

ORDINANCE NO. 4056

ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA ROSA AMENDING SECTIONS 14-04.090 AND 14-08.010 AND RE-ADOPTING SECTION 14-08.015 OF THE SANTA ROSA CITY CODE, REVISING MONTHLY SERVICE CHARGES AND RATES CHARGED FOR CITY WATER SERVICES AND READOPTING THE WHOLESALE RATE PASS THROUGH ADJUSTMENT

THE PEOPLE OF THE CITY OF SANTA ROSA DO ENACT AS FOLLOWS:

Section 1. Section 14-04.090 of the Santa Rosa City Code is amended to read in full as follows:

"14-04.090 Fixed monthly service charges.

(A) The fixed monthly service charges for water service are based upon the size of the water meter and are as follows for meters connected to the potable water system:

Meter Size (in inches)	Current Monthly Service Charge	Meters Read on and After January 5, 2016	Meters Read on and After July 1, 2016	Meters Read on and After July 1, 2017	Meters Read on and After July 1, 2018	Meters Read on and After July 1, 2019	Meters Read on and After July 1, 2020
Potable Water - Monthly Service Charge							
5/8" & 3/4"	\$12.52	\$10.78	\$11.32	\$11.89	\$12.48	\$13.10	\$13.76
1"	\$22.80	\$24.18	\$25.39	\$26.66	\$27.99	\$29.39	\$30.86
1.5"	\$43.58	\$46.51	\$48.84	\$51.28	\$53.84	\$56.53	\$59.36
2"	\$73.23	\$73.31	\$76.98	\$80.83	\$84.87	\$89.11	\$93.57
3"	\$171.26	\$135.83	\$142.62	\$149.75	\$157.24	\$165.10	\$173.36
4"	\$291.34	\$225.16	\$236.42	\$248.24	\$260.65	\$273.68	\$287.36
6"	\$637.82	\$448.46	\$470.88	\$494.42	\$519.14	\$545.10	\$572.36

(B) The monthly service charges for meters connected to the recycled water system is 90% of the monthly service charge for potable water.

Recycled Water - Monthly Service Charge							
5/8" & 3/4"	11.27	\$9.70	\$10.19	\$10.70	\$11.24	\$11.80	\$12.39
1"	20.52	\$21.76	\$22.85	\$23.99	\$25.19	\$26.45	\$27.77
1.5"	39.21	\$41.86	\$43.95	\$46.15	\$48.46	\$50.88	\$53.42
2"	65.9	\$65.98	\$69.28	\$72.74	\$76.38	\$80.20	\$84.21
3"	154.13	\$122.25	\$128.36	\$134.78	\$141.52	\$148.60	\$156.03
4"	262.21	\$202.64	\$212.77	\$223.41	\$234.58	\$246.31	\$258.63
6"	574.03	\$403.61	\$423.79	\$444.98	\$467.23	\$490.59	\$515.12

(C) The monthly service charges for City-maintained meters on private water systems are as follows:

City Maintained Private Meters - Monthly Service Charge							
5/8" & 3/4"	\$6.91	\$6.91	\$7.26	\$7.62	\$8.00	\$8.40	\$8.82
1"	\$8.96	\$8.96	\$9.41	\$9.88	\$10.37	\$10.89	\$11.43
1.5"	\$9.51	\$9.51	\$9.99	\$10.49	\$11.01	\$11.56	\$12.14
2"	\$12.68	\$12.68	\$13.31	\$13.98	\$14.68	\$15.41	\$16.18
3"	\$35.21	\$35.21	\$36.97	\$38.82	\$40.76	\$42.80	\$44.94
4"	\$49.10	\$49.10	\$51.56	\$54.14	\$56.85	\$59.69	\$62.67
6"	\$92.83	\$92.83	\$97.47	\$102.34	\$107.46	\$112.83	\$118.47"

Section 2. Section 14-08.010 of the Santa Rosa City Code is amended to read in full as follows:

"14-08.010 Rates for the delivery of potable and recycled water in addition to fixed monthly charges.

The user charges shall be as follows:

Single Family Residential Accounts (Potable Water)

The user charge for potable water is made up of two tiers.

	<u>User Charge (\$ per 1,000 gallons) Meters Read On and After January 5, 2016</u>
<u>Tier Allocation</u>	
Tier 1 (Up to the account's sewer cap)	\$5.25
Tier 2 (additional usage over the account's sewer cap)	\$6.14
	<u>User Charge (\$ per 1,000 gallons) Meters Read On and After July 1, 2016 and for each of the following years through July 1, 2020</u>
<u>Tier Allocation</u>	
Tier 1 (Up to the account's sewer cap)	\$5.25*
Tier 2 (additional usage over the account's sewer cap)	\$6.14*

**Plus or minus the automatic adjustment that passes through any adopted increases or decreases in the wholesale charges for water established by the Sonoma County Water Agency. (Section 14-08.15) Single family residential accounts with no sewer cap due to an absence of irrigation usage and single family residential accounts that are water-only accounts, which do not use City water to irrigate, will have all water billed at the Tier 1 user charge.*

Single family residential water-only accounts (i.e. those with no corresponding City wastewater account), and which use City water for irrigation, will be allotted a water cap for purposes of being billed at the tiered rates.

Dedicated Irrigation Accounts

Dedicated irrigation accounts are accounts that have a meter used solely for irrigation. These accounts shall have a user charge based on site-specific water budgets.

The billing period water budget is the amount of water needed to irrigate the specific area of landscape served by the dedicated irrigation account for the specific days covered by the billing period. The billing period water budget is determined monthly in arrears for each account in accordance with the following formula:

$$\text{Billing Period Water Budget} = \{.7 \times [ET_o - EP] \times [LA_h + LA_m] \times CF\}$$

ET_o (Reference Evapotranspiration) = Evapotranspiration is defined as the amount of water used by the plants (transpiration) and evaporated from the soil (evaporation). It is measured in inches by the Santa Rosa California Irrigation Management Information Systems (CIMIS) weather stations. Reference Evapotranspiration is a standard measurement of evapotranspiration for cool-season turf. The billing period ET_o is the sum of the daily ET_o for the specific days of the billing cycle.

EP (Effective Precipitation) = The depth of rainfall, measured in inches by the Santa Rosa CIMIS weather stations, that offsets ET_o . It is assumed that only one third of total rainfall offsets ET_o . The billing period effective precipitation is for the specific days of the billing cycle.

LA_h (landscape area high) = Square footage of site's landscape area consisting of high water use plants or uses (turfgrass, ornamental water features, annuals, plants in containers and plants with a plant factor greater than 0.6)

LA_m (landscape area moderate) = Square footage of site's landscape area consisting of moderate and low water use plants (plants with a plant factor of 0.6 or less)

CF (Conversion factor) = 0.623, the number that converts square feet to gallons

Verifications of the connection site's landscape measurements may be requested by the customer. Adjustments to the landscape measurements may be made if changes, including but not limited to addition of landscape, changes to the plant type, or removal of landscape, are made to the connection site's landscape, however the adjustments cannot exceed the acceptable landscape plant mix as defined by the City's Water Efficient Landscape Ordinance (Chapter 14-30). To request a verification or adjustment for the connection site, contact the Water Department

The user charge is made up of two tiers. The two tiers are based on the percentage of the water budget used by the specific site during the billing period, as follows:

(A) For potable water use:

	<u>User Charge (\$ per 1,000 gallons)</u> <u>Meters Read On and After</u> <u>January 5, 2016</u>
<u>Tier Allocation</u>	
Tier 1 (Up to 125% of Billing Period Water Budget)	\$5.29
Tier 2 (Over 125% of Water Budget)	\$6.70

User Charge (\$ per 1,000 gallons)
Meters Read On and After
July 1, 2016 and for each of the
following years through July 1, 2020

	<u>Tier Allocation</u>
Tier 1 (Up to 125% of Billing Period Water Budget)	\$5.29*
Tier 2 (Over 125% of Water Budget)	\$6.70*

**Plus or minus the automatic adjustment that passes through any adopted increases or decreases in the wholesale charges for water established by the Sonoma County Water Agency. (Section 14-08.15)*

(B) For recycled water use:

	<u>User Charge (\$ per 1,000 gallons)</u> <u>Meters Read On and After</u> <u>January 5, 2016</u>
<u>Tier Allocation</u>	
Tier 1 (Up to 125% of Billing Period Water Budget)	\$5.03
Tier 2 (Over 125% of Water Budget)	\$6.37

User Charge (\$ per 1,000 gallons)
Meters Read On and After
July 1, 2016 and for each of the
following years through July 1, 2020

	<u>Tier Allocation</u>
Tier 1 (Up to 125% of Billing Period Water Budget)	\$5.03*
Tier 2 (Over 125% of Water Budget)	\$6.37*

**Plus or minus the automatic adjustment that passes through any adopted increases or decreases in*

the wholesale charges for water established by the Sonoma County Water Agency. (Section 14-08.15)

Multi-Unit Residential Accounts (two units and more):

Effective January 5, 2016, \$5.59 per 1,000 gallons of water delivered through each meter during the billing period.

Effective July 1, 2016 and for each of the following years through July 1, 2020, \$5.59* per 1,000 gallons of water delivered through each meter during the billing period.

**Plus or minus the automatic adjustment that passes through any adopted increases or decreases in the wholesale charges for water established by the Sonoma County Water Agency. (Section 14-08.15)*

Commercial and Industrial Accounts:

(A) For potable water use:

Effective January 5, 2016, \$5.59 per 1,000 gallons of water delivered through each meter during the billing period.

Effective July 1, 2016 and for each of the following years through July 1, 2020, \$5.59* per 1,000 gallons of water delivered through each meter during the billing period.

**Plus or minus the automatic adjustment that passes through any adopted increases or decreases in the wholesale charges for water established by the Sonoma County Water Agency. (Section 14-08.15)*

(B) For recycled water use:

Effective January 5, 2016, \$5.03 per 1,000 gallons of recycled water delivered through each meter.

Effective July 1, 2016 and for each of the following years through July 1, 2020, \$5.03* per 1,000 gallons of recycled water delivered through each meter.

**Plus or minus the automatic adjustment that passes through any adopted increases or decreases in the wholesale charges for water established by the Sonoma County Water Agency. (Section 14-08.15)*

(C) For recycled water use requiring special on-site treatment:

Certain customers may require special on-site treatment to utilize recycled water for some commercial / industrial / institutional needs. The Board of Public Utilities may set user rates for such

customers on a case-by-case basis that result in the use of recycled water having the same financial impact to the customer as the use of potable water.”

Section 3. Section 14-08.015 of the Santa Rosa City Code is amended read in full as follows:

“14-08.015 Automatic wholesale rate pass through adjustment.

The user charges set forth in Section 14-08.010 will be automatically adjusted for an additional 5 years from July 2016 to pass through any adopted increases or decreases in the wholesale charges for water established by the Sonoma County Water Agency on or after July 1, 2010, using the following methodology.

Sample Calculation						
Santa Rosa Water						
Automatic Water Usage Rate Adjustment Calculation for Changes in SCWA Water Costs (1)						
SCWA Santa Rosa Aqueduct (2)						
	Current Rate	\$	761.05	/AF		
	New Rate	\$	799.10	/AF		
	Change		5.00%			
	Current Rates and Charges	% SCWA Water Cost (3)	SCWA Adjustment	Adjusted Water Usage Rates (\$/tg) and % Change		
WATER RATES						
Water Usage Rates (\$/1,000 gallons)						
Single Family						
	Tier 1	\$	5.25	44.4%	\$	0.12 \$ 5.37 2.3%
	Tier 2	\$	6.14	41.4%	\$	0.13 \$ 6.27 2.1%
Comm./Indus./Inst.						
	All Water Use	\$	5.59	43.2%	\$	0.12 \$ 5.71 2.1%
Irrigation						
	Tier 1	\$	5.29	45.0%	\$	0.12 \$ 5.41 2.3%
	Tier 2	\$	6.70	37.9%	\$	0.13 \$ 6.83 1.9%
Monthly Service Charges						
No change to service charges due to changes in SCWA costs.						

Notes:

- (1) Example presented assumes a 5 percent increase in the rate for SCWA water purchases from the Santa Rosa Aqueduct.
- (2) Rates charged by SCWA for water from the Santa Rosa Aqueduct. Rates for the upcoming fiscal year are typically adopted in April of each year.
- (3) Percentage of the current water usage rate that is attributable to SCWA water purchase costs. These percentages are updated with each automatic adjustment cycle.

Notice of any adjustment pursuant to this section shall be given not less than 30 days before the effective date of any adjustment.”

Section 4. The Council, based on the reports, oral and written, of staff, the recommendations of the Board of Public Utilities, the other materials provided and considered, and the testimony and other evidence presented, finds that the changes in service rates and charges set forth above are not discriminatory or excessive, are sufficient under Section 54515 of the Government Code, and are required to meet estimated costs and operating expenses, including increased employee wages and fringe benefits, the cost of purchasing and/or leasing supplies, materials and equipment, financial reserve requirements and the costs of capital improvements, necessary to maintain and provide proper and adequate service to properties and premises served by the City's water utility, an enterprise system. Based on these findings, the City Council finds that the changes in rates and charges set forth in this ordinance are exempt from the provisions of the California Environmental Quality Act under section 15273 of the State CEQA Guidelines.

Section 5. Delinquent water service charges and all penalties thereon when recorded as provided in Chapter 14-04 of the Santa Rosa City Code and Chapter 6 of Part 1 of Division 2 of Title 5 of the Government Code shall constitute a lien upon the real property served.

Section 6. This ordinance shall be effective following its adoption and publication, provided, however, that the water charges and rates set forth in Sections 1 and 2 of this ordinance shall be applied only to billings on water meters read by the City's Board of Public Utilities on and after January 5, 2016 and July 1, 2016 and for each of the following years through July 1, 2020, as set forth in the above amended sections 14-04.090 and 14-08.010 of the City Code and provided, further, that the water rates and charges in effect on the adoption date of this ordinance shall be applied to all billings on water meters read prior to January 5, 2016.

IN COUNCIL DULY PASSED AND ADOPTED this 8th day of December, 2015.

AYES: (5) Mayor Sawyer, Vice Mayor Schwedhelm, Council Members, Carlstrom, Coursey, Olivares

NOES: (2) Council Members Combs, Wysocky

ABSENT: (0)

ABSTAIN: (0)