

RESOLUTION NO. 2024-088

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROHNERT PARK ADOPTING SEWER SERVICE RATES (2024 – 2028)

WHEREAS, the City exercises its constitutional authority to establish, operate, and regulate a sewer service system, to collect wastewater and transport it for treatment to the Santa Rosa Subregional Water Reclamation System of Santa Rosa, pursuant to California Constitution, Article XI, section 7, and as set forth in Rohnert Park Municipal Code Chapter 13.44; and

WHEREAS, Section 13.44.030 of the Rohnert Park Municipal Code provides that the City Council shall, by resolution, establish rates for sewer service; and

WHEREAS, Resolution No. 2018-060, adopted by City Council on April 24, 2018, established sewer service rates which were enacted for 2018 - 2024, with authorized annual increases June of each year; however, while the City approved annual increases in 2019 and 2020, the City has not approved any subsequent annual increases since June 2020; and

WHEREAS, the City hired Hildebrand Consulting (“Consultant”) to review the City’s current sewer service rates to determine if they generate sufficient revenue over time to pay for the City’s ongoing costs to provide the sewer service, including costs for maintenance and replacement projects, ongoing operations costs, and any planned major capital projects; and

WHEREAS, Consultant prepared the 2024 Sewer Rate Study Report dated July 17, 2024, (“Rate Study”) that determined the total costs of providing the sewer service utility to City customers and calculated the proposed sewer service rates to be charged to each customer class based on their proportionate impact on the sewer service system (the Rate Study is incorporated herein by reference); and

WHEREAS, at a public meeting of the City Council on July 23, 2024, City staff presented the Rate Study which found: (a) current sewer service rates are insufficient to support the increasing costs of operation, maintenance and replacement of the City’s sewer system, (b) additional revenue is needed to cover the total costs of City sewer service, and (c) an increase in sewer service rates to be paid by City customers is correspondingly needed and recommended to be implemented for the remainder of calendar year 2024 through calendar year 2028; and

WHEREAS, the Rate Study, along with supporting notices and documents, has been made available to the public (online and in paper copy form at the City Clerk’s office since August 8, 2024); and

WHEREAS, the Rate Study recommends the rate adjustments to achieve several objectives, including:

- Adequate revenues to meet the utility’s ongoing service and financial obligations that will keep up with inflation;
- Adequate revenues to meet the debt coverage ratio requirement set forth in the Sewer System Revenue Refunding Bonds, Series 2017;
- Adequate revenues to support the needs of the utility’s capital program.

WHEREAS, pursuant to California Constitution Article XIII D, Section 6 (a.k.a., Proposition 218), prior to extending, imposing or increasing sewer rates for a property-related service, the City must provide property owners notice at least 45 days before a public hearing regarding modifications to the sewer rates. The notice must contain an explanation of: (1) the amount of the propose rates, (2) the basis on which the rates are calculated, (3) the reason for the rate modifications, (4) the date, time and place of a public hearing to consider the rate modifications, and (5) the rights of property owners to submit written protests to the proposed rate modifications. The proposed rate modifications may not be imposed if, prior to the close of the public hearing, written protests are submitted by property owners or tenants representing a majority of the properties subject to the modified rates (“majority protest”); and

WHEREAS, at the July 23, 2024, City Council meeting, Council directed staff to publish a notice of public hearing to be held on September 24, 2024, to consider adoption of the recommended increased sewer service rates; and

WHEREAS, notice of the public hearing to consider proposed adjustments to the sewer rates was mailed at least 45 days prior to the scheduled public hearing as required by state law (California Constitution Article XIII D, Section 6); and

WHEREAS, on September 24, 2024, the City Council held a duly noticed public hearing on the sewer service rates identified in this Resolution, and considered the Rate Study, the agenda report and supporting documents presented by City Staff, any public comments received prior to that hearing, and all information and public comments related to this matter as presented at the hearing (specifically including any oral or written protests against the proposed sewer service rates); and

WHEREAS, at the time of closing the public hearing for Council’s consideration of this Resolution on September 24, 2024, the City had not received written protests from a majority of properties subject to the sewer service rates, and therefore, a majority protest to the proposed increase in sewer rates described in this Resolution does not exist.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Rohnert Park that beginning with sewer service bills rendered after October 1, 2024 the sewer service rates set forth in Exhibit “A” are hereby approved.

- A. City staff is directed to bill customers at the rates set forth in the rate schedule column labeled “Oct 1, 2024” on Exhibit “A” for services rendered on and after October 1, 2024.
- B. The Finance Director, or designee, is directed to provide notice not less than 30 days before the effective date of each of the annual scheduled increases to sewer service rates set forth on Exhibit “A” in each column respectively labeled: July 1, 2025, July 1, 2026, July 1, 2027, and July 1, 2028. The effective date of each annual increase shall be no earlier than July 1 of the year identified on each respective column. The notice shall identify the effective date of the annual increase and be provided in accordance with Government Code Section 53756(d). Upon the effective date of each annual adjustment, City staff is directed to bill customers at the sewer service rates set forth in the corresponding rate schedule column.

BE IT FURTHER RESOLVED that the City Council hereby finds that the above recitals are true and correct, and, accordingly, are incorporated as a material part of this Resolution.

BE IT FURTHER RESOLVED that the City Council hereby accepts and approves the Rate Study setting forth the bases for the sewer service charges.

BE IT FURTHER RESOLVED that, after due consideration of the entire record identified in this Resolution, the City Council hereby finds that the sewer service rates approved by this Resolution are excluded from the definition of a “tax,” and the sewer service rates are therefore not subject to voter approval, in accordance with California Constitution, Article XIII C, Section 1(e)(7) [for the first finding, below], California Constitution, Article XIII D, Section 6(c) [for the second finding, below], and California Constitution, Article XIII D, Section 6(b) [for the third through seventh findings, below]: The City Council hereby finds that the sewer service rates approved by this Resolution:

1. are “property-related fees”;
2. are fees or charges for “sewer services”;
3. will generate revenue in an amount that is no more than necessary to cover the reasonable cost of providing the sewer service described in the Rate Study. The sewer service described in the Rate Study includes the City’s costs of operation, maintenance, repair, and replacement of the sewer system;
4. will generate revenue that will not be used for any purpose other than that for which the charge is imposed, to support the City’s costs of providing the sewer service. Revenue from the sewer service rates will be kept in a separate fund used only for costs related to the provision of sewer service;
5. are allocated and imposed on ratepayers in a manner that is based on the ratepayer’s burdens on, and benefits received from, the sewer services described in the Rate Study, so that the sewer service rates do not exceed the proportional cost of the service attributable to the ratepayer’s property based upon pipe size connected to and water consumption for each;
6. will not be imposed upon any parcel for which sewer service is not immediately available.
7. are charges imposed for providing sewer service which is a specific governmental service provided directly to the ratepayer that is not provided to those not charged. The sewer service rates will not be used for general governmental services that are available to members of the public who are not required to pay for those services.

AND BE IT FURTHER RESOLVED that the City Council hereby finds that this resolution is not a project within the meaning of Section 15378 of the CEQA (California Environmental Quality Act) Guidelines because it has no potential for resulting in physical change in the environment directly or ultimately. In the event that this resolution is found to be a project under CEQA, it is subject to the CEQA exemptions contained in CEQA Guidelines section 15273(a) because it constitutes the establishment of charges for the purpose of obtaining funds to meet the sewer utility’s financial and service obligations for ongoing operation and maintenance, debt service, and capital improvements within existing service areas, and CEQA Guidelines section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.


DULY AND REGULARLY ADOPTED this 24th day of September, 2024.

CITY OF ROHNERT PARK



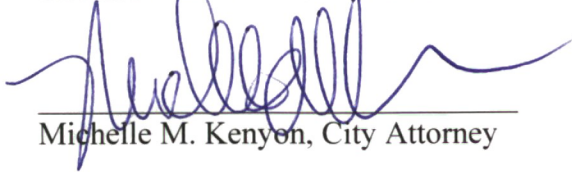
Susan H. Adams, Mayor

ATTEST:



Elizabeth Machado, Assistant City Clerk

APPROVED AS TO FORM:



Michelle M. Kenyon, City Attorney

Attachments: Exhibit A

ELWARD: Aye RODRIGUEZ: Aye SANBORN: Aye GIUDICE: Aye ADAMS: Aye
AYES: (5) NOES: (0) ABSENT: (0) ABSTAIN: (0)

3.4.4 RATES

Table 9 summarizes the wastewater rate schedule for the next five years starting on October 1, 2024. The wastewater rates will increase annually in accordance with the percent increases presented in Table 9 (as explained in Section 2.2) to continue to meet service and financial obligations.

Table 9: 5-Year Schedule of Proposed Sewer Rates

	Effective Date				
	Oct 1, 2024 ¹	July 1, 2025	July 1, 2026	July 1, 2027	July 1, 2028
Flow Charges (\$ per gallon)					
Residential					
All residential ²	\$0.01268	\$0.01357	\$0.01452	\$0.01525	\$0.01601
Non-Residential					
Low Strength	\$0.01325	\$0.01418	\$0.01517	\$0.01593	\$0.01673
Medium Strength	\$0.01780	\$0.01905	\$0.02038	\$0.02140	\$0.02247
High Strength	\$0.02688	\$0.02876	\$0.03077	\$0.03231	\$0.03393
Fixed Monthly Service Charges²					
Single Family Account	\$17.43	\$18.65	\$19.96	\$20.95	\$22.00
SF Sewer Only Flat Rate	\$60.09	\$64.31	\$68.81	\$72.26	\$75.87
Non-Residential & Multi-Family					
Up to 3/4"	\$45.45	\$48.63	\$52.04	\$54.64	\$57.37
1" meter	\$75.75	\$81.05	\$86.73	\$91.06	\$95.62
1.5" meter	\$151.50	\$162.11	\$173.45	\$182.12	\$191.23
2" meter	\$242.40	\$259.37	\$277.52	\$291.40	\$305.97
3" meter	\$454.50	\$486.32	\$520.36	\$546.37	\$573.69
4" meter	\$757.50	\$810.53	\$867.26	\$910.62	\$956.16
6" meter	\$1,515.00	\$1,621.05	\$1,734.52	\$1,821.25	\$1,912.31
8" meter	\$2,424.00	\$2,593.68	\$2,775.24	\$2,914.00	\$3,059.70

¹ The rates in the first year include structural changes due to the cost-of-service update. While the overall rate revenue received by the City will increase by 7.0 percent, the individual components of the rates have changed by different percentages.

² Individual dwelling units with individual City-owned meters shall be categorized as single family residential customers. Multi-family units with master meters shall be charged as multi-family residential.

As is currently the City’s policy, the flow charge for non-residential customers is assessed based on actual monthly water usage and the flow charge for residential customers is based on the lesser of (1) the previous average winter water usage or (2) the actual water usage for that month.



RESOLUTION NO. 2011-25

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROHNERT PARK
ESTABLISHING PROCEDURES FOR THE CONDUCT OF PROTEST HEARINGS
PURSUANT TO PROPOSITION 218 FOR NEW OR INCREASED PROPERTY-
RELATED FEES AND CHARGES**

WHEREAS, Article XIII D of the California Constitution requires that cities meet certain procedural and substantive requirements when adopting a new or increased property-related fees or charges, and the Proposition 218 Omnibus Implementation Act (Government Code §53750 and following), as amended, provides additional guidance as to the procedures to be followed; and

WHEREAS, in order to comply with those procedures and conduct fair and accurate protest hearings, the City Council wishes to adopt local procedures;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Rohnert Park as follows:

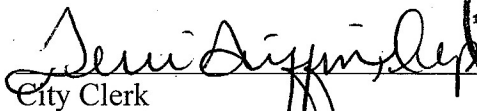
Section 1. The City Council hereby approves the “Procedures for Conducting Protest Hearings for Proposed New or Increased Property-Related Fees and Charges” as set forth in Exhibit “A” attached to this resolution and a part of it.

Section 2. The City Council hereby declares its intent, in adopting this resolution, to adopt procedures that are consistent with, and in compliance with, Article XIII D of the California Constitution and the Proposition 218 Omnibus Implementation Act.

Section 3. The City Council finds that this project is exempt from the California Environmental Quality Act (“CEQA”) pursuant to Section 15273 of the CEQA Guidelines.

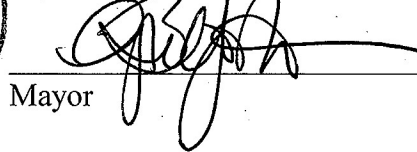
DULY AND REGULARLY ADOPTED this 22nd day of March, 2011.

ATTEST:

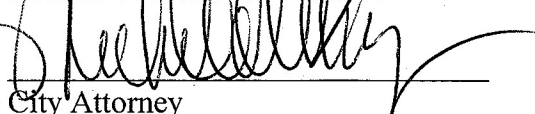

City Clerk



CITY OF ROHNERT PARK


Mayor

APPROVED AS TO FORM:


City Attorney

AHANOTU: <u>AYE</u>	CALLINAN: <u>AYE</u>	MACKENZIE: <u>AYE</u>	STAFFORD: <u>AYE</u>	BELFORTE: <u>AYE</u>
AYES: (5)	NOES: (0)	ABSENT: (0)	ABSTAIN: (0)	

Procedures for Conducting Protest Hearings
for Proposed New or Increased Property-Related
Fees and Charges

Exhibit "A"

City of Rohnert Park
Procedures for Conducting Protest Hearings
For Proposed New or Increased Property-Related
Fees and Charges

A. Definitions.

1. "Fee" or "rates" shall mean a property-related fee or charge subject to the requirements of Article XIII D §6 of the California Constitution
2. "Increase" shall mean a change in an existing property-related fee or charge that is subject to the majority protest hearing requirements of Article XIII D § 6.
3. "Public hearing" shall mean the noticed public hearing at which protests will be received.
4. "Tenant" means a real property tenant directly liable for the payment of the fee under consideration.

B. Creation of Master Mailing List.

1. The City shall prepare, or cause to be prepared, a Master Mailing List indentifying each property that would be subject to the proposed new or increased fee.
2. The Master Mailing List may be based upon the City's account holder records if the City is currently providing a property-related service to the address. The list shall be updated no more than 30 business days before the date that notices are to be mailed. The Master Mailing List may also be based upon information in the last equalized secured tax assessment roll.

C. Notice; Right to be Heard.

1. If the Master Mailing List is created from the City's property-related service accounts, notice shall be sent to the customary billing address for each and every account listed as authorized by Government Code §53755. The notice

may be addressed to "Record Owner/_____ Service Account Holder."

2. Notice shall be sent via the United States Postal Service, postage prepaid, at least forty-five (45) days before the date set for the public hearing on the new or increased fee.
3. The City Clerk may post a copy of the notice on the City's website.
4. The notice shall contain the information required by Article XIII D of the California Constitution and the Proposition 218 Omnibus Implementation Act, that is:
 - a. the amount of the new or increased fee proposed to be imposed;
 - b. the basis upon which the fee is calculated;
 - c. the reason for the fee;
 - d. the date, time and place of public hearing on the proposed fee, and such other information as the City shall determine is useful to those receiving it.
5. As provided in Government Code § 53756, the notice provided by these procedures shall supersede and be in lieu of notice required by any other statutes to levy the new or increased fees.
6. The City Clerk, or someone delegated by the City Clerk, may certify the proper mailing of notices by an affidavit, which shall constitute conclusive proof of mailing in the absence of fraud.
7. Failure of any person to receive notice shall not invalidate the proceedings.

C. Persons Eligible to File Protests; Right to Be Heard.

1. Members of the public are entitled to make comments at the public hearing whether or not they choose to submit a written protest.

2. **Property owners** of record are eligible to file protests. The last assessment roll of the Sonoma County Recorder is presumptive evidence of ownership of the parcel for the purposes of filing a property-owner protest. If a person filing a property-owner protest is not listed as the owner on the last equalized assessment roll, the protest must be accompanied by written proof that the person signing is the owner of record.
3. When a parcel is held as community property, or in joint tenancy, or tenancy-in-common, or by a trust, any spouse or domestic partner, joint tenant, tenant-in-common, or trustee shall be presumed to have authority to file a record-owner protest on behalf of that parcel.
4. Executors, administrators, and guardians may sign the property-owner protest on behalf of the estate represented by them, if they are shown on the latest assessment roll as paying taxes or assessments on behalf of the property owners. If not, written proof of the legal representation must be filed with the protest. Any one executor, administrator, or guardian is presumed to have authority to file a property-owner protest on behalf of such property.
5. The protest of any public or quasi-public corporation, private corporation, or any unincorporated association may be signed by any person authorized to do so in writing by the board of directors or trustees or any other managing body of it.
6. **Tenants** who are directly liable for the payment of the fee are eligible to file a tenant protest. A tenant listed as an account holder for the service for which the new or increased fee is proposed is presumed to be eligible to file a protest. If the City service account holder listed on the Master Mailing List has closed his or her account and a new person has qualified with the City as the account holder prior to the commencement of the Public Hearing, the new account holder may file a protest.
7. In any case where the documentation provided to the City Clerk in accordance with this Section C is ambiguous or unclear, the City Attorney

shall determine whether the documentation is adequate for the purpose provided.

D. Making and Counting Protests.

1. Any eligible record property owner or tenant may submit a written protest against the new or increased fee before or during the public hearing to the City Clerk.
2. Protests must:
 - a. Be in writing with the original signature from the property owner of record or tenant.
 - b. Identify the parcel for which the protest is being made, by address or Assessor's Parcel Number (APN).
 - c. State that the signer opposes the new or increased fee.
 - d. Be received at City Hall before or during the public hearing.
3. Protests delivered before the public hearing shall be hand delivered during normal business hours, or mailed, to the City Clerk at 130 Avram Avenue, Rohnert Park, California 94928.
4. Protests submitted by email, fax, or telephone, and oral protests of any kind will not be considered by the City in determining whether a majority of the owners of identified parcels have submitted protests.
5. All written protests must be submitted and received by the City Clerk before the conclusion of the public hearing. The City Clerk shall not accept any protest that is received after the conclusion of the public hearing even if postmarked before that time.
6. Any person who submits a written protest may withdraw it by submitting a request that it be withdrawn before or during the public hearing in the same manner as a protest can be made. The written withdrawal of a protest shall identify the parcel by assessor's parcel number or street address and shall identify the person withdrawing the protest as either the record owner of the

property or the tenant. The withdrawal of a protest shall only be valid if it is made by the same person who submitted the protest, or by a person with legal authority to act for that person.

7. No more than one protest shall be counted per parcel.

E. Tabulation of Protests.

1. The City Clerk shall take custody of written protests which shall remain confidential until after the close of the public hearing. From and after the time they are tabulated after the conclusion of the public hearing, the written protests shall constitute public records as defined in Government Code § 6524. The City Clerk shall establish appropriate safeguards to ensure that protests are secure and not available for examination prior to the conclusion of the public hearing. Once the protests become public records, the identities of those making protests shall be public.
2. The City Clerk shall determine the validity of all protests. The City Clerk shall not accept as valid any protest if the City Clerk determines any of the following:
 - a. The protest does not identify a parcel which is subject to the new fee, either by street address or parcel number.
 - b. The protest does not bear an original signature of the person submitting the protest.
 - c. The person signing the protest is not eligible to do so under the rules set forth in Section C above.
 - d. The protest does not state its opposition to the new or increased fee.
 - e. The protest was not received by the City Clerk before the close of the public hearing.
 - f. A valid request to withdraw the protest is received before the close of the public hearing.
3. The City Clerk's decision regarding the validity of a protest shall constitute a final action of the City and shall not be subject to the appeal to the City Council or to any other board or employee of the City.

4. The City shall prepare, or cause to be prepared, a Master Parcel List identifying each parcel subject to the new or increased fee. A majority protest exists if, with respect to a majority of the parcels subject to the new or increased fee, written protests which comply with each of the requirements of this resolution are timely submitted and not withdrawn.
5. The City Clerk shall begin tabulating written protests within twenty-four business hours following the close of the public hearing. The City Manager may retain a private firm with demonstrated experience in tabulating written protests to assist the City Clerk. If, at the conclusion of the public hearing, a cursory review of the protests demonstrates that the number received is manifestly less than one-half of the parcels that would be subject to the new or increased fee, then the City Clerk may advise the City Council of the absence of a majority protest without tabulating the protests.