

ORDINANCE NO. 922

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BRENTWOOD ACCEPTING AND APPROVING A WATER RATE STUDY AND ADOPTING REVISED MONTHLY USER CHARGES FOR WATER SERVICE FOR FISCAL YEARS ("FY") 2013/14 TO 2017/18 AND SUBSEQUENT YEARS.

WHEREAS, pursuant to Chapter 14.01 of the Brentwood Municipal Code, the City operates a municipal water system; and

WHEREAS, it is prudent and customary for agencies providing water service to review their rates every two to five years to ensure that sufficient revenues are collected to operate the water enterprise; ensure that debt service ratios are adequately met; and that the level of service provided reflects the rates being charged; and

WHEREAS, the "City of Brentwood Water, Wastewater, and Solid Waste Rate Study" (the "Study") prepared by HF&H Consultants, LLC, and dated October 30, 2013 Revised November 6, 2013, which is on file and available for inspection in the Office of the City Clerk and is hereby incorporated by reference, proposes new monthly water rates to address the needs of the City's residents and businesses for sanitary and effective water service; and

WHEREAS, the revenue derived from the user rates is used in a manner consistent with Health and Safety Code Section 5471 and the City's ordinances pertaining to water services including, without limitation, the payment of installment sales payments or other debt service with respect to the financing of capital facilities for the water system; and

WHEREAS, it is imperative to implement the Study to establish new water rates for the preservation of the public health and safety based on the recitals set forth above, to provide adequate revenue to pay for operating expenses, to maintain adequate debt service coverage, to maintain a positive cash flow within the Water Enterprise Fund, and to equitably allocate water service costs to each user; and

WHEREAS, the City mailed to affected property owners and customers notice of the proposed water rate increase and of a public hearing on the proposed water rate increase; and

WHEREAS, the notices informed affected persons of their right to file written protests against the water rate increase, and such protests are processed by the City pursuant to Resolution No. 2013-123; and

WHEREAS, as set forth in the notice, on November 12, 2013, the City Council held a full and fair public hearing on the proposed water rate increases. At the hearing, all interested persons had an opportunity to provide oral and written testimony regarding the proposed water rate increases; and

WHEREAS, in accordance with the requirements of section 6 of Article XIII D of the California Constitution and Government Code section 53755, the November 12, 2013 hearing was held not less than 45 days after mailing notice of the hearing to the addresses to which the City customarily mails its billing statements, or, for any parcel without a current billing address, to the record owner; and

WHEREAS, the City accepted and caused the tabulation of all written protests against the proposed water rate increases, including protests submitted via fax and e-mail. Based upon the results of this tabulation, a majority protest against the proposed water rate increases does not exist; and

WHEREAS, based on the information presented at the November 12, 2013 hearing, including but not limited to the Study, and oral and written testimony and protests from members of the public, the City Council determines that:

- A. Revenues derived from the proposed rates are not expected to exceed the funds required to provide water service.
- B. Revenues derived from the proposed rates may not be used for any purpose other than to provide water service.
- C. The amount of the proposed rates imposed upon any parcel or person as an incident of property ownership will not exceed the proportional cost of water service attributable to the parcel.
- D. The proposed rates are imposed upon a parcel only where water service is actually used by, or immediately available to, the parcel; and

WHEREAS, this Ordinance does not constitute a project under the California Environmental Quality Act ("CEQA") Guidelines as set forth in Title 14, section 15378 of the California Code of Regulations, because it amends a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment (§ 15378(b)(4)) and is an administrative activity of government that will not result in direct or indirect physical changes in the environment (§ 15378(b)(5)). Furthermore, if this Ordinance were a project, it would be categorically exempt from CEQA pursuant to Title 14, Section 15273(a) of the California Code of Regulations, because it establishes rates and charges to fund current operating expenses of the City; and

WHEREAS, on February 12, 1991, by Resolution No. 91-18, the City established a low income senior discount program for water rates that was expanded on May 12, 1992 by Resolution No. 92-60 to include low income customers determined to be permanently and totally disabled; and

WHEREAS, Proposition 218 requires that the City fund this discount program from revenue sources other than rate revenue; and

WHEREAS, the City Council now desires to implement the proposed water rate increase and limit eligibility for discounted water rates to customers that are currently subject to those discounted rates.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BRENTWOOD DOES ORDAIN AS FOLLOWS:

Section 1: Study.

The City Council accepts the Study and approves the findings contained therein with respect to water rates and service.

Section 2: New Rates and Charges.

The City Council adopts the water rates as set forth in Exhibit A to this Ordinance and further clarified by the Study.

Section 3: Repeal.

All resolutions and ordinances, or portions thereof, in conflict herewith are hereby repealed. The City Clerk is directed to publish this Ordinance in any manner consistent with Government Code Section 36933.

Section 4: Rates for Subsequent Years.

Unless the City Council takes action to change the water rates for fiscal years subsequent to FY 2017/18, the water rates charged for FY 2017/18 shall continue to apply to subsequent fiscal years.

Section 5: Eligibility for Discounted Rates

Eligibility for discounted rates applicable to low income senior residents and residents determined to be permanently and totally disabled, as established under Resolution Nos. 91-18 and 92-60, is limited to customers subject to those discounts as of the effective date of this Ordinance.

Section 6: Reservation of Powers.

Nothing in this Resolution shall prevent the City Council from exercising any of its powers under the California Water Code, including but not limited to its power to declare a water shortage emergency or a threat of water shortage and to adopt ordinances, resolutions, rules or regulations in response thereto.

Section 7: Recitals.

Each of the matters set forth in the recitals of this Ordinance is true and correct. All recitals constitute findings associated with the matters addressed in this Ordinance.

Section 8: Severability.

If any subdivision, paragraph, sentence, clause, or phrase of this Ordinance is, for any reason, held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforcement of the remaining portions of this Ordinance. It is the City Council's express intent that each remaining portion would have been adopted irrespective of the fact that one or more subdivisions, paragraphs, sentences, clauses, or phrases be declared invalid or unenforceable.

Section 9: Effective Date.

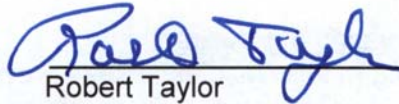
All rates and charges set forth in this Ordinance shall become effective on January 10, 2014 and shall remain in effect until changed by the City Council.

THE FOREGOING ORDINANCE was introduced with the first reading waived at a regular meeting of the Brentwood City Council on the 12th day of November, 2013, by the following vote:

AYES: Barr, Bryant, Clare, Stonebarger, Taylor
NOES: None
ABSENT: None
ABSTAIN: None

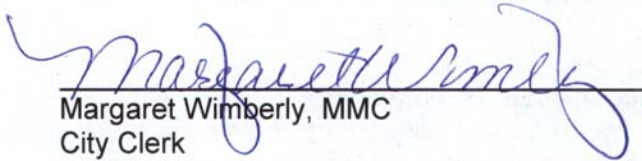
And was adopted at a regular meeting of the Brentwood City Council on the 10th day of December, 2013, by the following vote:

AYES: Barr, Bryant, Clare, Stonebarger, Taylor
NOES: None
ABSENT: None
ABSTAIN: None



Robert Taylor
Mayor

ATTEST:



Margaret Wimberly, MMC
City Clerk

EXHIBIT "A"

Water rates are comprised of a fixed (base) monthly charge in addition to a charge for the volume of water used

	WATER RATES PER MONTH				
	2013/14	2014/15	2015/16	2016/17	2017/18
Monthly Base Rate					
5/8" or 3/4" Meter	19.65	20.24	20.85	21.47	22.12
1" Meter	29.48	30.36	31.27	32.21	33.18
1.5" Meter	58.96	60.73	62.55	64.42	66.36
2" Meter	98.26	101.21	104.25	107.37	110.59
3" Meter	176.88	182.19	187.65	193.28	199.08
4" Meter	255.49	263.16	271.05	279.18	287.56
6" Meter	530.65	546.57	562.96	579.85	597.25
Usage Rate					
Residential					
Tier 1: Units 1-10	3.08	3.17	3.27	3.37	3.47
Tier 2: Units 11-20	3.67	3.78	3.89	4.01	4.13
Tier 3: Units 21-30	4.39	4.52	4.66	4.79	4.94
Tier 4: Units 31+	5.12	5.27	5.43	5.59	5.76
Non-Residential					
Tier 1: Units 1-10	3.08	3.17	3.27	3.37	3.47
Tier 1: Units 11+	3.67	3.78	3.89	4.01	4.13
Non-Potable					
Tier 1: Units 1+	1.13	1.17	1.20	1.24	1.28

Unit =1,000 Gallons