

RESOLUTION NO. 2025- 04

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
CABAZON WATER DISTRICT ADOPTING CHANGES TO
WATER SERVICE RATES AND CHARGES, FINDING THE
ADOPTION OF SUCH RATES AND CHARGES EXEMPT
FROM CEQA REQUIREMENTS, AND TAKING OTHER
ACTIONS RELATED THERETO**

WHEREAS, the Cabazon Water District (the “District”) is authorized, pursuant to California Water Code, sections 31001 and 31007, to fix, prescribe, revise and collect rates and other charges and fees for furnishing water services; and

WHEREAS, the District retained an independent rate consultant to conduct a water rate study, entitled the “2025 Water Rate Study,” dated October 22, 2025 (hereinafter the “Study”), the analysis and conclusions of which are incorporated herein by this reference; and

WHEREAS, the Study, determined that it is necessary to adopt new water rates for the District’s water service charges to: (1) keep pace with the rising cost of inflation enabling the District to meet its revenue requirements; (2) ensure revenue stability; (3) provide adequate funding for capital improvements; and (4) provide sufficient revenue for debt service payments and meeting required debt service coverage ratios; and

WHEREAS, the proposed rate structure consists of three components: (1) monthly fixed service charge (the “Fixed Service Charges”); (2) volumetric water commodity charges (“Water Commodity Charges”); and (3) limited to properties that have a private fire line, a monthly fixed private fire line service charges (“Fire Service Charges”) (collectively, the “Charges”); and

WHEREAS, the Fixed Service Charges are fixed monthly charges established on the basis of the size of the meter serving the property and are calculated to recover the District’s fixed costs of meter reading and maintenance, and customer billing costs; and

WHEREAS, the Fire Service Charges are fixed monthly charges established on the basis of the size of the service line serving the property and are calculated to recover the District’s fixed costs of customer billing and capacity demand placed on the water system; and

WHEREAS, the Water Commodity Charges are variable charges imposed per unit of potable water delivered during a billing period with one unit equal to one hundred cubic feet (“HCF”), or 748 gallons, designed to recover the costs of maintaining ground wells, treatment, storage, and distribution of water to service customers and consists of two tiers for single-family residential customers, which impose higher rates as the level of consumption increases to reflect incremental costs of providing water service, and a uniform rate for all non-residential customers; and

WHEREAS, the proposed Charges will take effect and apply to water service on and after January 1, 2026, and will be adjusted each January 1 thereafter, through and including January 1, 2030, based on the schedule in Exhibit “A” and attached hereto; and

WHEREAS, the Charges are subject to Article XIII D, section 6 of the California Constitution (“Article XIII D”), which creates certain procedural and substantive requirements for the imposition of any new or increase in any existing property-related fees and charges, and

meets these requirements as set forth below; and

WHEREAS, the revenues derived from the proposed Charges will not exceed the funds required to provide the services and shall be used exclusively for the operation and maintenance of the water system; and

WHEREAS, the amount of the proposed Charges will not exceed the proportional cost of the services attributable to each parcel upon which they are proposed for imposition; and

WHEREAS, the proposed Charges will not be imposed on a parcel unless the water services are actually used by, or immediately available to, the owner of the parcel; and

WHEREAS, Article XIII D requires that prior to imposing any new Charges, the District shall provide written notice (the "Notice") by mail of the proposed Charges to the record owner of each parcel upon which the Charges are proposed for imposition and any tenant directly liable for payment of the Charges, the amount of the Charges proposed to be imposed on each parcel, the basis upon which the Charges were calculated, the reason for the Charges, and the date time and location of a public hearing (the "Hearing") on the proposed Charges; and

WHEREAS, pursuant to Article XIII D such Notice is required to be provided to the affected property owners and any tenant directly liable for the payment of the Charges not less than forty-five days prior to the Hearing on the proposed Charges; and

WHEREAS, the District did provide such Notice to the affected property owners and tenants in compliance with Article XIII D; and

WHEREAS, pursuant to AB 2257, the District adopted the exhaustion of administrative remedies procedure contained in Government Code, section 53759.1, which requires ratepayers to bring an objection regarding the proposed Charges to the District's attention prior to 5:00 PM on December 16, 2025, and the District provided responses to any valid legal objections prior to opening the Hearing; and

WHEREAS, the Board of Directors of the District ("Board") determined to open the Hearing, and the Hearing was held on this day, December 16, 2025; and

WHEREAS, at the Hearing, the Board considered all written materials and written protests to the proposed Charges received prior to the close of the Hearing, and heard oral testimony concerning the imposition of the proposed Charges, and at the close of the Hearing the District determined that it did not receive written protests against the establishment and imposition of the proposed Charges from a majority of the affected property owners or tenants directly liable for the payment of such Charges; and

WHEREAS, the Board now desires to establish and impose the Charges as set forth in Exhibit "A."

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Cabazon Water District ("Board") hereby finds and determines the recitals set forth above are made findings of this Board and are incorporated herein and made an operative part of this Resolution.

BE IT FURTHER RESOLVED that the Board hereby adopts the Charges at the


rates, in the amounts, and on the effective dates set forth in Exhibit "A." To the extent any Charges established by this Resolution are inconsistent with water service fees and charges previously adopted; it is the explicit intention of the Board that the Charges adopted pursuant to this Resolution shall prevail.

BE IT FURTHER RESOLVED that the Board hereby finds that the need to meet the District's financial requirements and obtain funds for capital projects, to be funded by the Charges, is necessary to maintain service within the District's existing water service area as described herein. The Board further finds that the need to meet the District's financial requirements and obtain funds for capital projects, to be funded by the Charges will not expand the District's water system. The Board further finds that the adoption of the Charges is necessary and reasonable to meet the District's financial requirements and obtain funds for capital projects. Based on these findings, the Board determines that the adoption of the Charges is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to section 21080(b)(8) of the Public Resources Code and section 15273(a) of the State CEQA Guidelines. The documents and materials that constitute the record of proceedings on which these findings have been based are located at the District offices, 14618 Broadway Street, Cabazon, California 92230. The custodian for these records is the Board Secretary of the District. The Board hereby directs District staff to file a Notice of Exemption within five business days of the adoption of this Resolution.

BE IT FURTHER RESOLVED that the Board hereby finds that if any section, subsection, clause or phrase in this Resolution or the application thereof to any person or circumstances is for any reason held invalid, the validity of the remainder of this Resolution or the application of such provisions to other persons or circumstances shall not be affected thereby. The Board hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof to any person or circumstance be held invalid.

BE IT FURTHER RESOLVED that the Board hereby declares this Resolution shall take effect immediately upon its adoption.

ADOPTED this 16th day of December 2025.



Terry Tincher, Board Chair
Board of Directors
Cabazon Water District

ATTEST:



Evelyn Aguilar, Secretary
Board of Directors
Cabazon Water District

EXHIBIT "A"

WATER RATES AND CHARGES

Line	Monthly Fixed Service Charge	Effective Jan. 1, 2026	Effective Jan. 1, 2027	Effective Jan. 1, 2028	Effective Jan. 1, 2029	Effective Jan. 1, 2030
1	5/8-inch meter	\$37.17	\$38.29	\$39.44	\$40.63	\$41.85
2	3/4-inch meter	\$51.90	\$53.46	\$55.07	\$56.73	\$58.44
3	1-inch meter	\$81.36	\$83.81	\$86.33	\$88.92	\$91.59
4	1 1/2-inch meter	\$155.02	\$159.68	\$164.48	\$169.42	\$174.51
5	2-inch meter	\$243.40	\$250.71	\$258.24	\$265.99	\$273.97
6	3-inch meter	\$479.10	\$493.48	\$508.29	\$523.54	\$539.25
7	4-inch meter	\$744.26	\$766.59	\$789.59	\$813.28	\$837.68
8	6-inch meter	\$1,480.81	\$1,525.24	\$1,571.00	\$1,618.13	\$1,666.68
9	8-inch meter	\$2,364.67	\$2,435.62	\$2,508.69	\$2,583.96	\$2,661.48
10	10-inch meter	\$6,194.72	\$6,380.57	\$6,571.99	\$6,769.15	\$6,972.23
11	Construction (3-inch meter)	\$479.10	\$493.48	\$508.29	\$523.54	\$539.25
Line	Monthly Fixed Fire Service Charge	Effective Jan. 1, 2026	Effective Jan. 1, 2027	Effective Jan. 1, 2028	Effective Jan. 1, 2029	Effective Jan. 1, 2030
1	4-inch connection	\$117.58	\$121.11	\$124.75	\$128.50	\$132.36
2	6-inch connection	\$326.88	\$336.69	\$346.80	\$357.21	\$367.93
3	8-inch connection	\$687.87	\$708.51	\$729.77	\$751.67	\$774.23
Line	Commodity Charge	Effective Jan. 1, 2026	Effective Jan. 1, 2027	Effective Jan. 1, 2028	Effective Jan. 1, 2029	Effective Jan. 1, 2030
1	Single Family Residential					
2	Tier 1 (0-7 hcf)	\$3.53	\$3.64	\$3.75	\$3.87	\$3.99
3	Tier 2 (7+ hcf)	\$8.44	\$8.70	\$8.97	\$9.24	\$9.52
4	Non-Residential	\$5.38	\$5.55	\$5.72	\$5.90	\$6.08