Attachment 2

ORDINANCE NO.

ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA ROSA AMENDING SECTION 14-04.015 OF THE SANTA ROSA CITY CODE, REVISING THE WATER SHORTAGE RATE AND EXCESS USE PENALTY STRUCTURE

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

Section 1. Section 14-04.015 of the Santa Rosa City Code is amended to read in full as follows:

"<u>14-04.015 Water Shortage Rate Structure</u>.

At any time the Council of the City of Santa Rosa or the Director of Utilities declares a Water Shortage Emergency and implements Water Shortage Charges pursuant to its current, adopted Water Shortage Contingency Plan, the following water shortage rate structure will be applied to all potable water accounts:

(A) A water shortage rate charge (WSC) will be implemented for all potable water accounts as follows:

Water Shortage Stage	Water Usage Charge
Stage 2	Current User Charge + 5% WSC
Stage 3	Current User Charge + 7.5% WSC
Stage 4	Current User Charge + 10% WSC
Stage 5	Current User Charge + 15% WSC
Stage 6	Current User Charge + 25% WSC
Stage 7	Current User Charge + 35% WSC
Stage 8	Current User Charge + 45% WSC

(B) During any water shortage emergency stage that requires existing customers to adhere to water allocations (water rationing), water use in excess of the water allocation for each service connection is prohibited. In addition to the WSC, an excess use penalty (EUP) for all water used above the water allocation specified in the current, adopted Water Shortage Contingency Plan will be implemented for all potable water accounts as follows:

Excess Use Over Allocation in thousand-gallon units (TGALs)	Penalty per TGAL			
	Stage 5	Stage 6	Stage 7	Stage 8
2 to 10	\$ 5.00	\$10.00	\$20.00	\$40.00
Over 10	\$10.00	\$20.00	\$40.00	\$80.00

Excess Use Penalty revenues are not intended to be used as general operating revenues during the emergency but may be used to: (1) offset the extraordinary costs of the water shortage emergency such as additional conservation support; (2) rebuild the Catastrophic Reserve; and/or (3) establish a rate stabilization fund for the post- emergency recovery.

<u>Section 2.</u> Environmental Determination. The Council finds that the adoption and implementation of this ordinance is exempt from the provisions of the California Environmental Quality Act in that the Council finds there is no possibility that implementation of this ordinance may have significant effects on the environment.

<u>Section 3.</u> <u>Severability.</u> If any section, subsection, sentence, clause, phrase or word of this ordinance is for any reason held to be invalid and/or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

Section 4. Effective Date. This ordinance shall take effect on the 31st day following its adoption.

This ordinance was introduced by the Council of the City of Santa Rosa on _____, 2021.

IN COUNCIL DULY PASSED A	AND ADOPTED this	day of	, 2021.
AYES:			
NOES:			
ABSENT:			
ABSTAIN:			
ATTEST:	_ APPROVED:		
City Clerk		Mayor	
APPROVED AS TO FORM:			

City Attorney