## **RESOLUTION NO. 2019-128**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA CHANGING WATER RATES FOR TEMPORARY CONTRACTOR METER WATER USAGE AND SETTING AVAILABILITY PRICING FOR WHOLESALE RECYCLED WATER CUSTOMERS SELLING WATER OUTSIDE THE AREA SERVED BY THE CITY

WHEREAS, Chapter 62 of the Pomona City Code, Article IV, Municipal Water Utility, Section 62-297 establishes the City's ability to charge fees for the temporary supply of water through construction water meters and the City Council's authority to set water services by resolution;

**WHEREAS,** this resolution adjusting rates for water for temporary service for contractors shall apply only to Chapter 62 of the Pomona City Code, Article IV, Municipal Water Utility;

**WHEREAS**, a notice of the September 16, 2019, public hearing on the proposed rate adjustments was published in the Inland Valley Daily Bulletin on September 6 and September 13, 2019;

**WHEREAS,** for each fee, the City completed a cost of service study and has determined the rates are appropriate;

**WHEREAS,** the supply of water for temporary service for contractors shall be subject to a surcharge, and added to the amount of water used in each tier, equal to that levied upon the City by the Metropolitan Water District and/or other suppliers of imported water as a part of their water conservation plan as constituted or as modified;

**WHEREAS,** the City is the purveyor of potable, nonpotable and recycled water within its service area and has a contract with the Sanitation District of Los Angeles County to receive 2/3 of the recycled water produced at the District's Pomona Wastewater Treatment Plant;

**WHEREAS**, the City can act as a wholesaler and supply recycled water to customers who later supply said water to users outside of the area served by the City;

**WHEREAS,** the City can supply water to customers who utilize recycled water in areas not serviced by the City and served by another water provider;

**WHEREAS,** the City's primary objective is to supply recycled water to recycled water customers within the area served by the City;

**WHEREAS,** in the summer there may be times when recycled water available to the City is insufficient to meet demands, in such instances the City must mix potable water into the recycled water system, which substantially increases the cost for providing recycled water;

**WHEREAS,** when the demand for recycled water reaches the threshold that requires potable water be used to increase available recycled water, threshold rates will apply to any customer who uses recycled water to sell for use outside of the area served by the City. All users in the area served by City will continue to be charged the applicable rate, depending on usage;

**WHEREAS**, this resolution delineates how recycled water will be allocated to City customers and what rate each customer will be billed for the water they receive;

**WHEREAS**, the rates established pursuant to this resolution are imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product, and the cost of service analysis supporting the rates is on file with the City Clerk and available for inspection.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Pomona as follows:

**SECTION 1**. The adoption of this Resolution falls within a statutory exemption from environmental review pursuant to sections 15273, 15060(c)(2) of the State Guidelines for Implementation of the California Environmental Quality Act (CEQA), which pertain to the establishment, modification, structuring, restructuring, or approval of rates and charges by public agencies which the public agency finds are for the purpose of meeting operating expenses, and pertain to activities that will not result in a direct or reasonably foreseeable indirect change to the environment and that are not defined as a project under CEQA Regulations;

**SECTION 2.** That after review of cost of service analysis for providing water services, and the financial analysis of the water and sewer utility funds, the Council had determined that the new rates for the services provided below are reasonable and justified and are hereby approved as set forth below.

**Bimonthly Temporary Construction Water Service Charge (Potable Water)** 

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Meter	Oct	ober 1, 2019	Jan	uary 1, 2020	Jar	nuary 1, 2021	Jar	nuary 1, 2022	Jan	uary 1, 2023
1"	\$	100.18	\$	110.45	\$	121.77	\$	134.25	\$	143.65
3"	\$	590.91	\$	651.48	\$	718.25	\$	791.87	\$	847.31

**Temporary Construction Water Commodity Rate Structure (Potable Water)** 

	Water Use		1, 2019	January	1, 2020	January	/ 1, 2021	January	1, 2022	Januar	y 1, 2023
Tiers		Cost per	CCF	Cost pe	r CCF	Cost pe	r CCF	Cost per	CCF	Cost p	er CCF
1	1-13 Units	\$	1.77	\$	1.95	\$	2.15	\$	2.37	\$	2.54
2	14-35 Units	\$	2.24	\$	2.47	\$	2.72	\$	3.00	\$	3.21
3	36 Units and Over	\$	2.36	\$	2.60	\$	2.87	\$	3.16	\$	3.38
	Imported Water										
	Conservation Charge	\$	-	\$	-	\$	-	\$	-	\$	-

Bimonthly Temporary Construction Water Service Charge (Recycled Water)

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Meter	October 1, 2019	January 1, 2020	January 1, 2021	January 1, 2022	January 1, 2023
1"	\$20.04	\$22.09	\$24.35	\$26.85	\$28.73
3"	\$ 118.18	\$ 130.30	\$ 143.65	\$ 158.37	\$ 169.46

**Temporary Construction Water Commodity Rate Structure (Recycled Water)** 

Water Use	October 1, 2019		January 1, 2020		January 1, 2021		January 1, 2022		January 1, 2023	
	Cost per CO	CF	Cost per	CCF	Cost p	er CCF	Cost p	er CCF	Cost p	er CCF
CCF Units	\$	1.30	\$	1.35	\$	1.26	\$	1.30	\$	1.35

Contractors shall provide a refundable deposit for construction meters at the rates shown below. Additionally, the City shall collect an advance payment equal to the rate of a single bimonthly service charge at the requested meter size and type of water to be utilized and 55 CCF at the then current rate, said deposit and advance payment is to guarantee payment for all water used and return of the meter. Lost, stolen or damaged meters are the responsibility of the contractor and will be repaired or replaced at the determination of the City.

## Deposit amount:

1 Inch Meter- \$288.00 3 Inch Meter- \$1,031.00

<u>SECTION 3</u>. The water rates and service charges amended by this five-year rate adjustment plan will resume annual CPI adjustment, effective January 1<sup>st</sup> of each year, as outlined in City Code Section 62-271, starting on January 1, 2024.

**SECTION 4**. The City shall bill recycled water customers who are reselling City water, or utilizing recycled water outside the area served by the City, based on the following criteria:

- Phase I. When there is sufficient recycled water available to meet needs of recycled water customers within the area served by the City, the City will charge the City's rates then in effect for retail recycled water service based on the meter size and recycled water consumption.
- Phase II. When recycled water is insufficient to meet the needs of the City's retail recycled water customers, and the City is required to supplement the recycled water system by adding potable water to the recycled water system to meet recycled water demands, the City's Tier 3 rates then in effect for potable water service charges will be charged for the potable water added to the recycled water system and sold outside of the area served by the City. To determine the billing for the amount of potable water used, the City will use the following criteria.

When potable water is added to the recycled water system to meet wholesale demands, the City will sum all wholesale meter consumptions and subtract the potable water added, giving the volume recycled water provided to the system. The recycled water volume will then be divided by the number of wholesale customers, and subtracted from their wholesale meter read volume, thereby providing the portion of potable water added to the system to meet their demands. Once this is determined, the City will invoice each customer for their portion of recycled water and potable water at the appropriate current rate.

If the total wholesale billings is less than the potable water delivered to the recycled water system in a billing cycle, customers will be billed at the then current tier 3 potable water rate for all water used.

If a wholesale customer does not fully use their portion of recycled water per billing cycle, the unused recycled water will be evenly distributed to the other wholesale recycled water customers.

CITY OF POMONA.

Phase III. If the Water Resources Department determines that there is insufficient recycled water for wholesale use, based on the City's inability to obtain enough recycled water to keep up with system demands, the Department shall notify impacted customers as soon as possible and discontinue providing said recycled water. Once recycled water becomes available, customers shall be notified and sales shall resume as the Department is able to do so, at the then current rate.

**SECTION 5**. The fees and charges set forth herein shall become effective on October 1, 2019, and shall be adjusted as set forth in Sections 2 and 3 hereof. All resolutions or administrative actions by the City Council, or parts thereof that are inconsistent with any provision of this Resolution are hereby superseded only to the extent of such inconsistency.

**SECTION 6**. The City Clerk shall attest and certify to the passage and adoption of this Resolution.

## APPROVED AND ADOPTED THIS 16TH DAY OF SEPTEMBER 2019.

ATTEST.

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Rosalia A. Butler, MMC City Clerk	Tim Sandoval, Mayor	
APPROVED AS TO FORM:		
Sonia Carvalho, City Attorney		

## STATE OF CALIFORNIA COUNTY OF LOS ANGELES CITY OF POMONA

I, ROSALIA A. BUTLER, MMC, CITY CLERK of the City of Pomona do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Pomona held on the 16 <sup>th</sup> day of September 2019 by the following vote:
AYES: COUNCILMEMBERS: NOES: COUNCILMEMBERS: ABSENT: COUNCILMEMBERS: ABSTAIN: COUNCILMEMBERS:
Rosalia A. Butler, MMC City Clerk
EXECUTIVE ORDER
The fees set by Resolution No. 2019-128 have been set in compliance with Division 5 of Chapter 2 of the Pomona City Code pertaining to the fixing of regulatory fees and service charges. Pursuant to Section 2-924(d) of the Pomona City Code, the fee schedule set by Resolution No. 2019-128 shall take effect ten (10) days after the signing of an Executive Order if no written appeal has been filed.
Date: Mayor Tim Sandoval
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