

RESOLUTION NO. 2018-060

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF ROHNERT PARK ADOPTING NEW
SEWER SERVICE RATES**

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, the revenue from the sewer service charges shall be used to support the operation, maintenance and replacement of the sewer system as provided by the city; and

WHEREAS, the City has determined that the current sewer service rates are insufficient to support the operation, maintenance and replacement of the sewer system; and

WHEREAS, the City wishes to increase sewer service rates effective on sewer bills rendered after June 1, 2018; and

WHEREAS, The Reed Group, Inc. prepared a Sewer Rate Study ("Report") that determined the financial needs of the sewer utility and calculated the proposed sewer service rates based on the City's costs of sewer service.

WHEREAS, the City has identified the parcels upon which the charges will be imposed, calculated the amount of the charge to be imposed on each parcel, and mailed written notice to all parcels, wherein the City provided notice of the proposed charges, the amount of the proposed charges, the basis for the calculation, the reason for the charge, and the date, time, and location for a public hearing on the proposed charges not less than 45 days after the notice; and

WHEREAS, the City Council held the duly noticed public hearing and considered all written protests; and

WHEREAS, written protests against the sewer rates were not presented by a majority of the affected parcels;

WHEREAS, the procedures followed and the sewer service charges proposed herein are in compliance with the California Constitution Article XIII D and California Government Code section 53755.

WHEREAS, after due consideration, the City Council of the City of Rohnert Park finds and determines that, based on the entire record before the City Council, including but not limited to the Staff Report and attachments thereto:

1. The sewer service charges do not exceed the amounts required to provide sewer service because the rates are calculated to recover the City's costs of service.
2. The revenues derived from the sewer service charge will not be used for any purpose other than that for which the charge is imposed, because the revenue will be kept in a separate fund used only for costs related to the provision of sewer service.

3. The amount of the charge does not exceed the proportional cost of the sewer service attributable to each parcel because it is based upon necessary pipe size and water consumption.

4. The sewer service charge will not be imposed upon parcels for which sewer service is not immediately available.

5. The sewer service charge will be used to enable the City to provide sewer service rather than general governmental services.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Rohnert Park that beginning with sewer service bills rendered after June 1, 2018 the sewer service charges set forth in Exhibit A are hereby approved

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

FURTHER RESOLVED that the City Council hereby accepts and approves the Report setting forth the basis for the sewer service charges.

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 April, 2018.

CITY OF ROHNERT PARK

ATTEST:

Pam Stafford
Pam Stafford, Mayor

JoAnne Buergler
JoAnne Buergler, City Clerk

Attachment: Exhibit A

AHANOTU: Aye BELFORTE: Aye MACKENZIE: Aye CALLINAN: Aye STAFFORD: Aye
AYES: (5) NOES: (0) ABSENT: (0) ABSTAIN: (0)

Exhibit A to Resolution

**City of Rohnert Park
Sewer Service Charge Sheet
April 24 2018**

Sewer Base and Usage Charges

Exhibit 1 presents the current and increased sewer rates for the next five years. New rate schedules shall be effective on bills rendered on or after June 1 of each year. The rate schedule for June 2018 reflects the updated cost of service analysis and a 3.0 percent overall increase in the level of sewer rates. In subsequent years both base charges and flow charges are increased by 3.0 percent in each year.

Exhibit 1 City of Rohnert Park -- Sewer Utility Current and Proposed Sewer Rates						
	Current (1)	June 2018	June 2019	June 2020	June 2021	June 2022
Single Family Residential (2)						
Monthly Base Charge	\$ 9.40	\$ 9.72	\$ 10.01	\$ 10.31	\$ 10.62	\$ 10.94
Flow Charge (\$/gal.) (3)	\$ 0.01094	\$ 0.01110	\$ 0.01143	\$ 0.01177	\$ 0.01212	\$ 0.01248
Sewer Only Flat Rate (\$/mo.)		\$ 52.31	\$ 53.88	\$ 55.50	\$ 57.17	\$ 58.89
Multi-Family and Non-Residential Customers						
Monthly Base Charge						
Up to 3/4" meter	\$ 25.30	\$ 29.45	\$ 30.33	\$ 31.24	\$ 32.18	\$ 33.15
1" meter	\$ 38.71	\$ 44.89	\$ 46.24	\$ 47.63	\$ 49.06	\$ 50.53
1 1/2" meter	\$ 71.96	\$ 83.14	\$ 85.63	\$ 88.20	\$ 90.85	\$ 93.58
2" meter	\$ 112.01	\$ 129.22	\$ 133.10	\$ 137.09	\$ 141.20	\$ 145.44
3" meter	\$ 205.54	\$ 236.83	\$ 243.93	\$ 251.25	\$ 258.79	\$ 266.55
4" meter	\$ 339.12	\$ 390.52	\$ 402.24	\$ 414.31	\$ 426.74	\$ 439.54
6" meter	\$ 672.77	\$ 774.39	\$ 797.62	\$ 821.55	\$ 846.20	\$ 871.59
8" meter	\$ 1,073.32	\$ 1,235.23	\$ 1,272.29	\$ 1,310.46	\$ 1,349.77	\$ 1,390.26
Flow Charge (\$/gal.) (3)						
Multi-Family Residential	\$ 0.01094	\$ 0.01110	\$ 0.01143	\$ 0.01177	\$ 0.01212	\$ 0.01248
Non-Residential						
Low Strength	\$ 0.01142	\$ 0.01162	\$ 0.01197	\$ 0.01233	\$ 0.01270	\$ 0.01308
Medium Strength	\$ 0.01533	\$ 0.01579	\$ 0.01626	\$ 0.01675	\$ 0.01725	\$ 0.01777
High Strength	\$ 0.02308	\$ 0.02408	\$ 0.02480	\$ 0.02554	\$ 0.02631	\$ 0.02710
Notes:						
(1) Effective January 1, 2015 per Ordinance 837.						
(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.						
(3) Flow charges are determined based on gallons of flow, rather than rounded to 1,000 gallon increments.						

Exhibit A to Resolution

Wastewater Loading

Individual customers of the sewer system contribute wastewater with varying concentrations of BOD and TSS. The proportionate allocation of cost to customers in relation to cost of service therefore requires that customers generating wastewater of lower or high strength be charged in relation to the strength characteristics. Non-residential customers were assigned into a low, medium, or high strength category based on published industry data on typical loading characteristics for various types of businesses. Examples of how various types of businesses have been categorized for sewer rate purposes are summarized below (the list is not all-inclusive).

<u>Low Strength</u>	<u>Medium Strength</u>	<u>High Strength</u>
Bar w/o food	Auto repair facilities	Bakery
Beauty salon	Auto service stations	Bar with food
Car wash	Commercial laundry	Butcher
Church	Hotel/motel with restaurant	Grocery with bakery, butcher, or food waste grinder
Convalescent home	Mixed use, incl. restaurants	Mortuary
Dry cleaner	Restaurant with grease interceptor	Restaurant without grease interceptor
Health club/spa	Retail with food service	
Hospital		
Hotel/motel w/o restaurant		
Laundromat		
Manufacturing without process discharge		
Office building		
Public/municipal building		
Retail stores		
Schools		

Non-residential accounts shall be classified into strength classifications for purposes of determining the appropriate sewer flow rate. The Director of Public Works, or his or her designee, will determine which strength classification is to be assigned to each non-residential account using industry standard information and data.

Any customer may, at their own cost, sample sewer discharges for (BOD) and (TSS) in accordance with standards prescribed by the City. Such sewer strength information will then be used by the Director of Public Works to determine the appropriate strength classification, as follows: the low-strength classification shall apply in instances where the sum of BOD strength and TSS strength (both in mg/l) does not exceed 600; the medium-strength classification shall apply in instances where the sum of BOD strength and TSS strength (both in mg/l) exceeds 600 but does not exceed 1,200; and the high-strength classification shall apply in instances where the sum of BOD strength and TSS strength (both in mg/l) exceeds 1,200.

Exhibit A to Resolution

Sewer Capital Preservation Charge

Exhibit 2 presents the sewer system capital preservation charge, including the 5-year period for implementing the charge. The capital preservation charge will be implemented with sewer bills rendered on or after June 1, 2018, with subsequent adjustments implemented with bills rendered on or after June 1, from 2019 through 2022.

For single family customers, the capital preservation charge is a fixed monthly charge for each dwelling unit. For multi-family and non-residential accounts, the capital preservation charge will vary with the size of the water meter, similar to the current base charge. For single family homes, the charge will initially be \$2.00 per month and would increase each year until it reaches \$10.00 per month. For multi-family and non-residential accounts, the proposed charges reflect an allocation of costs in proportion to the potential demand that each customer (service connection) could place on the sewer system.

Exhibit 2 City of Rohnert Park -- Sewer Utility Proposed Sewer System Capital Preservation Charges					
	June 2018	June 2019	June 2020	June 2021	June 2022
Single Family Residential (2)					
Monthly Capital Preserv. Charge (\$/DU)	\$ 2.00	\$ 4.00	\$ 6.00	\$ 8.00	\$ 10.00
Multi-Family and Non-Residential Customers					
Monthly Capital Preservation Charge					
Up to 3/4" meter	\$ 5.00	\$ 10.00	\$ 15.00	\$ 20.00	\$ 25.00
1" meter	\$ 8.30	\$ 16.70	\$ 25.00	\$ 33.30	\$ 41.70
1 1/2" meter	\$ 16.70	\$ 33.30	\$ 50.00	\$ 66.70	\$ 83.30
2" meter	\$ 26.70	\$ 53.30	\$ 80.00	\$ 106.70	\$ 133.30
3" meter	\$ 50.00	\$ 100.00	\$ 150.00	\$ 200.00	\$ 250.00
4" meter	\$ 83.30	\$ 166.70	\$ 250.00	\$ 333.30	\$ 416.70
6" meter	\$ 166.70	\$ 333.30	\$ 500.00	\$ 666.70	\$ 833.30
8" meter	\$ 266.70	\$ 533.30	\$ 800.00	\$ 1,066.70	\$ 1,333.30