

RESOLUTION NO. 4018-2017

RESOLUTION OF THE FORT BRAGG CITY COUNCIL

and

RESOLUTION NO. ID 393-2017

**RESOLUTION OF THE FORT BRAGG MUNICIPAL IMPROVEMENT DISTRICT BOARD
APPROVING RESUMPTION OF APPROVED UTILITY RATE INCREASES**

WHEREAS, on June 10, 2013, after complying with all notice and hearing requirements of Proposition 218, the City Council of the City of Fort Bragg set water rates by Resolution No. 3618-2013 in accordance with Fort Bragg Municipal Code Section 14.04.020; and

WHEREAS, on June 10, 2013, the Board of Directors of the Fort Bragg Municipal Improvement District Board (the "District") set sewer rates by Resolution No. 354-2013 in accordance with Fort Bragg Municipal Code Section 14.24.110; and

WHEREAS, on August 11, 2014, after complying with all notice and hearing requirements of Proposition 218, the City Council of the City of Fort Bragg amended the previously approved water rates by Resolution No. 3730-2014 in accordance with Fort Bragg Municipal Code Section 14.04.020; and

WHEREAS, while developing the FY 2016-17 budget, an accounting error was discovered that in prior years resulted in an over-allocation of non-personnel overhead costs to the Water and Wastewater Enterprises; and

WHEREAS, at the Budget Workshop held on May 25, 2016, as one of several steps taken to correct the cost allocation error, Council directed staff to temporarily suspend utility rate increases for FY 2016/17; and

WHEREAS, utility rate studies were conducted in FY 2016/17 to determine the necessity and appropriate timing for resumption of utility rate increases; and

WHEREAS, based on all the evidence presented, the City Council/District Board finds as follows:

1. The proposed resumption of utility rate increases is prudent for the fiscal management and health of the Water and Wastewater Enterprises.
2. The previously approved rates are sufficient to operate the Water and Wastewater Enterprises through Fiscal Year 2020/2021.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Fort Bragg/District Board of the Fort Bragg Municipal Improvement District No. 1 does hereby approve resumption of the City's utility rates as set on June 10, 2013 and as amended on August 11, 2014 according to the schedule set forth in Exhibit "A" attached hereto and incorporated herein by reference.

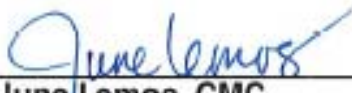
The above and foregoing Resolution was introduced by Council/Board Member Turner, seconded by Council/Board Member Cimolino, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg/District Board of the Fort Bragg Municipal Improvement District No. 1 held on the 26th day of June, 2017, by the following vote:

- AYES: Council/Board Members Cimolino, Lee, Norvell, Turner, and Mayor/Chair Peters.
- NOES: None.
- ABSENT: None.
- ABSTAIN: None.
- RECUSED: None.



LINDY PETERS
Mayor/Chair

ATTEST:



June Lemos, CMC
City/District Clerk

EXHIBIT A

Adopted Water Rates as of September 1, 2014

Customer Class/Meter Size	FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017-2018	FY 2018/2019	FY 2019/2020	FY 2020/2021
Fixed Charges for Residential Customers:							
5/8 & 3/4 inch	\$ 29.80	\$ 35.30	\$ 41.80	\$ 48.30	\$ 54.80	\$ 61.30	\$ 67.80
1 inch	\$ 41.25	\$ 45.38	\$ 49.51	\$ 53.64	\$ 57.77	\$ 61.90	\$ 66.03
1.5 inch	\$ 48.42	\$ 54.18	\$ 59.94	\$ 65.70	\$ 71.46	\$ 77.22	\$ 82.98
2 inch	\$ 55.59	\$ 64.52	\$ 73.45	\$ 82.38	\$ 91.31	\$ 100.24	\$ 109.17
3 inch	\$ 124.17	\$ 146.19	\$ 168.21	\$ 190.23	\$ 212.25	\$ 234.27	\$ 256.29
4 inch	\$ 202.44	\$ 238.58	\$ 274.72	\$ 310.86	\$ 347.00	\$ 383.14	\$ 419.28
6 inch	\$ 393.88	\$ 461.18	\$ 528.48	\$ 595.78	\$ 663.08	\$ 730.38	\$ 797.68
Fixed Charges for Non-Residential Customers:							
5/8 & 3/4 inch	\$ 58.00	\$ 64.50	\$ 71.00	\$ 77.50	\$ 84.00	\$ 90.50	\$ 97.00
1 inch	\$ 84.56	\$ 93.64	\$ 102.72	\$ 111.80	\$ 120.88	\$ 129.96	\$ 139.04
1.5 inch	\$ 111.12	\$ 122.78	\$ 134.44	\$ 146.10	\$ 157.76	\$ 169.42	\$ 181.08
2 inch	\$ 137.68	\$ 152.52	\$ 167.36	\$ 182.20	\$ 197.04	\$ 211.88	\$ 226.72
3 inch	\$ 214.80	\$ 243.60	\$ 272.40	\$ 301.20	\$ 330.00	\$ 358.80	\$ 387.60
4 inch	\$ 302.00	\$ 342.27	\$ 382.54	\$ 422.81	\$ 463.08	\$ 503.35	\$ 543.62
6 inch	\$ 487.28	\$ 570.01	\$ 652.74	\$ 735.47	\$ 818.20	\$ 900.93	\$ 983.66
8 inch	\$ 971.75	\$ 1,098.03	\$ 1,224.31	\$ 1,350.59	\$ 1,476.87	\$ 1,603.15	\$ 1,729.43
Commercial Low-charge Customers:							
5/8 & 3/4 inch	\$ 29.00	\$ 31.90	\$ 34.80	\$ 37.70	\$ 40.60	\$ 43.50	\$ 46.40
Variable Charges:							
Single Family Residential Rates per HCF							
Tier 1: 1-5 HCF	\$ 1.74	\$ 1.82	\$ 1.90	\$ 1.97	\$ 2.05	\$ 2.13	\$ 2.21
Tier 2: 6-10 HCF	\$ 4.11	\$ 4.31	\$ 4.51	\$ 4.71	\$ 4.91	\$ 5.11	\$ 5.31
Tier 3: 11+ HCF	\$ 6.37	\$ 6.70	\$ 7.03	\$ 7.36	\$ 7.69	\$ 8.02	\$ 8.35
Non-Single Family Residential							
Rate per HCF	\$ 4.71	\$ 5.20	\$ 5.69	\$ 6.18	\$ 6.67	\$ 7.16	\$ 7.65

Billing Rates for Water:

Fixed Charges are billed monthly and rates are determined by meter size and type of property.

Variable Charges for Water:

Variable charges are billed monthly based on meter reads taken at the end of each month.

100 cubic feet = 7.48 gallons = 1 unit of water

Adopted Sewer Rates as of July 1, 2014

Customer Class	FY 2014/2015	FY 2015/2016	FY 2016/2017	FY 2017-2018	FY 2018/2019	FY 2019/2020	FY 2020/2021
Fixed Charges:							
Residential:							
Single Family Residential	\$ 24.50	\$ 26.46	\$ 28.42	\$ 30.38	\$ 32.34	\$ 34.30	\$ 36.26
Multi-Family Residential	\$ 24.50	\$ 26.46	\$ 28.42	\$ 30.38	\$ 32.34	\$ 34.30	\$ 36.26
Mobile Home Parks	\$ 24.50	\$ 26.46	\$ 28.42	\$ 30.38	\$ 32.34	\$ 34.30	\$ 36.26
Commercial:							
Low Strength	\$ 24.50	\$ 26.46	\$ 28.42	\$ 30.38	\$ 32.34	\$ 34.30	\$ 36.26
Medium Strength	\$ 24.50	\$ 26.46	\$ 28.42	\$ 30.38	\$ 32.34	\$ 34.30	\$ 36.26
High Strength	\$ 24.50	\$ 26.46	\$ 28.42	\$ 30.38	\$ 32.34	\$ 34.30	\$ 36.26
Variable Charges:							
Residential:							
Single Family Residential	\$ 4.19	\$ 4.49	\$ 4.79	\$ 5.09	\$ 5.39	\$ 5.69	\$ 5.99
Multi-Family Residential	\$ 2.79	\$ 3.00	\$ 3.20	\$ 3.40	\$ 3.61	\$ 3.81	\$ 4.02
Mobile Home Parks	\$ 0.30	\$ 0.31	\$ 0.32	\$ 0.33	\$ 0.34	\$ 0.35	\$ 0.36
Commercial:							
Low Strength	\$ 8.40	\$ 9.07	\$ 9.74	\$ 10.41	\$ 11.08	\$ 11.75	\$ 12.42
Medium Strength	\$ 8.60	\$ 9.31	\$ 10.02	\$ 10.73	\$ 11.44	\$ 12.15	\$ 12.86
High Strength	\$ 21.52	\$ 23.24	\$ 24.96	\$ 26.68	\$ 28.40	\$ 30.12	\$ 31.84

Billing Rates for Sewer:

Fixed Charges are billed monthly per dwelling and/or commercial unit. For example, a duplex is billed two fixed charges (one for each dwelling). The number of dwellings per account is based on the City of Fort Bragg's building records.

Variable Charges are billed monthly based on monthly water consumption for all accounts (including Single Family Residential). For example, if 4 units of water are used during the billing period then 4 units of sewer are also billed.

Variable Charges for Single Family Residential are billed monthly based on a Water Average. Water Averages are calculated once a year (in July) based on water meter usage between November 1st through October 31st. The average water usage determines how many sewer units each customer is billed per month for the year (July 1st thru June 30th).

All new customers will pay the minimum variable sewer charge of 2 units until a water average can be established.

Water averages calculated below the minimum variable charge of 2 units will be billed the minimum 2 units variable sewer charge.