

RESOLUTION NO. 18-2017

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PACIFICA STATING ITS INTENTION TO REVISE THE CITY'S SEWER CHARGES BEGINNING TAX YEAR 2017-2018

WHEREAS, the City of Pacifica levies charges for sewer services pursuant to Chapter 6 of Title 6 of the Pacifica Municipal Code and pursuant to Section 5470 *et seq.* of the California Health & Safety Code; and

WHEREAS, the City periodically reviews the rate of such charges to determine that the charges will fully fund the City's sewer enterprise and fairly allocate the costs of providing sewer service; and

WHEREAS, the City has determined that a rate revisions will be required in order to maintain the required level of funding; and

WHEREAS, the City Council desires to initiate proceedings to revise the charges that will be effective beginning in the 2017-18 tax year.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PACIFICA THAT:

Section 1. The foregoing recitals are all true and correct.

Section 2. The City Council proposes the imposition of the rate structure shown in Exhibit "A" to this Resolution, which is incorporated herein by reference.

Section 3. The City Council directs staff to schedule a public hearing at which all interested persons shall be permitted to present oral and written testimony with respect to the proposed rate revision. The City Council further directs staff to give notice of the hearing in the manner required by law. The City will accept and tabulate protests against the proposed rate revision pursuant to the procedures set forth in Exhibit "B" to this Resolution, which is incorporated herein by reference.

EXHIBIT "A"

PROPOSED NEW RATE SCHEDULE

I. Consumption-Based Charge

Annual sewer charges shall be based upon water consumption that is in conformity with the rate measurement formulas set forth in this article and shall be charged at \$14.08834 per 100 cubic feet of water consumption, effective July 1, 2017; \$15.21541 per 100 cubic feet of water consumption, effective July 1, 2018; \$16.43264 per 100 cubic feet of water consumption, effective July 1, 2019; \$17.58293 per 100 cubic feet of water consumption, effective July 1, 2020; and \$18.81373 per 100 cubic feet of water consumption, effective July 1, 2021.

II. Minimum Rate

Regardless of use, the minimum rate for any user shall be \$676.24 per year for FY 2017-18. The \$676.24 minimum rate shall also be the sewer charge applied to new sewer connection permits obtained after July 1 for that particular fiscal year ending June 30, 2018.

Regardless of use, the minimum rate for any user shall be \$730.34 per year for FY 2018-19. The \$730.34 minimum rate shall also be the sewer charge applied to new sewer connection permits obtained after July 1 for that particular fiscal year ending June 30, 2019.

Regardless of use, the minimum rate for any user shall be \$788.76 per year for FY 2019-20. The \$788.76 minimum rate shall also be the sewer charge applied to new sewer connection permits obtained after July 1 for that particular fiscal year ending June 30, 2020.

Regardless of use, the minimum rate for any user shall be \$843.98 per year for FY 2020-21. The \$843.98 minimum rate shall also be the sewer charge applied to new sewer connection permits obtained after July 1 for that particular fiscal year ending June 30, 2021.

Regardless of use, the minimum rate for any user shall be \$903.06 per year for FY 2021-22. The \$903.06 minimum rate shall also be the sewer charge applied to new sewer connection permits obtained after July 1 for that particular fiscal year ending June 30, 2022.

III. Other Changes

A change is proposed for the rate methodology for residential customers. It is proposed that the actual water use for residential customers be multiplied by 90% (0.90) to accommodate for water consumption coming into the household but does not make use of the sewer system utility. This reduced usage is then multiplied by the rate to come up with the amount to be charged, however the minimum sewer service charge still applies. The 90% multiplier replaces the former residential rate methodology that used the average billings from the wet months of the calculation year multiplied by six.

In order to align with State Revenue Guidelines, it is proposed that the strength factor for restaurants with functioning grease traps be increased from 1.2 to 1.6.

Other than those mentioned above, no other changes are proposed to existing rates, rate calculation methodologies, or rate application methodologies.

EXHIBIT "B"

GUIDELINES FOR THE SUBMISSION AND TABULATION OF PROTESTS

Submission of Protests

1. Any property owner may submit a written protest to the City Clerk, either by delivery to the office of the City Clerk or by submitting the protest at the public hearing. Protests must be received by the end of the public hearing. No postmarks will be accepted.
2. Each protest must identify the affected property (by assessor's parcel number or street address) and include the signature of the record property owner. Email protests cannot be accepted. Although oral comments at the public hearing will not qualify as a formal protest unless accompanied by a written protest, the City Council welcomes input from the community during the public hearing on the proposed fees.
3. If a parcel served by the City is owned by more than a single record owner, each owner may submit a protest, but only one protest will be counted per parcel and any one protest submitted in accordance with these rules will be sufficient to count as a protest for that property.
4. In order to be valid a protest must bear the original signature of the record owner with respect to the property identified on the protest. Protests not bearing the original signature of a record owner shall not be counted.
5. Any person who submits a protest may withdraw it by submitting to the City Clerk a written request that the protest be withdrawn. The withdrawal of a protest shall contain sufficient information to identify the affected parcel and the name of the record owner or record customer who submitted both the protest and the request that it be withdrawn.
6. A fee protest proceeding is not an election.
7. To ensure transparency and accountability in the fee protest tabulation, protests shall constitute disclosable public records from and after the time they are received.

Tabulation of Protests.

1. 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 that any of the following conditions exist:
 - a. The protest does not identify a property served by the City.
 - b. The protest does not bear an original signature of a record owner of the parcel identified on the protest.
 - c. The protest does not state its opposition to the proposed fees.
 - d. The protest was not received by the City Clerk before the close of the public hearing on the proposed fees.

- e. A request to withdraw the protest is received prior to the close of the public hearing on the proposed fees.
3. The City Clerk's decision that a protest is not valid or does not apply to a specific fee shall constitute a final action of the City and shall not be subject to any internal appeal.
 4. A majority protest exists if written protests are timely submitted and not withdrawn by the record owners of, or customers with respect to, a majority of the properties subject to the proposed fee.
 5. At the conclusion of the public hearing, the City Clerk shall complete the tabulation of all protests received, including those received during the public hearing and shall report the results of the tabulation to the City Council upon completion. If review of the protests received demonstrates that the number received is manifestly less than one-half of the parcels served by the City with respect to the fee which is the subject of the protest, then the Clerk may advise the City Council of the absence of a majority protest without determining the validity of all protests.

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PASSED AND ADOPTED at a regular meeting of the City Council of the City of Pacifica, California, held on the 27th day of March, 2017, by the following vote:

AYES: Council Members: Martin, Vaterlaus, Digre, Keener, O'Neill

NOES: Council Members: None

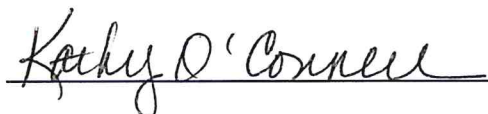
ABSENT: Council Members:None

ABSTAIN: Council Members:None



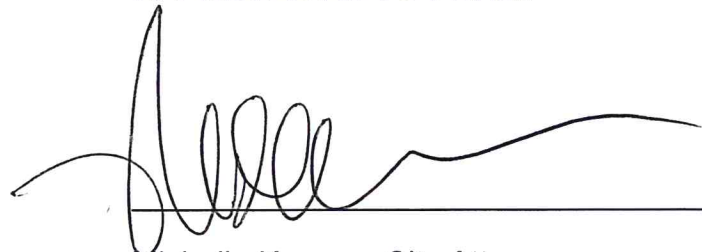
Mike O'Neill, Mayor

ATTEST:



Kathy O'Connell, City Clerk

APPROVED AS TO FORM:



Michelle Kenyon, City Attorney