

CERTIFIED COPY

RESOLUTION NO. 5859(13)

**A Resolution of the Council of the City of Lompoc,
County of Santa Barbara, State of California,
Establishing Increased Water Rates and Charges**

WHEREAS, in accordance with California Government Code Section 54344, the City Council has the authority to establish fees and charges for the City's Water System;

WHEREAS, in 2012, the City entered into an agreement with Willdan Financial (Willdan), who worked with City staff and met with the Lompoc Utility Commission to prepare rate studies for the Utilities, which the Commission then reviewed and recommended a five-year plan for the water rates;

WHEREAS, after review of relevant financial data, the Management Services Director and his staff have determined existing Water System rates and charges presently generate insufficient revenue for prudent operation of the System for the treatment and distribution of water;

WHEREAS, staff has proposed certain changes to the City's current Water System rates and charges and has given notice of the proposed new rates as required by law;

WHEREAS, Willdan's study supports the rate increases set forth in this Resolution;

WHEREAS, a notice of the public hearing of the proposed changes to the Water System rates and charges was mailed to each rate payer not less than 45 days prior to the public hearing, in compliance with Section 6 of Article XIII-D of the Constitution of the State of California;

WHEREAS, a duly noticed public hearing on the proposed rate increases was held before the City Council on August 6, 2013;

WHEREAS, on August 6, 2013, the City Clerk advised the Council 1538 written protests of the proposal were received prior to the hearing;

WHEREAS, on August 6, 2013, the City Council received 26 written rate increase protests that were submitted at the time of the public hearing;

WHEREAS, the number of written protests timely received is insufficient to constitute a majority protest of the proposed rates and charges; and

WHEREAS, after hearing public testimony and staff's report and recommendations, the City Council has determined certain rates and charges for the City's Water System should be revised and amended.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LOMPOC, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. FINDINGS. After hearing testimony, considering the evidence offered, and duly deliberating the matters presented, the Council of the City of Lompoc finds and determines:

- A. Pursuant to the authority of the Revenue Bond Law of 1941 (Government Code Sections 54300-54700) and of Lompoc Municipal Code Chapters 13.04 and 13.08, the City of Lompoc operates and maintains systems and facilities for the treatment and distribution of water;
- B. The City Council is empowered to prescribe, revise, and collect charges for the services and facilities furnished by the City's Water System;
- C. The proceedings related to the proposed increases in water rates and charges have been duly noticed in compliance with the Constitution of the State of California, Government Code Section 54354.5, and other applicable laws;
- D. The rates and charges set forth below are not discriminatory;
- E. The rates and charges set forth below are not excessive, inasmuch as revenues from said rates and charges will not exceed the costs of providing water services;
- F. The revenue generated by the rates and charges set forth below will be sufficient to pay the current expenses of maintenance and operation of the Water System, to honor other City obligations dependent upon Water System revenues, and to allow the City to comply with Government Code Section 54515 and other applicable laws and regulations; and
- G. The rates and charges set forth below, and the manner of their adoption, comply with the provisions of the Revenue Bond Act of 1941, and the applicable provisions of other laws and relevant authority.

SECTION 2. WATER SERVICE RATES AND CHARGES. Based upon the foregoing findings and all written and oral reports, data and testimony provided to the City Council, the City Council hereby approves the monthly rates and charges set forth below:

A. The monthly water service charge for each metered premise is dependent on the size of the meter, as follows:

Meter Size	Effective 9/5/2013	Effective 7/1/2014	Effective 7/1/2015	Effective 7/1/2016	Effective 7/1/2017
5/8"	\$23.71	\$27.27	\$31.36	\$36.06	\$41.47
3/4"	31.00	35.65	41.00	47.15	54.22
1"	45.57	52.41	60.27	69.31	79.71
1.5"	82.01	94.31	108.45	124.72	143.43
2"	125.73	144.59	166.28	191.22	219.90
3"	227.75	261.91	301.19	346.37	398.33
4"	373.48	429.51	493.93	568.02	653.22
6"	737.83	848.50	975.78	1,122.15	1,290.46
8"	1,175.04	1,351.30	1,553.99	1,787.09	2,055.15
10"	1,685.13	1,937.89	2,228.57	2,562.87	2,947.29

B. In addition to the monthly water service charge, each customer shall pay a water use charge based on the amount of metered water used per hundred cubic feet (HCF), or portion thereof, as follows:

	Effective 9/5/2013	Effective 7/1/2014	Effective 7/1/2015	Effective 7/1/2016	Effective 7/1/2017
Single Family Residential Uniform					
Tier I (0-10 HCF)	\$3.49	\$4.02	\$4.63	\$5.33	\$6.13
Tier II (10.1-20 HCF)	3.73	4.30	4.95	5.70	6.56
Tier III (20.1 HCF +)	4.46	5.14	5.92	6.82	7.85
Multi-Family Residential Uniform	9/5/2013 \$3.50	7/1/2014 \$4.02	7/1/2015 \$4.63	7/1/2016 \$5.32	7/1/2017 \$6.12
Commercial Uniform	9/5/2013 \$3.60	7/1/2014 \$4.14	7/1/2015 \$4.76	7/1/2016 \$5.47	7/1/2017 \$6.29
Institutional / Landscape Uniform	9/5/2013 \$3.88	7/1/2014 \$4.46	7/1/2015 \$5.13	7/1/2016 \$5.90	7/1/2017 \$6.78
Industrial Uniform	9/5/2013 \$3.50	7/1/2014 \$4.02	7/1/2015 \$4.63	7/1/2016 \$5.32	7/1/2017 \$6.12

SECTION 3. FIRE LINE CHARGES. The charges imposed by this Section are for fire line service only. Water actually used shall be charged for as provided elsewhere in this Resolution.

The minimum annual fire line charges are as follows:

Rate Per Year

Meter Size

1.5"	\$ 141.46
2.0"	161.85
3.0"	230.66
4.0"	299.48
6.0"	732.77
8.0"	1,130.38
10.0"	1,674.54
12.0"	2,507.99

SECTION 4. NEW SERVICE INSTALLATION CHARGES.

- A. A service connection charge shall be collected on each new water service connection based on the actual connection costs incurred, regardless of the size of the meter.
- B. A new service meter charge is payable and shall be collected upon application for each new water meter service connection and shall remain unchanged as follows:

Meter Size

3/4"	\$370.00
1.0"	\$447.00

- C. For services related to meter sizes larger than 1.0", the charge shall be the actual cost of material and labor.

SECTION 5. OTHER CHARGES. Fire Hydrant Meter Installation and Relocation charges shall remain the same, in accordance with Resolution No. 5488(08), effective September 19, 2008, which provides as follows:

- A. Fire Hydrant Meter Installation and Relocation charges shall be \$88.00 for each installation or relocation of a Fire Hydrant Meter.

- B. A refundable fee in the amount of \$650.00 will be collected to cover replacement costs, should the meter become damaged or lost. This fee shall be paid when the Fire Hydrant Meter is requested.
- C. The monthly Water Service and Water Usage charges for water services will apply to all Fire Hydrant Meters, in accordance with current schedule for water services based on the size of the Fire Hydrant Meter installed and water consumption.
- D. The Utility Director or designee may approve the use of water from hydrant meters to customers outside of City limits. The rates of compensation charged and collected by the City of Lompoc for furnishing this water to customers outside of City limits shall be 1.5 times the charges collected for hydrant meters, the monthly water service charge, and the water use charge.

SECTION 6. REGULATIONS.

- A. The rates of compensation charged and collected by the City of Lompoc for furnishing water to inhabitants outside the City, and the service connection charges levied and collected on each water service connection hereafter made outside the City, shall be 1.5 times the minimum rates established by this Resolution. Political subdivisions outside the City limits receiving water service from the City are not subject to the provisions of this Section and rates for those subdivisions are based on the applicable contract for services.
- B. Charges shall be made for any water furnished in accordance with the provisions of this Resolution. No water shall be furnished by the City free of charge.
- C. The owner, operator, and manager of any building, including, but not limited to, apartment houses and commercial buildings, shall be held responsible for any metered water consumption during periods for which the City has no record of occupancy of any part of any such building.
- D. All water charges are due and payable upon City's presentation of the statement therefore, and shall become delinquent 15 days thereafter.
- E. All water charges shall be collected by the City Treasurer, and the City's Finance Officer shall keep and maintain true and correct books of account of all receipts and disbursements of the Water Division of the City of Lompoc.

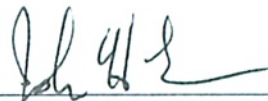
SECTION 7. EFFECTIVE DATE. This Resolution is effective upon its adoption. Except as amended herein, all rates and charges related to the City's Water System as contained in Resolution Nos. 5488(08), 5362(06), 5103(03) and 5220(04), and previously in existence, shall remain in full force and effect.

The foregoing Resolution was proposed by Council Member Holmdahl, seconded by Mayor John Linn, and duly passed and adopted by the Council of the City of Lompoc at its regular meeting on August 6, 2013, by the following electronic vote:


AYES: Council Member(s): DeWayne Holmdahl, Ashley Costa, Bob Lingl, and Mayor John Linn.

NOES: Council Member(s): Dirk Starbuck

ABSENT: Council Member(s): None



John H. Linn, Mayor
City of Lompoc

ATTEST:


Stacey Alvarez, City Clerk
City of Lompoc

I HEREBY CERTIFY THAT THE

foregoing instrument is a true and correct copy of the original on file in the Lompoc City Clerk's Department.

ATTEST: 