

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:

Fixed Monthly Service Charges for Potable Water Meters

Meter Size (in inches)	Meters Read On and After March 14, 2014	Meters Read On and After January 1, 2015
5/8	\$11.92	\$12.52
1	\$21.71	\$22.80
1 1/2	\$41.50	\$43.58
2	\$69.74	\$73.23
3	\$163.10	\$171.26
4	\$277.47	\$291.34
6	\$607.45	\$637.82

(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 March 14, 2014	Meters Read On and After January 1, 2015
5/8	\$10.73	\$11.27
1	\$19.54	\$20.52
1 1/2	\$37.34	\$39.21
2	\$62.76	\$65.90
3	\$146.79	\$154.13
4	\$249.72	\$262.21
6	\$546.69	\$574.03

(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 March 14, 2014	Meters Read On and After January 1, 2015
5/8	\$6.58	\$6.91
1	\$8.53	\$8.96
1 1/2	\$9.06	\$9.51
2	\$12.08	\$12.68
3	\$33.53	\$35.21
4	\$46.76	\$49.10
6	\$88.41	\$92.83”

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 March 14, 2014</u>
Tier 1 (Up to the account’s sewer cap)	\$4.79*
Tier 2 (above the sewer cap to 8,000 gallons above the sewer cap)	\$5.51*
Tier 3 (8,001 to 30,000 gallons above the sewer cap)	\$6.88*
Tier 4 (Over 30,000 gallons above the sewer cap)	\$10.33*

<u>Tier Allocation</u>	<u>User Charge (\$ per 1,000 gallons) Meters Read On and After January 1, 2015</u>
Tier 1 (Up to the account’s sewer cap)	\$4.79*
Tier 2 (above the sewer cap to 8,000 gallons above the sewer cap)	\$5.51*
Tier 3 (8,001 to 30,000 gallons above the sewer cap)	\$6.88*
Tier 4 (Over 30,000 gallons above the sewer cap)	\$10.33*

Ord. No. _____

**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

Ord. No. _____

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 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>March 14, 2014</u>
<u>Tier Allocation</u>	
Tier 1 (Up to 125% of Billing Period Water Budget)	\$5.05*
Tier 2 (126 – 200% of Billing Period Water Budget)	\$6.88*
Tier 3 (201% and over Billing Period Water Budget)	\$10.33*

	<u>User Charge (\$ per 1,000 gallons)</u> <u>Meters Read On and After</u> <u>January 1, 2015</u>
<u>Tier Allocation</u>	
Tier 1 (Up to 125% of Billing Period Water Budget)	\$5.05*
Tier 2 (126 – 200% of Billing Period Water Budget)	\$6.88*
Tier 3 (201% and over Billing Period Water Budget)	\$10.33*

**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>March 14, 2014</u>
<u>Tier Allocation</u>	
Tier 1 (Up to 125% of Billing Period Water Budget)	\$4.79*
Tier 2 (126 – 200% of Billing Period Water Budget)	\$6.88*
Tier 3 (201% and over Billing Period Water Budget)	\$10.33*

User Charge (\$ per 1,000 gallons)
Meters Read On and After
January 1, 2015

Tier Allocation

Tier 1 (Up to 125% of Billing Period Water Budget)	\$4.79*
Tier 2 (126 – 200% of Billing Period Water Budget)	\$6.88*
Tier 3 (201% and over Billing Period Water Budget)	\$10.33*

**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 March 14, 2014, \$5.28* per 1,000 gallons of water delivered through each meter during the billing period.

Effective January 1, 2015, \$5.28* 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 March 14, 2014, \$5.28* per 1,000 gallons of water delivered through each meter during the billing period.

Effective January 1, 2015, \$5.28* 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 March 14, 2014, \$5.01* per 1,000 gallons of recycled water delivered through each meter.

Effective January 1, 2015, \$5.01* 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*

Ord. No. _____

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 re-adopted without amendment to 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 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%

<i>Santa Rosa Water Usage Rates</i>	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 SWCA 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 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 on and after March 14, 2014 and January 1, 2015, 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 March 14, 2014.

IN COUNCIL DULY PASSED AND ADOPTED this _____ day of _____, 2014.

AYES: ()

NOES: ()

ABSENT: ()

ABSTAIN: ()

ATTEST: _____
City Clerk

APPROVED: _____
Mayor

APPROVED AS TO FORM:

City Attorney