ITEM NO. 24

STAFF REPORT

CITY OF OCEANSIDE

DATE: November 19, 2014

TO: Honorable Mayor and City Councilmembers

FROM: Water Utilities Department

SUBJECT: **ORDINANCE AMENDING CHAPTER 29 OF THE OCEANSIDE CITY CODE BY ESTABLISHING WASTEWATER USER RATE INCREASES, AN ORDINANCE AMENDING CHAPTER 37 OF THE OCEANSIDE CITY CODE BY ESTABLISHING WATER USER RATE AND EXTERNAL WATER PROVIDER CHARGE INCREASES AND ADOPT A RESOLUTION INCREASING CITY WASTE SERVICE FEE**

SYNOPSIS

Staff recommends that the City Council introduce an ordinance amending Chapter 29 of the City Code by establishing wastewater user rate increases; introduce an ordinance amending Chapter 37 of the City Code by establishing water user rate and external water provider charge increases and adopt a resolution increasing the fee for city waste services.

BACKGROUND

The City of Oceanside is located in a semi-arid climate with an average annual rainfall of 10 inches. Oceanside produces approximately 15-20 percent of the City's water needs on an annual basis by extracting water from the Mission Basin and treating it at the Mission Basin Desalting Facility. The remainder of the water used in the City must be purchased from the San Diego County Water Authority (SDCWA) which imports water from the Metropolitan Water District of California (MWD). Imported water is provided from the Colorado River Basin as well as the Bay Delta in Northern California.

Water supply conditions throughout California and the southwest region have been persistently dry. Water supply reserves in the large storage reservoirs in the state and along the Colorado River have been relied upon to meet demands. As a result of continued dry conditions, on July 15, 2014, the State Water Resources Control Board adopted emergency regulations requiring water suppliers to activate their drought response plans at a level that includes mandatory water use restrictions to prevent water waste. On August 6, 2014, Council adopted a Drought Response Level 2 which restricted water use for irrigation during specific days of the week and implemented restricted actions in the Drought Ordinance. Overall water usage for the first four months of the fiscal year reflect implementation of the watering restrictions and citywide usage is down 2.7 percent over the previous year.

Staff has been working with Carollo Engineers to provide updates to the utility rate design and financial models for the water, sewer and solid waste funds. Objectives of the rates considered the following:

- Pricing that is fair and equitable to all customer classes
- Rates recover the cost of providing the service to the customer
- Rates are sufficient to fully fund the operating and replacement reserves
- Bond covenants are met and there are adequate revenues to pay for debt
- Rate assumptions anticipate continued conservation
- Rates continue to be smoothed and are stable in future years

In addition, the California Constitution, Article XIIID, Section 6, states that local governments must hold a public majority-protest hearing, and notify customers forty-five (45) days in advance of increases in rates. Staff has taken the following action at least 45 days prior to this public hearing:

- Affected utility customer were notified by mail of the public hearing either as a utility billing insert or a direct mailer
- Notification of this hearing was published in the Union Tribune
- The notice (Exhibit H) outlined the proposed rate changes
- The notice outlined the protest process
- The notice provided information related to the public hearing

ANALYSIS

WATER:

On April 8, 2014, MWD's Board of Directors approved multi-year rate increases for calendar year 2015 and calendar year 2016. Rates for MWD represent a 1.5 percent annual increase for each calendar year. In addition, the San Diego County Water Authority's cost for untreated water is increasing by 2.9 percent and for treated water, is increasing by 2.6 percent.

The Notice contained rates which represent a maximum rate increase of 3.0 percent for water. Of the 3.25 percent increase, the larger components are pass through of fixed costs as well as costs associated with the purchase of water from MWD and SDCWA. The proposed residential water bill consists of a base monthly service charge, a usage commodity charge and pass through charges from MWD and the SDCWA. The base monthly service charge is paid regardless of water consumed and is imposed proportionate to the water meter size. The fixed charge recovers a portion of the fixed utility costs and pays for a portion of debt and infrastructure replacement costs. The commodity charge is based on actual water consumption. The proposed commodity charges consist of two pricing tiers, expressed in units.
The proposed rate increases are lower for residential water purchases which fall within the first tier. This water is considered essential. The cost per unit increases by tier. This increase not only incentivizes customers to use less water, it also reflects the

increased cost to provide excess system capacity to meet peak demands, which is otherwise idle during non-peak winter months.

The proposed multi-family residential, master-metered single family residential and manufactured home pricing structures also includes pricing tiers. Non-residential rates are not subject to a tier structure. The rate is flat, and increases when additional conservation is required. Changes to all water rates are being proposed at this time.

The typical single-family customer using 12 units of water per month would pay the amounts listed below in January 2015. The following example shows the noticed 3.25 percent increase on all charge components.

Proposed Water Monthly Bills for SFR (using 12 units)					
Effective Date	**Service Charge**	**Commodity Charge**	**Pass-through Charges**	**Total**	**Increase per month**
Current	$13.35	$27.00	$22.53	$62.88	N/A
Proposed January 2015	$13.75	$27.84*	$23.26**	$64.85	$1.97
*Includes the Clean Water Program rate of $0.11 per unit of water					
**Includes the Authority's Infrastructure Access Charge of $2.85 for a 5/8" meter + MWD's Readiness-to-Serve Charge of $1.81 for a 5/8" meter + the Authority's surcharge of $1.55/unit of consumption.					

Fire protection line service charges, which only apply to non-residential and multi-family water customers with separate water services for fire protection, are recommended for slight increases for all users as shown below. The service charge is the same for all meter sizes. The following example below shows the noticed 3 percent increase to fire protection line service charges.

Proposed Fire Protection Line Service Charge		
Effective Date	**Service Charge**	**Increase per month**
Current	$ 15.45	N/A
Proposed January 2015	$ 15.91	$ 0.46

SEWER:

The City's sewer utility provides all sewer services; costs are not passed through by a wholesaler or third party like the water utility. In FY 2014-15, the City's cost to convey, treat and dispose of wastewater (operations and maintenance) increased slightly as compared to FY 2013-14 costs. The Notice contained rates which represent a maximum rate increase of 3.0 percent for sewer. The primary rate drivers for the recommended increase include infrastructure repairs, reinvestment in the system, chemical cost increases as well as one-time costs for the sewer fund's proportional share of the cost of a new billing system.

As with water, the sewer rates consist of a fixed service charge paid regardless of sewer discharged and is imposed proportionate to the water meter size. The flow charge is based on each individual user's wastewater discharge (winter water consumption), or a winter quarter average (WQA), determined each 3-month period of January - March. WQA rates are effective for one year starting and ending in July. The typical single-family customer with medium sewer flow would pay the amounts listed below in January 2014. The following example shows the noticed 3.0 percent increase on all charge components.

Proposed Wastewater Monthly Bill for SFR				
Effective Date	**Service Charge***	**Flow Charge (Medium Use)**	**Total**	**Increase per month**
Current	$ 24.94	$31.34	$ 56.28	N/A
Proposed January 2015	$ 25.75*	$32.36	$ 58.11	$ 1.83
*Includes the service charge of $19.31 + the customer charge of $6.44				

The proposed rate schedule for non-single-family residential wastewater customer classes including general commercial facilities, motels, churches, schools, and RV parks includes a 3.0 percent increase effective January 1, 2015. Special industrial user rates affecting manufacturing and industrial establishments which generate high pollutant loadings are also proposed to increase 3.0 percent effective January 1, 2015. The pollutant loadings are calculated annually and are based on actual monitoring data of flow, biochemical oxygen demand (BOD), total suspended solids (TSS) and ammonia. The proposed special industrial user discharger rates are below and reflect the 3.0 percent noticed increase.

Proposed Wastewater Industrial Flow Charge				
Effective Date	**Per unit**	**Per lb. BOD**	**Per lb. TSS**	**Per lb. Ammonia**
Current	$ 2.53	$ 0.69	$ 0.40	$ 0.37
Proposed January 2015	$ 2.61	$ 0.71	$ 0.41	$ 0.38

CITY WASTE SERVICES FEE:

City utility bills for solid waste services include two rate components: the first being the rate paid to Waste Management for disposal of solid waste, recycling services and program administration and the second being the City Waste Services fee which pays for street sweeping, landfill maintenance and right-of-way clean-up. The Waste Management rates are tied to the contract between Waste Management and the City, which allows for CPI increases for Waste Management's payment, each July 1st. These rates were last adjusted in July of 2014.

The City Waste Services fee was last updated in 2008 and is currently a flat rate of $3.77/Equivalent Dwelling Unit (EDU) for residents and businesses on public streets. The EDU indicates the number of dwellings served by that meter. Regardless of the service, the number of dwelling units for each meter is referred to as the number of

EDUs. Charges based on a component rate bill a flat charge multiplied by the number of EDUs or dwellings.

Due to rising program costs as well as to ensure positive cash flows in the solid waste utility, the fee is being recommended for an increase of $0.98/EDU for those residents and businesses on public streets and by $0.92/EDU for those residents and businesses on privately maintained streets.

The typical single-family customer would pay the amounts listed below in January 2015. The following example shows the noticed 26 percent increase on the City Services charge component for residents and businesses on public streets and the noticed 26 percent increase on the City Services charge component for residents and businesses on private streets.

Proposed Single Family Residential City Waste Service Charge		
Effective Date	**City Waste Service Charge**	**Increase per month**
Current (Public Street)	$3.77	N/A
Proposed January 2015 (Public Street)	$4.75	$0.98
Current (Private Street)	$3.55	N/A
Proposed January 2015 (Private Street)	$4.47	$0.92

FISCAL IMPACT

Revenue Requirement and Bond Coverage

The analysis that was performed for the Financial Plan included a determination of the Wastewater, Water and Solid Waste Funds' revenue requirements, which is the annual amount of revenue necessary to meet annual expenditures. The user rates and charges are calculated to generate enough revenue to meet expenses and debt obligations and must be increased if they are not sufficient to meet these requirements.

When Council authorized the issuance of bond debt for sewer infrastructure on April 3, 2013, and for water infrastructure on June 26, 2013, the rate covenants required that rates and fees be set at a sufficient level to pay debt service, provide debt coverage, and meet all operating expenses plus an additional multiple of that debt service. The increase in wastewater and water rates for all customers will provide the revenue to meet the funding requirements for fiscal year 2015.

The proposed increase to the Water Fund will provide an additional $584,624 in revenues to the Water Fund for FY15. This meets the bond coverage of 1.40x and fully funds infrastructure replacement, debt as well as increases associated with water commodity and fixed pass-through charges. In addition, this pays for the one-time expense of the utility billing system in the amount of $700,000 for the water utility and fully funds the reserve, set by policy in accordance with Government Finance Officers Association (GFOA) best practices at 45 days of operating expenditures or $6.6 million.

The proposed increase to the Sewer Fund will provide an additional $641,331 in revenues to the Sewer Fund for FY15. This meets the bond coverage of 1.40x and fully funds infrastructure replacement, debt and increases associated with chemical and sludge hauling costs increases. In addition, this pays for the one-time expense of the utility billing system in the amount of $700,000 for the sewer utility and fully funds the reserve, set by policy in accordance with Government Finance Officers Association (GFOA) best practices at 60 days of operating expenditures or $4.5 million

The proposed increase to the City Waste Service Charge will provide an additional $408,766 in revenues to the Solid Waste Fund for FY15. This pays for the one-time expense of the utility billing system in the amount of $700,000 for the solid waste utility and is anticipated to bring the Solid Waste Reserve Balance to $5,783,705 at the end of FY15. The reserve balance has been set by policy to be at $6 million.

COMMISSION OR COMMITTEE REPORT

The Utilities Commission's Budget Committee had several meetings regarding the proposed rates and approved staff's recommendation at its meeting on September 2, 2014. The Utilities Commission was provided an update and materials at its meeting on September 16, 2014.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

RECOMMENDATIONS

Staff recommends that the City Council introduce an ordinance amending Chapter 29 of the City Code by establishing wastewater user rate increases; introduce an ordinance amending Chapter 37 of the City Code by establishing water user rate and external water provider charge increases and adopt a resolution increasing the fee for city waste services.

PREPARED BY:

Cari Dale
Water Utilities Director

SUBMITTED BY:

Steve Jepsen
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Assistant City Manager

James Riley, Finance Director

Attachment:	Exhibit A:	Water Consumption Charge
	Exhibit B:	Fixed Water Charges
	Exhibit C:	Fixed Wastewater Charges
	Exhibit D:	Variable Wastewater Charges
	Exhibit E:	Ordinance Amending Chapter 37
	Exhibit F:	Ordinance Amending Chapter 29
	Exhibit G:	Resolution
	Exhibit H:	Public Notice

WATER CONSUMPTION CHARGE

Charges calculated per unit of consumption **1 Unit of consumption = 748 gallons of water**

		Existing	Proposed
Single Family Residential	Tier 1 (0-13 units)	$ 2.15	$ 2.21
	Tier 2 (14 + units)	$ 2.68	$ 2.76
Commercial	(All Usage)	$ 2.29	$ 2.36
Agricultural Commercial	(All Usage)	$ 2.36	$ 2.43
Transitional Special Agriculture Water Rate (TSAWR)	(All Usage)	$ 1.71	$ 1.76
Irrigation	(All Usage)	$ 2.37	$ 2.44
Recycled Water	(All Usage)	$ 2.12	$ 2.18
SCDWA Pass-through Surcharge	(All Usage)	$ 1.50	$ 1.55
Clean Water	(All Usage)	$ 0.10	$ 0.11

Per unit of consumption and number of dwelling units (DU) **A single family home = 1 dwelling unit (DU)**

		Existing	Proposed
Master Metered Single Family Residential	Tier 1 (First 0-13 units per DU)	$ 2.15	$ 2.21
	Tier 2 (14th unit + per DU)	$ 2.68	$ 2.76
Multi-Family Residential	Tier 1 (First 0- 7 units per DU)	$ 2.15	$ 2.21
	Tier 2 (8th + unit + per DU)	$ 2.61	$ 2.69
Manufactured Homes	Tier 1 (First 0- 7 units per DU)	$ 2.15	$ 2.21
	Tier 2 (8th + unit + per DU)	$ 2.61	$ 2.69

FIXED WATER SERVICE CHARGE

Per customer class and meter equivalency

Meter Size	Single Family Residential		Multi Family Residential		Commercial		Irrigation, Agricultural, and Recycled	
	Existing	Proposed	Existing	Proposed	Existing	Proposed	Existing	Proposed
5/8" & 3/4"	$ 13.35	$ 13.75	$ 19.00	$ 19.57	$ 19.49	$ 20.07	$ 19.74	$ 20.33
1"	$ 28.80	$ 29.66	$ 42.93	$ 44.22	$ 44.15	$ 45.47	$ 44.78	$ 46.12
1.5"	$ 54.55	$ 56.19	$ 82.81	$ 85.29	$ 85.25	$ 87.81	$ 86.50	$ 89.10
2"	$ 85.46	$ 88.02	$ 130.67	$ 134.59	$ 134.57	$ 138.61	$ 136.57	$ 140.67
3"	$ 157.56	$ 162.29	$ 242.33	$ 249.60	$ 249.65	$ 257.14	$ 253.41	$ 261.01
4"	$ 260.57	$ 268.39	$ 401.85	$ 413.91	$ 414.04	$ 426.46	$ 420.32	$ 432.93
6"	$ 518.09	$ 533.63	$ 800.66	$ 824.68	$ 825.04	$ 849.79	$ 837.58	$ 862.71
8"	$ 827.11	$ 851.92	$ 1,279.22	$ 1,317.60	$ 1,318.24	$ 1,357.79	$ 1,338.30	$ 1,378.45
10"	$ 1,187.64	$ 1,223.27	$ 1,837.55	$ 1,892.68	$ 1,893.63	$ 1,950.44	$ 1,922.47	$ 1,980.14

FIXED WATER PASS-THROUGH CHARGES

On ALL classes per meter equivalency

Meter Size	MWD Pass-through Readiness-To-Serve		SDCWA Pass-through Infrastructure Access	
	Existing	Proposed	Existing	Proposed
5/8" & 3/4"	$ 1.76	$ 1.81	$ 2.77	$ 2.85
1"	$ 4.40	$ 4.53	$ 4.44	$ 4.57
1.5"	$ 8.79	$ 9.05	$ 8.31	$ 8.56
2"	$ 14.05	$ 14.47	$ 14.41	$ 14.84
3"	$ 26.35	$ 27.14	$ 26.60	$ 27.40
4"	$ 43.91	$ 45.23	$ 45.43	$ 46.79
6"	$ 87.81	$ 90.34	$ 83.10	$ 85.59
8"	$ 140.50	$ 144.72	$ 144.04	$ 148.36
10"	$ 201.97	$ 208.03	$ 216.06	$ 222.54

FIXED FIRE SERVICE FEE

Per meter equivalency on all accounts provided Fire Service Protection (fire sprinklers)		
Meter Size	Existing	Proposed
5/8" & 3/4"	$ 15.45	$ 15.91
1"	$ 15.45	$ 15.91
1.5"	$ 15.45	$ 15.91
2"	$ 15.45	$ 15.91
3"	$ 15.45	$ 15.91
4"	$ 15.45	$ 15.91
6"	$ 15.45	$ 15.91
8"	$ 15.45	$ 15.91
10"	$ 15.45	$ 15.91

FIXED WASTEWATER SERVICE CHARGE

RESIDENTIAL

Billed per dwelling unit (DU)	Existing	Proposed
Single Family Residential	$ 18.70	$ 19.27
Multi Family Residential	$ 9.64	$ 9.93
Manufactured Homes	$ 6.49	$ 6.69
Master Metered Single Family Resid	$ 9.03	$ 9.31

NON-RESIDENTIAL

Billed per meter equivalency	Existing	Proposed
5/8" & 3/4"	$ 24.34	$ 25.08
1"	$ 60.84	$ 62.67
1.5"	$ 121.67	$ 125.33
2"	$ 194.67	$ 200.52
3"	$ 365.00	$ 375.95
4"	$ 608.33	$ 626.58
6"	$ 1,216.65	$ 1,253.15
8"	$ 1,946.63	$ 2,005.03
10"	$ 2,433.29	$ 2,506.29

FIXED WASTEWATER CUSTOMER CHARGE

ALL CUSTOMER ACCOUNTS

Billed per account. (The charge is the same for every customer across all customer classes.)	Existing	Proposed
	$ 6.24	$ 6.43

VARIABLE WASTEWATER FLOW CHARGE

Determined per unit of estimated sewer flow (Return To Sewer)	Return to Sewer Factor	Existing	Proposed
Multi-Family Residential	90%	$ 4.05	$ 4.18
Multi-Family Residential; No Separate Irrigation	75%	$ 4.05	$ 4.18
Schools	90%	$ 4.05	$ 4.18
Schools, No Separate Irrigation	75%	$ 4.05	$ 4.18
General Commercial Low	90%	$ 4.05	$ 4.18
Commercial Medium Strength	90%	$ 4.54	$ 4.68
Commercial Medium High Strength	90%	$ 6.35	$ 6.55
Commercial High Strength	90%	$ 7.55	$ 7.78
RV Park, Hotel, Motel	90%	$ 4.05	$ 4.18
Churches, Membership Organizations	90%	$ 4.05	$ 4.18
Industrial Special User	Determined by the unit of discharge (sampled & permitted) and per unit of estimated sewer flow (RTS)		
	Measurement	Existing	Proposed
Flow	per unit discharged	$ 2.53	$ 2.61
5-day Biochemical Oxygen Demand (BOD 5)	per lb.	$ 0.69	$ 0.71
Total Suspended Solids (TSS)	per lb.	$ 0.40	$ 0.41
Amonia	per lb.	$ 0.37	$ 0.38
	BASE RATE:	$ 3.99	**$ 4.11**

FIXED RATE WASTEWATER FLOW CHARGE

Determined by the number of dwelling units (DU)		Existing	Proposed
Master Metered Single Family Residential	x number of DUs	$ 24.32	$ 25.05
Manufactured Homes	x number of DUs	$ 16.27	$ 16.76
Determined by Annual Winter Quarter Average (WQA)		Existing	Proposed
Single Family Residential	Low Tier 0.00 - 5.00	$ 15.52	$ 15.99
	Medium Tier 5.01 -10.00	$ 31.34	$ 32.29
	High Tier 10.01+	$ 54.98	$ 56.63

Exhibit E

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF OCEANSIDE AMENDING OCEANSIDE CITY CODE, CHAPTER 37, ESTABLISHING WATER USER RATE AND EXTERNAL WATER PROVIDER CHARGE INCREASES

WHEREAS, on November 6, 2013, the City Council adopted Ordinance No. 13-OR0737-1 related to establishing monthly residential, non-residential water rates and external water provider charges;

WHEREAS, these water rates have been analyzed and found to be insufficient to pay for the costs of improving and upgrading necessary public water transmission, treatment storage and distribution facilities;

WHEREAS, based on the Metropolitan Water District's 2015 rate and charge increases adopted at its April 8, 2014 Board of Director's meeting, the Authority approved an increase in the amount of its treated water cost and its untreated water cost to be levied against each agency;

WHEREAS, at its June 26, 2014 meeting, the Board of Directors of the San Diego County Water Authority ("Authority") approved an increase in the amount of its municipal and industrial water surcharge by $32 per acre foot for treated and untreated water in calendar year 2015;

WHEREAS, at its June 26, 2014 meeting, the Board of Directors of the San Diego County Water Authority ("Authority") approved an increase in the amount of its infrastructure access charge and the Metropolitan Water District's readiness-to-serve charge to be levied against each member agency,

NOW, THEREFORE, the City Council of the City of Oceanside DOES ORDAIN as follows:

SECTION 1. Sections 37.110, 37.111 and 37.112 of the Oceanside City Code are hereby amended to read as follows:

Sec. 37.110 San Diego County Water Authority Surcharge

Effective January 1, 2015 and on all charges reflecting usage from and after December 1, 2014, there is hereby established a pass-through water surcharge on City of Oceanside water customers in the amount of $1.55 per unit of water. The City Council, by ordinance, may

periodically adjust the surcharge based on the amount of surcharge approved by the San Diego County Water Authority.

Charges calculated per unit of consumption:	Monthly SDCWA Surcharge
	$1.55

Sec. 37.111 San Diego County Water Authority Infrastructure Access Charge

Effective January 1, 2015 and on all charges reflecting usage from and after December 1, 2014, there is hereby established a pass-through infrastructure access charge on water customers of the City of Oceanside. This charge is established as follows:

SDCWA Pass-Through Monthly Infrastructure Access Charge	
Meter Size	**Monthly Charge**
5/8" & 3/4"	$2.85
1"	$4.57
1 ½"	$8.56
2"	$14.84
3"	$27.40
4"	$46.79
6"	$85.59
8"	$148.36
10"	$222.54
Charges based on size of meter	

Sec. 37.112. Metropolitan Water District Readiness-to-Serve Charge.

Effective January 1, 2015 and on all charges reflecting usage from and after December 1, 2014, there is hereby established a readiness-to-serve charge on water customers of the City of Oceanside. This charge is established as follows:

///

///

///

Meter Size	Monthly Charge
5/8" & 3/4"	$1.81
1"	$4.53
1 ½ "	$9.05
2"	$14.47
3"	$27.14
4"	$45.23
6"	$90.34
8"	$144.72
10"	$208.03
Charges based on size of meter	

SECTION 2. Section 37.34 of the Oceanside City Code is hereby amended to read as follows:

Sec. 37.34 Monthly service charge.

Effective January 1, 2015 and on all charges reflecting usage from and after December 1, 2014, all water service customers of the city shall be subject to a monthly service charge according to customer usage characteristics that are defined by rate classification and are hereby imposed as follows:

Single Family Residential

Meter Size	Monthly Water Service Charge
5/8" & 3/4"	$ 13.75
1"	$ 29.66
1 ½ "	$ 56.19
2"	$ 88.02
3"	$ 162.29
4"	$ 268.39
6"	$ 533.63
8"	$ 851.92
10"	$ 1,223.27
Charges based on size of meter	

///

///

Multi-Family Residential

Meter Size	Monthly Water Service Charge
5/8" & 3/4"	$ 19.57
1"	$ 44.22
1 ½ "	$ 85.29
2"	$ 134.59
3"	$ 249.60
4"	$ 413.91
6"	$ 824.68
8"	$ 1,317.60
10"	$ 1,892.68
Charges based on size of meter	

Commercial

Meter Size	Monthly Water Service Charge
5/8" & 3/4"	$ 20.07
1"	$ 45.47
1 ½ "	$ 87.81
2"	$ 138.61
3"	$ 257.14
4"	$ 426.46
6"	$ 849.79
8"	$ 1,357.79
10"	$ 1,950.44
Charges based on size of meter	

///

///

///

Irrigation, Agriculture, and Recycled

Meter Size	Monthly Water Service Charge
5/8" & 3/4"	$ 20.33
1"	$ 46.12
1 ½ "	$ 89.10
2"	$ 140.67
3"	$ 261.01
4"	$ 432.93
6"	$ 862.71
8"	$ 1,378.45
10"	$ 1,980.14
Charges based on size of meter	

SECTION 3. Sec. 37.35 of the Oceanside City Code is hereby amended to read as follows:

Sec. 37.35 Monthly consumption charge.

Effective January 1, 2015 and on all charges reflecting usage from and after December 1, 2014, all water service customers of the city shall be subject to a monthly consumption charge hereby imposed as follows:

Residential

Monthly Water Consumption Charge			
Charges calculated per unit of consumption:			
Single Family	1st Tier	(0 - 13 units)	$ 2.21
	2nd Tier	(14 + units)	2.76
Charges calculated per residential dwelling unit:			
Master-Metered Single Family	1st Tier	(0 - 13 units)	$ 2.21
	2nd Tier	(14 + units)	$ 2.76
Multi-Family	1st Tier	(0 - 7 units)	$ 2.21
	2nd Tier	(8 + units)	$ 2.69
Manufactured Homes	1st Tier	(0 - 7 units)	$ 2.21
	2nd Tier	(8 + units)	$ 2.69

Non-Residential

Monthly Water Consumption Charge	
Charges calculated per unit of consumption:	
Commercial	$ 2.36
Irrigation	$ 2.44
Agricultural Commercial	$ 2.43
Special Agricultural Water Rate (SAWR)	$ 1.76
Recycled	$ 2.18
A unit of water is equal to 748 gallons or 100 cubic feet	

Effective January 1, 2015 and on all charges reflecting usage from and after December 1, 2014, all water service customers of the city shall be subject to a monthly clean water program charge hereby imposed as follows:

Charges calculated per unit of consumption:	Monthly Clean Water Charge
	$0.11

SECTION 4. Sec. 37.36 of the Oceanside City Code is hereby amended to read as follows:

Sec. 37.36 Monthly Fire Service Fee

Effective January 1, 2015 and on all charges reflecting usage from and after December 1, 2014, there is hereby established a fire service fee on water accounts that provide a fire service connection within the City of Oceanside. This charge is established as follows:

Meter Size	Monthly Fire Service Fee
5/8" & 3/4"	$ 15.91
1"	$ 15.91
1 ½"	$ 15.91
2"	$ 15.91
3"	$ 15.91
4"	$ 15.91
6"	$ 15.91
8"	$ 15.91
10"	$ 15.91

SECTION 5. The City Clerk of the City of Oceanside is hereby directed to publish this ordinance, or the title hereof as a summary, pursuant to state statute, once within fifteen (15) days after its passage in the San Diego Union Tribune- North County, a newspaper of general circulation published in the City of Oceanside.

SECTION 6. Severability.

If any section, sentence, clause or phrase of the Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

INTRODUCED at a regular meeting of the City Council of the City of Oceanside held on the _____ day of _____, 2014, and, thereafter,

PASSED, AND ADOPTED by the City Council of the City of Oceanside, California this _____day of _____, 2014, by the following vote:

AYES:
NAYS:
ABSENT:
ABSTAIN:

_____
MAYOR, CITY OF OCEANSIDE

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

Barry Hamilton, 1887.
CITY ATTORNEY

AN ORDINANCE OF THE CITY OF OCEANSIDE AMENDING OCEANSIDE CITY CODE, CHAPTER 37, ESTABLISHING WATER USER RATE AND EXTERNAL WATER PROVIDER CHARGE INCREASES

Exhibit F

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF OCEANSIDE AMENDING OCEANSIDE CITY CODE, CHAPTER 29, ESTABLISHING WASTEWATER USER RATE INCREASES

WHEREAS, the City of Oceanside through its Water Utilities Department Wastewater Division provides essential public health and safety services to its residents;

WHEREAS, on November 6, 2013, the City Council approved Ordinance No. 13-OR0736-1 related to establishing wastewater system monthly wastewater residential, non-residential and Group VII-Industrial/Special User rates;

WHEREAS, wastewater rates are evaluated periodically to maintain an adequate fee structure to recover costs for wastewater services;

WHEREAS, the wastewater rates have been analyzed and found to be insufficient to pay for the costs required to collect, treat and dispose of public wastewater; and

WHEREAS, the City Council has determined that provision for special users is necessary to recover costs for collection and treatment from non-residential wastewater customers discharging high-strength and/or high-flow effluent into the wastewater collection, treatment and disposal system.

NOW, THEREFORE, the City Council of the City of Oceanside DOES ORDAIN as follows:

SECTION 1. Sec. 29.17.1 of the Oceanside City Code is hereby amended to read as follows:

Sec. 29.17.1 Class specific monthly service charge.

Effective January 1, 2015 and on all charges reflecting usage from and after December 1, 2014, all wastewater service customers of the city shall be subject to a monthly customer charge according to customer usage characteristics that are defined by rate classification and are hereby imposed as follows:

///

///

Residential Wastewater Service Charge
Billed per dwelling unit

Single Family Residential	$ 19.27
Multi-Family Residential	$ 9.93
Manufactured Homes	$ 6.69
Master Metered Single Family	$ 9.31

Non-Residential Wastewater Service Charge
Billed per meter equivalency*

5/8", 3/4"	$ 25.08
1"	$ 62.67
1 ½ "	$ 125.33
2"	$ 200.52
3"	$ 375.95
4"	$ 626.58
6"	$ 1,253.15
8"	$ 2,005.03
10"	$ 2,506.29
*Charges based on the size of the meter	

SECTION 1. Sec. 29.17.3 of the Oceanside City Code is hereby added as follows:

Sec. 29.17.3 Fixed monthly customer charge.

Effective January 1, 2015 and on all charges reflecting usage from and after December 1, 2014, all wastewater service customers of the city shall be subject to a monthly customer charge hereby imposed as follows:

Wastewater Customer Charge
Billed per account

All Customer Classes	$ 6.43

///

///

///

SECTION 2. Section 29.18 of the Oceanside City Code is hereby amended to read as follows:

Sec. 29.18 Flow charge.

Residential and non-residential customer flow charges shall be based on the quality and quantity of sewage. Effective January 1, 2015 and on all charges reflecting usage from and after December 1, 2014, all wastewater service customers, except for special users, of the city shall be subject to a monthly flow charge hereby imposed as follows:

Charges calculated on previous winter usage (WQA):	**Monthly Flow Charge**
Single Family Residential Low Use (0-5.0 units)	$ 15.99
Medium Use (5.01-10.0 units)	$ 32.29
High Use (10.01+ units)	$ 56.63
Charges calculated per residential dwelling unit:	
Manufactured Home	$ 16.76
Master-Metered Single Family Residential	$ 25.05
Charges calculated per estimated sewer flow. 90% rate of return per unit:	
Multi-Family Residential; w/ separate irrigation	$ 4.18
Hotels/Motels/RV Parks	$ 4.18
Churches/Membership Organizations	$ 4.18
General Commercial	$ 4.18
Commercial Medium Strength	$ 4.68
Commercial Medium-High Strength	$ 6.55
Commercial High Strength	$ 7.78
Schools	$ 4.18
Charges calculated per estimated sewer flow. 75% rate of return per unit:	
Multi-Family Residential; no separate irrigation	$ 4.18
Schools; no separate irrigation	$ 4.18

///

///

SECTION 3. Section 29.18 (a) of the Oceanside City Code is hereby amended to read as follows:

Sec. 29.18 (a) Special user flow charge.

Each special user shall pay monthly flow charges that shall be determined by a calculation based on actual monitoring data of flow, biochemical oxygen demand, total suspended solids, and ammonia as follows:

Industrial Special User Monthly Flow Charge

Per unit (748 gallons) discharged	$ 2.61
BOD (per lb.)	$ 0.71
TSS (per lb.)	$ 0.41
Ammonia (per lb.)	$ 0.38
Charges calculated per estimated sewer flow. Rate of return based on individual monitoring.	

Flow charges will be computed in December of each year. An overall charge will be calculated using the unit rates and the average concentrations measured for each loading parameter. This new charge will then be in effect for the following year.

SECTION 4. The City Clerk of the City of Oceanside is hereby directed to publish this ordinance, or the title hereof as a summary, pursuant to state statute, once within fifteen (15) days after its passage in the San Diego Union Tribune- North County, a newspaper of general circulation published in the City of Oceanside.

SECTION 5. Severability.

If any section, sentence, clause or phrase of the Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

///

INTRODUCED at a regular meeting of the City Council of the City of Oceanside held on the _____ day of _____, 2014, and, thereafter,

PASSED, AND ADOPTED by the City Council of the City of Oceanside, California this _____day of _____, 2014, by the following vote:

AYES:
NAYS:
ABSENT:
ABSTAIN:

_____
MAYOR, CITY OF OCEANSIDE

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

Barbara Hamilton, ASST.
CITY ATTORNEY

AN ORDINANCE OF THE CITY OF OCEANSIDE AMENDING OCEANSIDE CITY CODE, CHAPTER 29, ESTABLISHING WASTEWATER USER RATE, WASTEWATER SYSTEM BUY-IN FEE INCREASES

Exhibit G

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OCEANSIDE INCREASING A MONTHLY CITY WASTE SERVICE FEE FOR CITY ADMINISTRATION AND OPERATION SERVICES

WHEREAS, on July 7, 2004, the City Council adopted Ordinance No. 04-OR482-1 fixing rates for the collection of waste matter in the City of Oceanside and establishing a monthly city waste service fee for city administration and operation services that include street sweeping, landfill maintenance, and right of way clean-up;

WHEREAS, this monthly service fee was increased in 2008;

WHEREAS, the city waste service fee has been analyzed and found to be insufficient to recover costs for increased operating expenses and ongoing maintenance;

NOW, THEREFORE, the City Council of the City of Oceanside DOES RESOLVE as follows:

1. Pursuant to sections 13.18 and 13.19 of the Oceanside City Code, Chapter 13, effective January 1, 2015 and on all charges reflecting usage from and after December 1, 2014, all residential and commercial customers of the city shall be subject to a monthly city waste service fee hereby imposed as follows:

City Waste Services Fee

Public Streets	(billed per dwelling unit)	$ 4.75
Private Streets	(billed per dwelling unit)	$ 4.47

PASSED, AND ADOPTED by the City Council of the City of Oceanside, California this _____day of _____, 2014, by the following vote:

AYES:
NAYS:
ABSENT:
ABSTAIN:

_____
MAYOR, CITY OF OCEANSIDE

ATTEST:

_____
CITY CLERK

APPROVED AS TO FORM:

Barbara Hamilton, Asst.
CITY ATTORNEY

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OCEANSIDE INCREASING A MONTHLY CITY WASTE SERVICE FEE FOR CITY ADMINISTRATION AND OPERATION SERVICES

Exhibit H

CITY OF OCEANSIDE
CITY COUNCIL
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the City Council of the City of Oceanside will conduct a **public hearing** on **Wednesday, November 19, 2014 at 5:00 PM,** or soon thereafter as possible, in the Council Chambers of the Civic Center, 300 North Coast Highway, Oceanside, California, to consider the following:

INTRODUCTION OF AN ORDINANCE AMENDING CHAPTER 29 OF THE OCEANSIDE CITY CODE BY ESTABLISHING WASTEWATER USER RATE INCREASES, INTRODUCTION OF AN ORDINANCE AMENDING CHAPTER 37 OF THE OCEANSIDE CITY CODE BY ESTABLISHING WATER USER RATE AND EXTERNAL WATER PROVIDER CHARGE INCREASES, AND INTRODUCTION OF AN ORDINANCE AMENDING CHAPTER 13 OF THE OCEANSIDE CITY CODE BY ESTABLISHING CITY WASTE SERVICE FEE INCREASES.

For further information on this item, please contact Teresa Gomez, Water Utilities Department at (760) 435-5815, 7:30 a.m. to 5:00 p.m. Monday through Thursday and 7:30 a.m. to 4:00 p.m. on Friday.

The agenda and staff report will be available the Monday before the public hearing. You may view this information at www.ci.oceanside.ca.us by clicking on City Council Agenda/Minutes and the November 19, 2014, Staff Reports.

If you should wish to challenge this matter in court at some future time, you may be limited to raising only those issues you or someone else raised at the public hearing described in the notice or in written correspondence delivered to the City Clerk at or prior to the public hearing at 300 North Coast Highway, Oceanside, CA 92054.

Zack Beck
City Clerk

Publish: