

RESOLUTION NO. 2015-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMITA ADOPTING
NEW WATER RATES AND CHARGES

SECTION 1. RECITALS.

- A. The City of Lomita provides water service to all properties within the City of Lomita (with the exception of 211 parcels in the Rolling Ranchos Tract); and
- B. The City Council has previously set February 11, 2015 as the date for a public hearing for consideration of a revised schedule of water rates and charges; and
- C. The notice of the February 11, 2015 public hearing, and of the proposed schedule of rates and charges, was mailed to each Lomita water customer in December 2014 as required by Proposition 218; and
- D. The City mailed out 3,967 notices to affected property owners. Under Proposition 218, the City would not be able to adopt the proposed water rates if 1,984 written protests are received.
- E. The public notice and other water rate study information was made available to the public on the City's website on December 2014; and
- F. The public notice provided instructions on how to file a written protest relative to the proposed water rates; and
- G. On February 11, 2015, the City Council conducted a duly noticed public hearing concerning the proposed water rate increase and heard and considered all oral and written testimony and protests; and
- H. The proposed increase in water rates is statutorily exempt from the provisions of CEQA pursuant to Title 14, section 15273 of the California Code of Regulations as it applies only to rates necessary to operate and maintain the City's water system; and
- I. All legal prerequisites to adoption of a water rate increase have occurred prior to adoption of this Resolution.

THE CITY COUNCIL OF THE CITY OF LOMITA DOES HEREBY RESOLVE AS
FOLLOWS:

SECTION 2. EFFECTIVE DATE.

The rates and charges set forth in this Resolution shall take effect on March 1, 2015.

SECTION 3. SCHEDULE OF RATES AND CHARGES

A. Rate Structure

Each customer is charged both a bi-monthly base charge known as a “meter service charge” and a “commodity charge” based on the amount of water consumed during the billing service period.

B. Meter Service Charge

Current & Proposed Service Charge (\$/month)						
Meter	Current	Eff. March 2015	FY 17 Charge	FY 18 Charge	FY 19 Charge	FY 20 Charge
5/8" x 3/4"	\$41.93	\$36.90	\$39.73	\$42.90	\$46.78	\$50.31
3/4"	\$41.93	\$36.90	\$39.73	\$42.90	\$46.78	\$50.31
3/4" x 1"	\$55.91	\$49.20	\$52.97	\$57.20	\$62.38	\$67.08
1"	\$69.89	\$61.50	\$66.21	\$71.51	\$77.97	\$83.85
1 1/2"	\$139.78	\$123.00	\$132.42	\$143.01	\$155.95	\$167.71
2"	\$223.64	\$196.81	\$211.88	\$228.82	\$249.52	\$268.33
3"	\$419.33	\$369.01	\$397.27	\$429.03	\$467.85	\$503.13
4"	\$698.88	\$615.02	\$662.11	\$715.05	\$779.74	\$838.54
6"	\$1,397.77	\$1,230.05	\$1,324.23	\$1,430.11	\$1,559.49	\$1,677.09
8"	\$2,236.43	\$1,968.07	\$2,118.76	\$2,288.17	\$2,495.18	\$2,683.34
10"	\$2,807.21	\$2,838.82	\$3,056.18	\$3,300.55	\$3,599.14	\$3,870.55
Fire Service						
4"	\$201.84	\$164.44	\$176.82	\$191.69	\$211.51	\$227.61
6"	\$273.92	\$328.87	\$353.65	\$383.38	\$423.01	\$455.22
8"	\$344.16	\$526.20	\$565.84	\$613.40	\$676.82	\$728.35

* First rate increase will be effective on March 1, 2015. Subsequent rate increases will be effective starting on July 1, 2016 and on July 1 of each year thereafter.

C. Commodity Charge – Residential and Non-Residential

Current & Proposed Commodity Charge (\$/HCF)						
Tier	Current	Eff. March 2015	FY 17 Rate	FY 18 Rate	FY 19 Rate	FY 20 Rate
Residential						
Tier 1 (0-20 HCF)	\$3.22	\$3.53	\$3.81	\$4.12	\$4.43	\$4.79
Tier 2 (21-35 HCF)	\$3.29	\$3.63	\$3.93	\$4.24	\$4.56	\$4.94
Tier 3 (> 35HCF)	\$3.69	\$4.13	\$4.46	\$4.82	\$5.18	\$5.61
Non-Resid'l	\$3.39	\$3.63	\$3.93	\$4.24	\$4.56	\$4.94

* First rate increase will be effective on March 1, 2015. Subsequent rate increases will be effective starting on July 1, 2016 and on July 1 of each year thereafter.

SECTION 4. RATE ADJUSTMENTS

Each rate set forth in Section 3 of this resolution shall be adjusted on July 1 of each year as indicated in the rate table and additionally as follows:

A. Pass Through Component

Pursuant to Section 53756 of the Government Code, the City may adopt a rate

schedule which provides for automatic adjustments to pass along unanticipated increases in wholesale/imported water charges. Pursuant to Section 53756, the City Council hereby authorizes the following automatic adjustments to the fixed customer charge and the variable water commodity charge.

Wholesale/Imported Water Cost Adjustments. City reserves the right to automatically pass along future increases in wholesale water charges imposed on City by another agency, such as the Metropolitan Water District or WD and/or the West Basin Municipal Water District. These automatic adjustments may be made whenever the other agency increases the standard wholesale cost of water beyond the current wholesale cost assumed by City in the proposed rate structure, provided that notice of any adjustment shall be provided to the customers at least 30 days before the effective date of the adjustment in accordance with Section 53756(d).

SECTION 5. ADMINISTRATION

It shall be the duty and function of the Administrative Services Director to administer this Resolution.

SECTION 6. FINDINGS

- A. At the close of the public hearing, the City received 15 written protests. The City Clerk has certified the tabulation of written protests. Thus, no majority protest to the proposed water rate increases has been presented under Proposition 218.
- B. That revenues derived from those rates will be utilized to meeting water operating expenses including the purchasing or leasing of supplies, equipment/materials, employee wage rates/benefits as can be attributable to water operations/water capital and will not exceed the funds required to provide water service.
- C. That revenues derived from these rates will not be used for any purpose other than providing water service including water capital projects that upgrade infrastructure within the service area.
- D. That the amounts of those rates imposed upon any parcel or person as an incident of property ownership will not exceed the proportional cost of the service attributable to the parcel.

SECTION 7. The City Clerk is directed to fill in the number of written protests received in Section 6.A above.

NOW, THEREFORE, BE IT RESOLVED, that the water rates set forth in Section 3 are hereby approved and staff is directed to begin implementing the revised rates effective March 1, 2015.

BE IT FURTHER RESOLVED that said increases in fees and charges (except for the pass through component in Section 4) shall be applied on July 1st of each year (with the

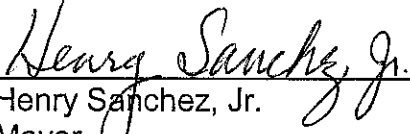
BE IT FURTHER RESOLVED that said increases in fees and charges (except for the pass through component in Section 4) shall be applied on July 1st of each year (with the exception of the first rate increase which will see a water rate adjustment effective on March 1, 2015). The pass through component in Section 4 shall be applied at the time Metropolitan Water District and/or West Basin Municipal Water District increases its rates and charges or shortly thereafter.

PASSED, APPROVED AND ADOPTED, this 11th day of February 2015.


AYES: Council Members Waronek, Savidan, Mayor Pro Tem Gazeley & Mayor Sanchez

NOES: Council Member Traina

ABSENT: None


Henry Sanchez, Jr.
Mayor

ATTEST:


Sandra M. Medina,
City Clerk