955.28
700-0-240-375	11924	WHITE WATER	\$1,955.28
700-0-240-385	11926	WHITE WATER	\$1,955.28
700-0-240-395	11928	WHITE WATER	\$1,955.28
700-0-240-405	11930	WHITE WATER	\$1,955.28
700-0-240-415	11932	WHITE WATER	\$1,955.28
700-0-240-425	11936	WHITE WATER	\$1,955.28
700-0-240-435	11938	WHITE WATER	\$1,955.28
700-0-240-445	11940	WHITE WATER	\$1,955.28
700-0-240-455	11942	WHITE WATER	\$1,955.28
700-0-240-465	11946	WHITE WATER	\$1,955.28
700-0-240-475	11948	WHITE WATER	\$1,955.28
700-0-240-485	11952	WHITE WATER	\$1,955.28
700-0-240-495	11958	WHITE WATER	\$1,955.28
700-0-240-505	11956	WHITE WATER	\$1,955.28
700-0-250-015	11934	OCEANAIRE	\$1,955.28
700-0-250-025	11930	OCEANAIRE	\$1,955.28
700-0-250-035	11938	OCEANAIRE	\$1,955.28
700-0-250-045	11940	OCEANAIRE	\$1,955.28
700-0-250-055	11944	OCEANAIRE	\$1,955.28
700-0-250-065	11946	OCEANAIRE	\$1,955.28
700-0-250-075	11948	OCEANAIRE	\$1,955.28

**MALIBU BAY CLUB
DISTRICT 04-20 ASSESSMENT
FY 19/20 - PRELIMINARY AS OF 04/29/19**

APN	Situs No	Situs Street	Assessment
700-0-250-085	11952	OCEANAIRE	\$1,955.28
700-0-250-095	11954	OCEANAIRE	\$1,955.28
700-0-250-105	11956	OCEANAIRE	\$1,955.28
700-0-250-115	11958	OCEANAIRE	\$1,955.28
700-0-250-125	11962	OCEANAIRE	\$1,955.28
700-0-250-135	11966	OCEANAIRE	\$1,955.28
700-0-250-145	11968	OCEANAIRE	\$1,955.28
700-0-250-175	41000	PACIFIC COAST	\$1,955.28
700-0-250-185	41000	PACIFIC COAST	\$1,955.28
TOTAL			\$265,918.08

VENTURA REGIONAL SANITATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO. 19-02

**RESOLUTION REGARDING COLLECTION OF MALIBU BAY CLUB
SEWER SERVICE CHARGES BY THE COUNTY OF VENTURA ON THE TAX
ROLLS**

WHEREAS, Ventura Regional Sanitation District (“VRSD”) is a duly authorized and formed pursuant to the County Sanitation District Act (Health & Safety Code Section 4700 et seq.); and

WHEREAS, VRSD owns and operates an onsite wastewater treatment system which employs tertiary treatment of wastewater at the Malibu Bay Club in accordance with permits issued by the Los Angeles Regional Water Quality Control Board; and

WHEREAS, California Health & Safety Code Sections 5473 et seq. authorizes and provides the VRSD with the option to collect its sewer service charges collected on the county tax roll; and

WHEREAS, VRSD has duly adopted Ordinance No. VRSD-114 [July 2, 2015] which is incorporated herein by reference and provides for the establishment of sewer service charges to be imposed on any person owning any building or condominium served by the Malibu Bay Club onsite wastewater treatment system; and

WHEREAS, the Ventura County Auditor-Controller has established procedures that require VRSD to defend, indemnify, and hold harmless the County of Ventura from any challenge to VRSD’s utilization of the procedure established in California Health & Safety Code Section 5473.

NOW, THEREFORE, BE IT RESOLVED AND DETERMINED, THAT:

1. The collection of sewer service charges specified in Section 25 of Ordinance No. VRSD-114 shall be made on the County Assessor’s tax roll for the County of Ventura pursuant to the provisions of California Health & Safety Code Section 5473 et. seq.; and
2. The Ventura Regional Sanitation District shall defend, indemnify, and hold harmless the County of Ventura and the Ventura County Auditor-Controller from any action arising from the Ventura Regional Sanitation District’s utilization of the procedure established in the California Health & Safety Code Section 5473 to collect sewer service charges.

PASSED, APPROVED AND ADOPTED this 20th day of June, 2019 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

KEVIN KILDEE, Chairman
Board of Directors

Juliet Rodriguez, Clerk of the Board

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a report entitled "Sewer Service Charges for Collection on Tax Rolls for Fiscal Year 2019-20" for property owners served by the Malibu Bay Club's onsite wastewater treatment system was presented to the Ventura Regional Sanitation District Board of Directors at its meeting on Thursday, May 16, 2019.

Pursuant to California Health & Safety Code Section 5473 et seq. and Section 6520.5 the Ventura Regional Sanitation District proposes to collect charges for sewer service on the tax rolls in the same manner, by the same persons, and at the same time as, together with and not separate from, its general taxes. If this report and proposal are accepted, the amount of the charges, if not paid, shall constitute a lien against the lot or parcel of land against which the charge has been made.

NOTICE IS HEREBY FURTHER GIVEN that a public hearing on said report and proposal has been set for Thursday, June 20, 2019, at approximately 8:30 a.m. at the Ventura Regional Sanitation District, 1001 Partridge Drive, Suite 150, Ventura, CA, 93003-0704. All persons interested in, or objecting to, said report or proposal may then appear and be heard.

Comments may also be made in writing addressed to: Ventura Regional Sanitation District, 1001 Partridge Drive, Suite 150, Ventura, CA, 93003-0704, Attention: Juliet Rodriguez, Clerk of the Board; by email to JulietRodriguez@vrzd.com or by FAX to 805-658-4633.

BY ORDER OF THE BOARD OF DIRECTORS, VENTURA REGIONAL SANITATION DISTRICT.

Juliet Rodriguez, Clerk of the Board

To be published: June 3 and June 10, 2019 in the *Ventura County Star*

**VENTURA REGIONAL SANITATION DISTRICT
ORDINANCE NO. VRSD-114
AN ORDINANCE OF THE VENTURA REGIONAL SANITATION DISTRICT
REGULATING THE USE OF THE MALIBU BAY CLUB ONSITE WASTEWATER
TREATMENT SYSTEM AND ADOPTING SEWER SERVICE FEES AND CHARGES**

RECITALS

WHEREAS, Ventura Regional Sanitation District (“VRSD” or “District”) is a county sanitation district created pursuant to California Health & Safety Code §4700 et seq.; and

WHEREAS, VRSD owns and operates an advanced onsite wastewater treatment facility and public sewer serving the residential development commonly known as the Malibu Bay Club which is located at 41000 Pacific Coast Highway in the unincorporated area of the County of Ventura (“System”); and

WHEREAS, Malibu Bay Club, a California non-profit mutual benefit corporation, (“Club”) provides for the management and maintenance of certain commonly owned property and improvements which are part of the Malibu Bay Club development; and

WHEREAS, District and Club have agreed that their interests and those of the individual residential unit owners benefit from transparency and regular communications regarding the System; and

WHEREAS, District and Club have worked with the individual residential unit owners to develop an understanding of this Ordinance and the System’s financial requirements and the parties have committed to work in good faith to develop a beneficial method of financing the construction of a new wastewater collection system to serve the Malibu Bay Club; and

WHEREAS, California Health & Safety Code §5471 provides that VRSD may prescribe and collect fees and charges in connection with the System pursuant to an ordinance adopted by a two-thirds (2/3) vote of the governing body.

FINDINGS

The District Board of Directors hereby finds and determines as follows:

A. The District maintains budgets, operation plans, capital programs and financial and operational reports related to the System (collectively referred to as the “Administrative Record”) which have been made available to the public, both prior to and subsequent to their public review at noticed public meetings; and

B. The District periodically undertakes evaluation and study of its operational and financial needs for the future, including: assessments of the System users, the demands on the System, the capacity and treatment requirements of the System to provide necessary service to

the users, and the total cost of the existing and future operations and facilities in the System. These evaluations were utilized during the development of the District's Fiscal Year 2015-2016 Budget; and

C. The District's Budget provides for the operation of the System in a manner that meets legally mandated treatment standards, thereby improving effluent water quality, consistent with the goals and policies of the Board of Directors and the public. The Board further finds that adjustments in Sewer Service Charges are necessary to provide adequate revenues to operate the System, to finance the improvements and programs necessary to implement the mandated treatment standards, to rehabilitate and refurbish existing facilities, and to retire any advances made from District's General Fund and/or debt incurred to finance System expenses. The Board of Directors also finds that such Sewer Service Charges are established in a manner that is reasonably related to, and does not exceed, the costs of providing sewer services; and

D. The revenues derived under the provisions of this Ordinance will be used for the reconstruction, maintenance, and operation of the sewage collection, wastewater treatment and disposal facilities of the District; to repay the General Fund advances made to cover costs of the System; to pay for the expenses of administration; and, to fund reserves; and

E. The owners or occupants of the properties, upon which all fees and charges established by this Ordinance are levied, discharge wastewater to the District's collection, treatment and disposal facilities; and

F. The Sewer Service Charges established and levied by this Ordinance are designed to allow the District to recover the reasonable costs to provide service to users of residential units served by the System; and

G. The Sewer Service Charges established by this Ordinance are not imposed as a condition of approval of a development project, as defined in California Government Code §66001 and do not exceed the estimated reasonable cost to provide the sewer service for which the fee is levied, as required by law; and

H. All fees and charges established herein have been approved by the District's Board of Directors at a properly noticed public hearing, all in accordance with applicable provisions of law and the California Constitution, including California Constitution Article XIII D and the Proposition 218 Omnibus Implementation Act (California Government Code §53750, et seq.); and

I. The adoption of this Ordinance is statutorily exempt under the California Environmental Quality Act pursuant to the provisions of Public Resources Code §21080(b)(8) and California Code of Regulations §15273(a); and

J. The District Board has considered the entire Administrative Record, including, but not limited to, all documents referenced in this Ordinance and other documents in the record, and all written and oral testimony received by the District Board, as well as the recommendations of District staff and the District's engineering consultants; and

K. Each and all of the findings and determinations contained herein are based on the competent and the substantial evidence, both oral and written, contained in the entire Administrative Record. These findings and determinations constitute the independent findings and determinations of the District Board in all respects and are fully supported by the substantial evidence in the record as a whole. The Administrative Record shall be maintained in the District's official files in the District's offices; and

L. Any finding made by the District Board shall be deemed made, regardless of where it appears in this document. All of the language included in this document constitutes findings by the District Board, whether or not any particular sentence or clause includes a statement to that effect. The District Board intends that these findings be considered as an integrated whole and, whether or not any part of these findings fail to cross reference or incorporate by reference any other part of these findings, that any finding required or committed to be made by this District Board with respect to any particular subject matter of the proposed project, shall be deemed to be made if it appears in any portion of these findings.

**SEWER SERVICE CHARGES AND
SYSTEM REGULATIONS**

NOW, THEREFORE, the Ventura Regional Sanitation District Board of Directors ordains as follows:

ARTICLE I - DEFINITIONS

Section 1. Board. "Board" shall mean the Board of Directors of the District.

Section 2. Condominium. A "Condominium" is an estate in real property consisting of an undivided interest in common in a portion of a parcel of real property together with a separate interest in space in a residential building on such real property. A Condominium may include, in addition, a separate interest in other portions of such real property.

Section 3. Contractor. "Contractor" shall mean any individual, firm, partnership, association, or corporation currently licensed by the State of California to perform the type of work required by Permit.

Section 4. District. "District" shall mean the Ventura Regional Sanitation District of Ventura County, California, and the terms District and VRSD may be used interchangeably.

Section 5. Permit. "Permit" shall mean any written authorization required pursuant to this Ordinance or any other Rules or Regulations of the District for the installation or connection of any sewage works.

Section 6. Person. "Person" shall mean any human being, individual, trust, firm, company, partnership, association, private, municipal or public corporation, and all political subdivisions, governmental agencies and subsidiaries thereof.

Section 7. Public Sewer. "Public Sewer" shall mean a sewer main lying within a public right-of-way/easement under the jurisdiction of the District.

Section 8. Residential Unit. “Residential Unit” or “RU” shall mean a unit of measurement for each single-family residence, townhome or condominium unit. The District has determined that the quantity and quality of sewage originating from each unit falls within a range that justifies a uniform Sewer Service Charge per RU. In the event the District, after a public hearing, determines that any RU generates sewage which causes extraordinary expenses, a Special Case Charge may be imposed as provided below at Section 23.

Section 9. Rules and Regulations. “Rules and Regulations” shall mean specific rules and/or regulations adopted by the Board to establish specific guidance and limitations on how a portion of the District’s operating procedures are to be handled. Said Rules and Regulations shall not conflict with this or any other ordinance of the District.

Section 10. Sewage. “Sewage” shall mean the wastewater derived from ordinary living processes, free from commercial, institutional or industrial wastes, and of such character as to permit disposal, without special treatment, into the System.

Section 11. Sewer. “Sewer” shall mean any pipe or conduit for the transportation of Sewage within the System.

Section 12. Sewer Service Charge. “Sewer Service Charge” shall mean the monthly charge the District imposes upon the owners of Residential Units using the System and established by the District to recover the sum of the total System operation, maintenance and replacement costs, general administration costs, capital costs, debt obligations, refunding of advances from VRSD’s General Fund, and District expenditures deemed necessary to conduct the lawful business of the District.

Section 13. Side Sewer. “Side Sewer” shall mean the lateral sewer line beginning at any Building and terminating at the Public Sewer.

Section 14. System. “System” shall mean VRSD’s Malibu Bay Club Onsite Wastewater Treatment Facility, Public Sewer, and all ancillary facilities for the collection, transportation, storage, pumping, treatment, reclamation and disposal of Sewage at the Malibu Bay Club, subject to the provisions of Section 34 below.

Section 15. System Manager. “System Manager” shall mean the District Director of Operations or his/her appointed representative, who shall administer and enforce all provisions of this Ordinance.

ARTICLE II - PUBLIC SEWER USE

Section 16. Waste Disposal. It shall be unlawful for any person to place, deposit, or permit the deposit in an unsanitary manner upon public or private property within the Malibu Bay Club any Sewage or other wastewater in violation of any law or regulation.

Section 17. Discharge of Waste. It shall be unlawful to discharge into any drainage conduit, stream or watercourse any Sewage or other polluted waters.

Section 18. Types of Wastes Prohibited. No person shall knowingly discharge or deposit or allow the discharge or deposit into the System any of the following: storm, surface or ground waters; or solids or fluids which create nuisances, such as nuisance odors; or solids or fluids which are a menace to public health; or hazardous waste solids as defined in the California Health and Safety Code; or fluids, including but not limited to, grease, oil, cleaning agents or

root control agents, which are detrimental to the functioning of said sewers or to the treatment processes and/or disposal facilities of the System. Rules and Regulations to implement this prohibition may be set by resolution of the District in a format known as the Rules and Regulations for the System. Said Rules and Regulations may set limitations on certain wastes and discharges into the System and provide for permits, wastewater monitoring and self-reporting. No person shall discharge or cause to be discharged to the System, either directly or indirectly, any waste that creates a stoppage, plugging, breakage, reduction in sewer capacity or any other damage to the System. Any excessive sewer or sewerage maintenance expense, or any other expense attributable thereto, shall be charged to the offending person by the District.

Section 19. Permits and Fees. No public or private sewer or sewerage facility shall be installed, altered, or repaired within the Malibu Bay Club until a Permit has been obtained from the District (and other regulatory agencies, if required) and appropriate fees paid in accordance with the District’s ordinances, Rules and Regulations.

Section 20. Construction Requirements. The requirements of the District and this Ordinance shall govern the construction of any Side Sewer. Specific requirements may be set by resolution of the District in a format known as the Rules and Regulations for the System.

Section 21. Persons Authorized. Sewer construction within the Malibu Bay Club shall be performed by authorized Contractors, currently licensed by the State of California or by the District. All terms and conditions of the District Permit shall be binding on the Contractor. The requirements of this section shall also apply to any Side Sewer installed concurrently with Public Sewer construction.

ARTICLE III - SEWER SERVICE CHARGES

Section 22. Sewer Service Charges. A Sewer Service Charge for each Residential Unit shall be paid to the District by the person owning any Residential Unit (RU) served by the System. Sewer Service Charges shall be adjusted for each Fiscal Year (“FY”). Each Fiscal Year commences July 1 and expires the following June 30th. For example, Fiscal Year 2016 commenced July 1, 2015 and expires June 30, 2016. The Sewer Service Charge for each Fiscal Year shall be as follows:

1	2	3	4
Fiscal Year	Base Monthly Service Charge per Residential Unit (Footnote (a))	Temporary Supplemental Monthly Charge per Residential Unit (Footnote (b))	Total Monthly Sewer Services Charge per RU (Footnote (c))
FY 2016	\$110.17	\$42.90	\$153.07
FY 2017	CPI Adjustment	\$42.90	Base + Supplemental
FU 2018	CPI Adjustment	\$42.90	Base + Supplemental
FY 2019	CPI Adjustment	\$42.90	Base + Supplemental
FY 2020	CPI Adjustment	\$42.90	Base + Supplemental

(a) Effective July 1, 2016, and on July 1st of each fiscal year through fiscal year 2020, the Monthly Base Sewer Service Charge shall be adjusted in the same percentage proportion that the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for Urban Wage Earners and Clerical Workers, Los Angeles-Riverside-Orange County (“CPI”) shall have increased or decreased the preceding January to December. In no case shall the District

implement a CPI adjustment that contributes to the collection of charges that exceed the cost of providing the service.

(b) District maintains accounts receivable on System expenses that District incurred during prior years when the sewer service charges collected were not sufficient to cover System expenses. District advanced monies from its General Fund to fund these expenses in order to continue operation of the System. These advanced funds have been identified by the District as an accumulated advance of monies to be repaid by service charges. The Temporary Supplemental Service Charge shall operate to repay the remaining \$300,000 of such advanced General Funds and develop a \$50,000 Malibu Bay Club Reserve. The Temporary Supplemental Service Charge is calculated to be \$42.90 per month per unit for five years with the allocation of \$36.77 per month to repay the advances from the General Fund and \$6.13 per month to build the Reserve. This Malibu Bay Club Reserve shall be accounted for as a separate line on the Malibu Bay Club budget documents. These Reserves shall act as a source of contingency funding for unanticipated operating expenses that are identified during the fiscal year. These Reserves may also be used for one-time, high priority project or activities as determined by the District's Board of Directors. This Reserve shall also serve as a rate stabilization tool to accumulate revenues which exceed expenses in a given year to be held for subsequent funding for System related purposes by District Board of Directors action. District Board approval will be required to approve the use of this Reserve. Residential Unit Owners and the Club shall be given reasonable prior notice of Board meetings at which the use of said reserve funds will be considered.

(c) The sum of columns 2 and 3.

Section 23. Special Case Charges. In the event any person owning any Residential Unit served by the System causes District to incur extraordinary maintenance or operational expenses, then that person shall pay District Special Case Charges to be determined for each individual case based on the District's then published labor rate and reasonable and actual collection and treatment costs incurred by District.

Section 24. Findings Concerning Sewer Service Charges. The Board of Directors makes the following findings in connection with adoption of this Ordinance:

- a. The fees and charges set forth in this Ordinance do not exceed the estimated reasonable cost of providing the sewerage services for which the fees and charges are imposed.
- b. Revenues derived from the fees and charges are not used for purposes other than the provision of sewerage services.
- c. The fees and charges are used for the administration, operation, maintenance, repair and reconstruction of the System, and to repay funds advanced from the District's General Fund, and for meeting the System's financial reserve requirements and debt obligations.

Section 25. Collection of Fees and Charges and Penalties for Nonpayment of Direct Fees and Charges. Pursuant to California Health and Safety Code §5473, et seq., the District hereby elects to have the Sewer Service Charges established pursuant to this Ordinance collected on the Assessor's tax roll for the County of Ventura. Other fees and charges established pursuant to this Ordinance may be collected by any method allowed by law. If fees and charges are collected by direct billing, all fees and charges made or assessed under the provisions of this

Ordinance are due and payable fifteen (15) days from the mailing date of the billing document and shall become delinquent fifteen (15) days thereafter. Delinquent amounts shall be subject to a penalty of ten (10%) percent.

- a. **Direct Collection Charge Application.** The charges described herein shall be applied to accounts with direct billing only. The usual charge applied by the Auditor-Controller/Tax Collector's office shall be applied to unpaid property tax bills, where the fees and charges have been placed on the tax rolls for collection. The extraordinary charges described herein shall not be applied to unpaid property tax bills.
- b. **Ongoing Direct Collection Charges.** Balances of all accounts plus any initial collection charge, which remains unpaid at the end of the next regular billing period, shall incur additional ongoing collection charges of one and one-half percent (1.5%) per month on the unpaid balance until paid. Continued nonpayment will result in the unpaid amounts, plus any collection costs to the District, being added to the tax rolls for collection during the next tax year.

ARTICLE IV - PERMITS AND FEES

Section 26. Permit. Prior to construction, repair, or maintenance of a Side Sewer, or any connection with a Public Sewer, the owner of the RU served shall obtain a written Permit, and pay all fees and charges in accordance with the provisions of the District's ordinances and Rules and Regulations.

Section 27. Permit Required. No unauthorized person shall uncover, connect with, or open into, use, alter, or disturb any part of the System, without first obtaining a Permit from the District. Evidence of a Permit shall be posted at the work site or otherwise made available upon demand of any District authorized representative.

Section 28. Application for Permit. Any person legally entitled to apply for and receive a Permit may make application to the District. The location, ownership, occupancy and use of the premises and a description of the proposed nature of the work to be performed shall be provided by the applicant. Specifications, plans, drawings and other information shall be supplied to the System Manager as deemed necessary.

Section 29. Permit Compliance. Approval of the application for a Permit is evidenced by the issuance of a Permit. Thereafter, no change shall be made in the location of the sewer, the grade, materials or other details described in the Permit or as shown on the approved plans and specifications, unless prior written permission is obtained from the District, the System Manager, or other authorized representatives. Until the connections covered by the issued Permit have been installed and approved in accordance with District ordinances and Rules and Regulations, no residence, building or facility to be served by said connections shall be allowed to discharge Sewage to the Public Sewer.

Section 30. Time Limit, Permits. If the work granted by the Permit is not commenced within six (6) months from date of issuance, or is discontinued for a period of ninety (90) days after partial completion, the Permit shall be void. No further work shall be undertaken until a new Permit has been secured by proper application. The work shall be completed within the calendar days for completion as specified by the new Permit.

Section 31. Agreement. The signature of the applicant on an application for a Permit shall constitute an agreement to comply with all provisions, terms and requirements of this Ordinance. The signature shall constitute an agreement to comply with the approved plans and specifications and any further corrections or modifications as may be required by the District. Such agreements shall be binding upon the applicant and may be modified by the District after the receipt and consideration of a written request for modification submitted by the applicant. Installation and connection of any sewer or other work, for which a Permit is required, shall be at the expense of the owner.

Section 32. Owner to Indemnify District. The owner of the RU shall indemnify the District from any liability, loss or damage directly or indirectly caused by the installation and connection of any sewer or other work by owner or owner's contractor.

Section 33. Liability. The owner of any RU shall be solely liable to the District for any defects or failure during performance of the owner or owner's contractor work relating to the RU or any failure, which may develop therein. The District, its officers, agents and employees shall not be answerable for any liability, death or injury to persons, or property damage due to, or arising out of, the performance of the work by the applicant. The applicant shall indemnify and hold harmless the District, its officers, agents and employees from all liabilities imposed by law, including all costs, expenses, fees and interest incurred in seeking to enforce this provision.

Section 34. Owner's Responsibility. The owner of a RU shall be responsible for maintaining the Side Sewer for that RU. The owner shall be responsible for the installment, maintenance and operation of backflow preventors and clean-outs. The District shall not be liable should owner fail to install or maintain a backflow prevention device.

ARTICLE V - ENFORCEMENT

Section 35. Violation. Any person found to be in violation of any provision of this or other ordinances of the District shall be served with written notice by the System Manager or other authorized representative. Such written notice shall state the nature of the violation and provide a reasonable time limit for correction thereof. The notice may set forth a compliance schedule with specific actions the user shall take in order to correct the violation. In addition, the notice may require inspections or sampling and may impose other requirements deemed necessary. The notice may also contain a statement that additional enforcement action may be pursued if corrective actions are not accomplished as scheduled. Within the time period stated in the notice, all violations shall permanently cease. All persons shall be strictly liable for the acts of their agents and employees performed under the provisions of this or any other ordinance or Rules and Regulations of the District. Upon notification by the System Manager of any defect arising in any sewer, or notification of any violation of this Ordinance, the person or persons in charge of said work shall immediately effect corrections.

Section 36. Termination of Service. To fully effect its powers, the District may terminate wastewater service to any residential unit from which wastes or wastewater have been discharged, are being discharged, or are threatened to be discharged in violation of any provision of this Ordinance or other District ordinance, rule or regulation, or because of delinquency in the payment of any charge or fee lawfully imposed by the District, or because of a violation of any other requirement of law. Prior to termination of service, however, the District shall notify, in writing the Owner, and tenant if any, that service is intended to be so terminated. The notice shall state the date of proposed termination of service and the reasons therefore. Except in the case of emergency or threat to public health or safety, such date of termination shall not be less than 30 days subsequent to the giving of notice as herein required. If the District proceeds with

the disconnection of the service to said property, said property shall not be reconnected to the District system until the violation is corrected by the user; and a deposit is made to the District in an amount sufficient to pay all costs incurred directly and indirectly in the disconnection of service to the property and an estimated amount sufficient to pay all costs of reconnection. (The District shall refund any unused monies in the deposit after payment of all said costs.)

Notwithstanding the foregoing, any unauthorized connection with, opening into or discharge to the District's sewerage system or appurtenances may be abated by the District without notice if such unauthorized connection, opening or discharge poses an imminent threat of damage to the District's sewerage system or of injury to the public health, safety and welfare.

Section 37. Means of Enforcement. The District declares the foregoing procedures are established as a means of enforcing the provisions of this and any other ordinance or Rules and Regulations of the District, and not as a penalty.

Section 38. Misdemeanor. In accordance with the Health & Safety Code of the State of California, the violation of any ordinance or Rules and Regulations of the District by any person is a misdemeanor punishable by fine not to exceed One Thousand Dollars (\$1,000), imprisonment not to exceed thirty (30) days, or both. Each connection or occupancy in violation of the ordinance or Rules and Regulations of the District shall be deemed a separate violation. Each and every day, or part of a day, in violation of the ordinance or the Rules and Regulations, shall be deemed a separate offense hereunder and shall be punishable as such.

Section 39. Correction of Violations; Liability for Violation. In order to enforce the provisions of this Ordinance or any other District ordinance, rule or regulation, the District may correct any violation thereof. Any person violating any of the provisions of this Ordinance or any other District ordinance, rule or regulation, or any permit imposed pursuant thereto, shall become liable to the District for expenses, losses or damages occasioned by the District by reason of such violation, unless waived by the District for good cause. For the purposes of this provision, "expenses, losses or damages" shall include, but not be limited to, reasonable attorney's fees incurred by the District for negotiations, consultations, litigation or otherwise, and shall include reimbursement to the District for the costs to it of the hours expended by the employees of the District by reason of such violation and all other costs and expenses so occasioned. Said expenses, losses or damages shall be considered costs to correct the violation and, pursuant to Health and Safety Code Section 6523.3, the District shall have, in addition to any other remedies provided for herein or by law, such remedies for the collection of said costs as it has for the collection of sewer service charges.

The District System is regulated by the State and Federal Governments. Such regulations require the District to report violations of those agency's regulations which are discovered by the District in the course of its monitoring, inspection or other activities. Any fines or penalties imposed by another governmental agency on the District for a condition of noncompliance caused by any residential unit owner or other wastewater discharger shall be considered damages to the District for which the person or persons causing the noncompliance shall be liable to the District. In addition, any person who negligently allows or intentionally discharges or causes the discharge of prohibited sewage liquid waste or non-domestic wastes to the public sewer and such discharge causes damage to District facilities or causes detrimental effects on District treatment processes shall be liable to the District for all damages occasioned thereby.

Section 40. Protection from Damage. No unauthorized person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface or tamper with any structure, appurtenance or equipment which constitutes a part of the System. Any person in violation of this provision shall be subject to the penalties and charges provided by law.

Section 41. Power and Authority of Inspectors. The District may employ a qualified person or persons to inspect the installation, connection, maintenance and use of all Side Sewers and all facilities in connection with the System. The inspectors or any other duly authorized employee of the District shall carry evidence, which establishes his/her position as such. Upon the exhibition of proper credentials and identification, he/she shall be permitted to enter into buildings and private property at the Malibu Bay Club for the purposes of inspection, observation, measurement, sampling, testing, or otherwise performing the necessary duties pursuant to the enforcement of the provisions of this or any other ordinance or Rules and Regulations of the District.

ARTICLE VI - MISCELLANEOUS PROVISIONS

Section 42. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance, or the application thereof to any person, is held to be invalid or unconstitutional, there shall be a presumption of validity or constitutionality to the remaining portions. The Board hereby declares that it would have passed this Ordinance or any section, subsection, sentence, clause or phrase herein, notwithstanding the invalidity or unconstitutionality of any other part of the Ordinance.

Section 43. Effective Date/Repeal of Prior Ordinances. This Ordinance shall become effective August 2, 2015. Upon its effective date, this Ordinance shall repeal and replace Ventura Regional Sanitation District Ordinance No. VRSD-113.

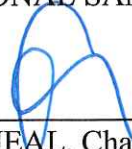
PASSED, APPROVED AND ADOPTED by the Ventura Regional Sanitation District Board of Directors on July 2, 2015, by the following votes:

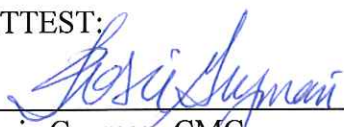
AYES: Acosta, Clapp, Hernandez, Kildee, Monahan, Perello, Price, Sharkey, Neal.

NOES: None.

ABSENT: None.

VENTURA REGIONAL SANITATION DISTRICT

By  _____
RICK NEAL, Chairman
Board of Directors

ATTEST:


Josie Guzman, CMC
Clerk of the Board

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