

ORDINANCE NO. 3931

ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA ROSA AMENDING SECTIONS 14-04.090 AND 14-08.010 AND ADDING SECTION 14-08.15 TO THE SANTA ROSA CITY CODE, REVISING MONTHLY SERVICE CHARGES AND RATES CHARGED FOR CITY WATER SERVICES

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:

Fixed Monthly Service Charges for Potable Water Meters

Meter Size (in inches)	Meters Read On and After January 15, 2010	Meters Read On and After January 1, 2011
5/8	\$7.73	\$8.35
1	14.08	15.21
1 1/2	26.92	29.07
2	45.24	48.86
3	105.81	114.27
4	180.00	194.40
6	394.06	425.58

(B) The monthly service charges for meters connected to the recycled water system are as follows:

Fixed Monthly Service Charges for Recycled Water Meters

Meter Size (in inches)	Meters Read On and After January 15, 2010	Meters Read On and After January 1, 2011
5/8	\$6.96	\$7.52
1	12.67	13.69
1 1/2	24.23	26.16
2	40.72	43.97
3	95.23	102.84
4	162.00	174.96
6	354.65	383.02

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

Fixed Monthly Service Charges for City-Maintained

Meters on Private Commercial Water Systems

Meter Size (in inches)	Meters Read On and After January 15, 2010	Meters Read On and After January 1, 2011
5/8	\$4.27	\$4.61
1	5.53	5.97
1 1/2	5.88	6.35
2	7.83	8.46
3	21.75	23.49
4	30.33	32.76
6	57.35	61.94

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 four tiers.

<u>Tier Allocation</u>	<u>User Charge (\$ per 1,000 gallons) Meters Read On and After January 15, 2010</u>
Tier 1 (Up to the account's sewer cap)	\$3.98*
Tier 2 (above the sewer cap to 8,000 gallons above the sewer cap)	\$4.58*
Tier 3 (8,001 to 30,000 gallons above the sewer cap)	\$5.73*
Tier 4 (Over 30,000 gallons above the sewer cap)	\$8.59*

<u>Tier Allocation</u>	<u>User Charge (\$ per 1,000 gallons) Meters Read On and After January 1, 2011</u>
Tier 1 (Up to the account's sewer cap)	\$4.30*
Tier 2 (above the sewer cap to 8,000 gallons above the sewer cap)	\$4.95*
Tier 3 (8,001 to 30,000 gallons above the sewer cap)	\$6.18*
Tier 4 (Over 30,000 gallons above the sewer cap)	\$9.27*

**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)

The sewer cap is the sewer usage charge based on indoor water use. This is estimated by averaging the water usage during the December, January and February billing periods. For any month that water usage is less than the sewer cap, accounts are charged on the basis of actual water usage.

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 sewer 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 1/3 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 Conservation Program of the Utilities Department

The user charge is made up of three tiers. The three 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 15, 2010</u>
<u>Tier Allocation</u>	
Tier 1 (Up to 125% of Billing Period Water Budget)	\$4.19*
Tier 2 (126 – 200% of Billing Period Water Budget)	\$5.73*
Tier 3 (201% and over Billing Period Water Budget)	\$8.59*

	<u>User Charge (\$ per 1,000 gallons)</u> <u>Meters Read On and After</u> <u>January 1, 2011</u>
<u>Tier Allocation</u>	
Tier 1 (Up to 125% of Billing Period Water Budget)	\$4.53*
Tier 2 (126 – 200% of Billing Period Water Budget)	\$6.18*
Tier 3 (201% and over Billing Period Water Budget)	\$9.27*

**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 15, 2010</u>
<u>Tier Allocation</u>	
Tier 1 (Up to 125% of Billing Period Water Budget)	\$3.98*
Tier 2 (126 – 200% of Billing Period Water Budget)	\$5.73*
Tier 3 (201% and over Billing Period Water Budget)	\$8.59*

	<u>User Charge (\$ per 1,000 gallons)</u> <u>Meters Read On and After</u> <u>January 1, 2011</u>
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Tier Allocation

Tier 1 (Up to 125% of Billing Period Water Budget)	\$4.30*
Tier 2 (126 – 200% of Billing Period Water Budget)	\$6.18*
Tier 3 (201% and over Billing Period Water Budget)	\$9.27*

**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 (2 units and more): Effective January 15, 2010, \$4.39* per 1,000 gallons of water delivered through each meter during the billing period.

Effective January 1, 2011, \$4.74* 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 15, 2010, \$4.39* per 1,000 gallons of water delivered through each meter during the billing period.

Effective January 1, 2011, \$4.74* 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 15, 2010, \$4.17* per 1,000 gallons of recycled water delivered through each meter.

Effective January 1, 2011, \$4.50* 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 14-08.15 is added to the City Code to read as follows:

“Section 14-08.15 Automatic Wholesale Rate Pass Through Adjustment

The user charges set forth in Section 14-08.10 will be automatically adjusted 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.

City of Santa Rosa -- Water Utility						
Sample Calculation of Automatic Rate Adjustment for Changes in SCWA Water Charges (1)						
SCWA Water Charges						
Santa Rosa Aqueduct						
Current Rate		\$ 564.78	/AF			
Adjusted Rate		\$ 621.26	/AF			
Change		\$ 56.48	/AF			
		10.0%				
Estimated SCWA Water Purchases (annual)						
SCWA Water Purchase Volume		20,500	AF			
Impact of SCWA Cost Change		\$ 1,157,799				
Santa Rosa Water Usage Rate Impact						
Est. Annual Water Usage Revenue (2)		\$26,600,000				
Impact of SCWA Cost Change		4.4%				
Santa Rosa Water Usage Rates	Current			Amount of Pass Through Adjustment (4)		
	Potable	Recycled		Potable	Recycled	
Single Family Residential						
Tier 1	\$ 3.98		/tg	\$ 0.17		/tg
Tier 2	\$ 4.58		/tg	\$ 0.20		/tg
Tier 3	\$ 5.73		/tg	\$ 0.25		/tg
Tier 4	\$ 8.59		/tg	\$ 0.37		/tg
Multi-Family Residential	\$ 4.39	\$ 4.17	/tg	\$ 0.19		/tg
Commercial, Industrial & Institutional	\$ 4.39	\$ 4.17	/tg	\$ 0.19		/tg
Irrigation						
Tier 1	\$ 4.19	\$ 3.98	/tg	\$ 0.18		/tg
Tier 2	\$ 5.73	\$ 5.73	/tg	\$ 0.25		/tg
Tier 3	\$ 8.59	\$ 8.59	/tg	\$ 0.37		/tg
Wholesale Recycled Water Rate (3)		\$ 269.78	/AF		\$ 26.98	/AF
Notes:						
(1) Assumes the City's "current" rates are those proposed for 2010, and SCWA adjusts its rates and charges by 10 percent.						
(2) Based on current rates and estimated annual water sales.						
(3) Rate charged by Subregional System to City's water utility for recycled water.						
(4) Rate adjustments apply to current water usage rates, as well as previously approved future water usage rates.						

Notice of any adjustment pursuant to this Section shall be given not less than thirty (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 15, 2010 and January 1, 2011, 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 15, 2010.

IN COUNCIL DULY PASSED this 15th day of December, 2009.

AYES: (6) Mayor Gorin, Vice Mayor Wysocky, Councilmembers Bender, Sawyer, Jacobi and Olivares

NOES: (0)

ABSENT: (1) Councilmember and Vas Dupre

ABSTAIN: (0)

ATTEST: Susan Stoneman, City Clerk

APPROVED: Susan Gorin, Mayor

APPROVED AS TO FORM:

Caroline Fowler, City Attorney