

ORDINANCE NO. 2921

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
OXNARD ESTABLISHING FEES AND CHARGES FOR THE USE OF
AND FOR SERVICES RELATING TO CITY WATER SERVICES**

WHEREAS, Section 22-60 of the Oxnard City Code requires that the City Council establish by ordinance the rates charged for all water supplied by the City; and

WHEREAS, Section 22-60 of the Oxnard City Code provides that the rates charged for water supplied by the City shall be increased by the same percentage that the rates paid by the City to its water supply wholesalers increase; and

WHEREAS, the Water Division of the Public Works Department operates as a self-supporting enterprise fund (Water Fund) that depends upon revenues derived from the sale of water to City customers; and

WHEREAS, on the 18th of September, 2012, the City Council adopted City Ordinance Number 2859, establishing the current rates and charges applicable to City water customers; and

WHEREAS, the City's Public Works Department completed a Cost of Services Study, dated July 2017 (Rate Study). The Rate Study assesses the water utility's operation, maintenance, repair, replacement, and capital improvement program budgets and requirements, which collectively are incorporated into the recommended rates provided in this ordinance, so that the proportional cost of providing water service to the City's various customer classes are allocated consistently with all applicable legal requirements. The Rate Study and all the studies, plans and documents relied upon and incorporated in the Rate Study provide the basis for the rates and charges set forth herein; and

WHEREAS, the Rate Study and this ordinance reflect updated supplemental fees and charges for certain special services available upon request throughout the City; and

WHEREAS, this ordinance includes provision for the automatic adjustment of rates based on inflation, changes in certain third-party costs and mandatory water shortage conditions. The proposed rates displayed as effective beginning September 1, 2017, show the authorized rates applicable September 1, 2017. However, the actual rates effective September 1, 2017, may vary based on the implementation of any automatic rate adjustments as may be authorized as provided in Ordinance Number 2859, prior to the effective date of this ordinance; and

WHEREAS, Public Resources Code Section 21080(b)(8) and Section 15273 of the California Environmental Quality Act (CEQA) Guidelines provide that CEQA does not apply to the establishment or modification of public agency rates and other charges which the public agency finds are intended for certain purposes.

NOW, THEREFORE, the City Council of the City of Oxnard does hereby find as follows:

1. CEQA does not apply to this ordinance because this ordinance establishes or modifies the City's rates and other charges for the following purposes:
 - a. Meeting the water utility's operating expenses, including employee wages and fringe benefits;
 - b. Purchasing or leasing supplies, equipment, and materials;
 - c. Meeting the Water Fund's financial reserve needs and requirements; and
 - d. Obtaining funds for capital projects necessary to maintain water service within the existing service areas.
2. The basis for the foregoing claim of exemption is found in the Rate Study.

NOW, THEREFORE, the City Council of the City of Oxnard does ordain as follows:

Part 1. Section 22-60 ("Water Rates") of the Oxnard City Code is hereby amended to read as follows:

"(A) The rates charged for all water supplied by the City shall be established by ordinance of the City Council. Each customer receiving water service is liable for payment for such service at the rates so established.

(B) Pursuant to Government Code section 53756, and after notice is provided as required by law, the adopted rates shall automatically adjust over a five-year period for inflation in the cost of operating the City's water system. If the actual inflation in the rates paid by the City to every third party water supplier (including but not limited to United Water Conservation District and Calleguas Municipal Water District) and the management agency from whom the City purchases some or all its water supplies, or to whom the City pays a groundwater extraction, replenishment or pump charge, since the effective date of the rates exceeds the Rate Study's cumulative forecast for inflation in such costs for that same period, the rates will be automatically adjusted to recover the difference between the two. For example, if in year three of these rates the actual inflation paid by the City since the effective date of the rates is 8.75 percent and the Rate Model estimates a cumulative increase of 7.5 percent over that same time period, then the inflation adjustment for that year would be 1.25 percent. On the other hand, if the actual inflation for this example time period is 7.5 percent, then no inflation adjustment would be made for that year as the actual inflation would equal the estimated inflation in the Rate Model. The City shall issue the adjustments no more than once per calendar year, and these adjustments will be effective at least 60 calendar days thereafter.

(C) Annually on July 1 of each year, the rates provided in City Code Sections 22-61 through 22-66 shall automatically adjust to reflect the prior year, April to April, annual percentage change in the Consumer Price Index – All Urban Consumers, Los Angeles – Riverside – Orange

County, California, published by the U.S. Bureau of Labor Statistics. For example, on July 1, 2018, the inflation adjustment percent is to be calculated based on the percentage change from April 2017 to April 2018 for the above referenced index.

(D) When the City Council declares the existence of a water shortage condition pursuant to City Code Section 22-154, the water rates and charges provided in City Code Sections 22-61 through 22-66 that are based on water use shall be adjusted to reflect the level of severity and corresponding mandatory water conservation percentage reflected in the water shortage condition declaration. For example, if the Council declares a Stage 2 water shortage condition with a mandatory water use reduction goal of 20%, then the rates provided in City Code Sections 22-61 through 22-66 that are based on water use shall be concurrently adjusted upward by the same percentage – 20%. This adjustment shall be initiated as of the effective date of the water shortage declaration and terminate as of the date of the termination of that water shortage declaration.”

Part 2. Section 22-61 of the Oxnard City Code is hereby renamed “Monthly Water Usage Fees and Charges” and is hereby amended to read as follows:

“The following fees and methods for charging and collecting for services relating to the water system of the City are established and effective on the date indicated, as follows:

(A) Monthly Rates for Single Family Residential Water Use:

Tier	Usage in HCF	Effective Sept. 1, 2017
1	0 to 9	\$3.36
2	> 9 to 15	\$5.16
3	> 15	\$6.14

(B) Monthly Rates for Multi-Family Residential Water Use (per dwelling):

Tier	Usage in HCF (Per Dwelling Unit)	Effective Sept. 1, 2017
1	0 to 8	\$3.58
2	> 8	\$5.76

(C) Monthly Rates for Commercial and Industrial Water Use:

Tier	Usage in HCF	Effective Sept. 1, 2017
2" Meters and Below		
1	0 to 62	\$3.26
2	> 62	\$5.77
3" Meters and Below		
	Uniform Rate	\$4.54

(D) Monthly Rates for Commercial and Industrial Recycled Water In Lieu of Potable:

Tier	Usage in HCF	Effective Sept. 1, 2017: Rate per HCF
1	Uniform Rate	\$3.34

(E) Monthly Rates for Irrigation:

Tier	Tier Breaks: Usage in HCF	Effective Sept. 1, 2017: Rate per HCF
2" Meters and Below		
1	0 to 24	\$3.37
2	> 24	\$6.00
3" Meters and Above		
	Uniform Rate	\$5.16

(F) Monthly Rates for Irrigation Recycled Water In Lieu of Potable:

Tier	Usage in HCF	Effective Sept. 1, 2017
1	Uniform Rate	\$3.52

(G) Monthly Rates for Ocean View Agricultural Irrigation:

Usage in HCF	Effective Sept. 1, 2017
Uniform Volumetric Rate per HCF	\$1.19

(H) Monthly Rates for Metered Construction:

Tier	Usage	Effective Sept. 1, 2017
1	All Usage	\$4.54

Part 3. Section 22-62 of the Oxnard City Code is hereby named “Monthly Fixed Water Meter Fees and Charges” and is hereby amended to read as follows:

“In addition to monthly rates for water use (per HCF) as set forth in Section (22-61), all accounts shall pay one of the following monthly meter rates, based on service connection or meter size, and the associated customer class or use:

(A) Monthly Fixed Rates for Single Family Residential/ Ocean View Non-Agricultural:

Meter Size	Effective Sept. 1, 2017
3/4"	\$19.52
1"	\$31.47
1 1/2"	\$61.10
2"	\$96.80
3"	\$209.96
4"	\$358.63
6"	\$745.40
8"	\$1,072.56
10"	\$1,727.05

(B) Monthly Fixed Rates for Multi-Family Residential:

Meter Size	Effective Sept. 1, 2017
3/4"	\$17.73
1"	\$28.49
1 1/2"	\$55.16

2"	\$87.28
3"	\$189.13
4"	\$322.93
6"	\$671.03
8"	\$965.47
10"	\$1,554.51

(C) Monthly Fixed Rates for Commercial, Industrial and Irrigation:

Meter Size	Effective Sept. 1, 2017
3/4"	\$14.16
1"	\$22.53
1 1/2"	\$43.27
2"	\$68.26
3"	\$147.47
4"	\$251.54
6"	\$522.28
8"	\$751.29
10"	\$1,209.44

(D) Monthly Fixed Rates for Fire Service:

Meter Size	Effective Sept. 1, 2017
3/4"	\$1.99
1"	\$3.32
1 1/2"	\$6.61
2"	\$10.58
3"	\$23.15
4"	\$39.68
6"	\$82.66
8"	\$119.02
10"	\$191.76

(E) Monthly Fixed Rates for Non-Metered Construction:

Meter Size	Effective Sept. 1, 2017
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3/4"	\$36.86
1"	\$67.93
1 1/2"	\$156.77
2"	\$295.26

(F) Monthly Fixed Rates for Metered Construction:

Meter Size	Effective Sept. 1, 2017
1"	\$22.53
3"	\$147.47"

Part 4. Section 22-63 of the Oxnard City Code is hereby named "Special Water Services" and is hereby amended to read as follows:

"Each customer shall pay the following fees, according to the service received.

(A) Flat rates: Effective Sept. 1, 2017.

Where meters are not installed, water services shall be paid for each dwelling facility, business activity, construction site, or service, whether or not such facility, activity, site or service is at the same location, at a monthly rate which shall be determined by the Public Works Director subject to the approval of the City Manager. Any unmetered service shall be temporary and limited to the shortest duration practical.

(B) The monthly security and contamination prevention fee shall be as follows:

<i>Service</i>	<i>Effective Sept. 1, 2017</i>
Security and contamination prevention fee	\$1.24

(C) The monthly water resource fee shall be as follows:

<i>Service</i>	<i>Effective Sept. 1, 2017</i>
Water resource fee	\$0.50

(D) Service to the City

(1) The City shall pay for all installation services furnished to the City at the rates established by this Section. However, the Water Division shall be exempt from paying for installation service.

(2) The City shall pay for all water furnished to the City at the rates established by this Section. However, the Water Division and the Fire Department shall be exempt from paying for water provided to them.

(3) Unmetered water used for street sweeping, plant watering, storm drain flushing, construction purposes, and all miscellaneous uses not herein specifically mentioned shall be deemed to have been furnished through a single meter for each department. The Public Works Director shall estimate the monthly volume of unmetered water used for such purposes.

(4) All water furnished to property owned by the City shall be metered.

(E) Temporary agricultural use - The City may provide water on a temporary basis for agricultural purposes in accordance with Section 22-66 of the City Code. Monthly water rates for temporary agricultural purposes shall be the same as commercial/industrial blended rates.

(F) Broken locks - In the event a customer breaks a lock placed on the water meter, in addition to all other amounts due, the customer shall pay a fee of \$12 to replace the broken lock.

(G) Billing and collection; delinquent bills; nonpayment - The customer shall pay a fee of \$15 for each visit to a customer's property to collect a water bill that is delinquent. If water service is discontinued due to nonpayment or non-compliance with the City Code or this Section, in addition to all other amounts due, the customer shall pay a fee of \$80 for resuming service.

(H) Billing procedure for periodic charge for City water service - Water service bills shall be computed according to the rates then in effect and the number of days in the service period at each rate.”

Part 5. Section 22-64 of the Oxnard City Code is hereby named “Water Service and Meter Rates” and is hereby amended to read as follows:

“As provided in Section 22-37 of the City Code, the customer shall pay for installation of each water service and water meter.

(A) In addition to the cost of administration and materials, the rates for installing each new service and each new meter, which amount shall be paid in advance, shall be as follows:

<i>Service (inches)</i>	<i>Meter (inches)</i>	<i>Meter Box and Tail Piece (inches)</i>	<i>Effective Sept. 1, 2017</i>
3/4	3/4	3/4	\$1,500
1	1	1	\$1,700
1-1/2	1-1/2	1-1/2	\$2,200
2	2	2	\$2,500

(B) The rates for installing each new on a service, previously installed and paid for, shall be as follows in addition to the cost of materials:

<i>Service (inches)</i>	<i>Meter (inches)</i>	<i>New Box (inches)</i>	<i>Effective Sept. 1, 2017</i>
3/4	3/4	3/4	\$450
1	1	1	\$525
1-1/2	1-1/2	1-1/2	\$925
2	2	2	\$1,100"

Part 6. Section 22-65 of the Oxnard City Code is hereby renamed "Other Deposits, Fees and Rates" and is hereby amended to read as follows:

"As provided in Sections 22-19, 22-26, 22-33, 22-35, 22-39, 22-40, 22-46, 22-48, 22-49, 22-61, 22-62, 22-63, 22-64 and 22-66 of the City Code, the City shall require the payment of deposits, fees and charges as follows:

(A) Fully allocated hourly rates -

	<i>Effective Sept. 1, 2017</i>
Meter repair worker	\$68
Water distribution operator I	\$62
Water distribution operator II	\$71
Senior water distribution operator	\$78

(B) Deposit guaranteeing payment - Each applicant for service shall be required to place a deposit with the City to guarantee the payment of all water charges. The amount of this deposit for monthly water service shall be:

	<i>Meter (inches)</i>	<i>Effective Sept. 1, 2017</i>
For each	3/4	\$44
For each	1	\$65
For each	1-1/2	\$120
For each	2	\$185
For each meter over two inches, an amount equal to an approximate one-month minimum bill, but not less than \$205.		

(C) Meter testing - Upon written request to test a meter, the customer shall deposit \$100 for a meter size of up to eight inches and \$200 for a meter size of over eight inches.

(D) Turning water on or off - Except in an emergency situation, the charge to have water turned on or off during customary business hours (8:00 a.m. to 5:00 p.m., Monday through Friday) shall be \$80. To have the water turned on or off at any time after hours (this includes weekends and City-observed holidays), the charge shall be \$145.

(E) Removal of meter and reinstallation - In the event a customer turns on the water service or permits or causes water service to be turned on after water service has been turned off for nonpayment or non-compliance, the City shall again turn off service and remove the meter, and the customer shall pay a fee of \$120, in addition to other amounts due, before water service is restored.

(F) Request for relocation or abandonment of meters or service will be estimated in accordance with the following schedule:

- (1) Relocate meter box laterally (not in paved area) -

<i>Meter</i>	<i>Sept. 1, 2017</i>	<i>Sept. 1, 2017</i>
3/4"	\$440 + Abandonment Cost	\$560
1"	\$615 + Abandonment Cost	\$735
1-1/2"	\$835 + Abandonment Cost	\$985
2"	\$1,190 + Abandonment Cost	\$1,370

- (2) Relocate meter box from yard to sidewalk -

<i>Service</i>	<i>Effective Sept. 1, 2017</i>
Relocate meter box from yard to sidewalk	\$240

- (3) Relocate meter box from driveway to sidewalk -

<i>Service</i>	<i>Effective Sept. 1, 2017</i>
Relocate meter box from driveway to sidewalk	\$300

- (4) Abandonment of water services -

<i>Meter</i>	<i>Effective Sept. 1, 2017</i>
3/4"	\$120
1"	\$120
1-1/2"	\$150
2"	\$180

* Relocation or abandonment of services will be done by Water Distribution personnel unless it is determined by the water resources manager that a contractor will be used. It is required that the contractor follow the proper public works procedures, obtain all necessary permits, have all necessary inspections performed and pay all required fees.

(5) Credit for existing meter removed and replaced with a larger service and meter in the same location -

<i>Meter Size Removed</i>	<i>Effective Sept. 1, 2017</i>
3/4"	\$235
1"	\$290
1-1/2"	\$505
2"	\$715

(G) Backflow prevention and cross-connection control

Timely submission of forms demonstrating completed testing and inspection compliance for backflow prevention and cross-connection control device(s) shall include a \$21 fee for each device. If the properly completed compliance forms are not returned within 30 days, the water resources manager shall send a second notice and assess an additional \$16 late fee. If the properly completed compliance forms are not returned within 60 days of the original notice, the water resources manager shall send a third notice and assess an additional \$27 late fee. If the properly completed compliance forms are not returned within 90 days of the original notice, the customer or owner shall pay an additional \$53 plus the cost of all administrative, labor and materials required to complete the work. Inspection services by City employees shall be provided for a fee of \$48 plus \$16 per device.

(H) Fire hydrant testing, inspection and repair fees -

<i>Service</i>	<i>Effective Sept. 1, 2017</i>
Hydrant flow test inspection	\$150

<i>Temporary Hydrant Meter</i>	<i>Effective Sept. 1, 2017</i>
Setup/retrieval	\$100
Move	\$65
Deposit - meter replacement cost	\$850
Damaged hydrant meter repair	Labor + materials

Water curbs stop repair	Labor + materials"
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Part 7. Section 22-66 is hereby titled "Agricultural Use" and is hereby added to the Oxnard City Code to read as follows:

"(A) Water may be provided on a temporary basis for agricultural purposes, provided the area to be served was within the CMWD on August 19, 1976. The words "agricultural purposes" shall mean the growing or raising, in conformity with recognized practices in husbandry, for the purposes of commerce, trade, or industry, or agricultural, horticultural, or floricultural products, and produced:

- (1) For human consumption or for the market;
- (2) For the feeding of fowl or livestock produced for human consumption or for the market;
- (3) For the feeding of fowl or livestock for the purpose of obtaining their products for human consumption or for the market, such products to be grown or raised on a parcel of land having an area of not less than one acre utilized exclusively therefor; or
- (4) For the feeding of fowl or livestock for the purpose of obtaining their products for human consumption or for the market, such products to be grown or raised on a parcel of land having an area of not less than five acres on which incidental domestic uses of water related to residency may also occur.

(B) Monthly water rates for agricultural purposes shall be set by ordinance of the City Council. The agricultural rates shall be calculated to three decimal places by subtracting the agricultural subsidy rate from other metered water rates so that the total subsidy is passed on to agricultural users. The "agricultural subsidy" is defined as the "water for all other purposes" rate less the "agricultural water" rate as promulgated by CMWD."

Part 8. The provisions of this ordinance shall be applicable to all service provided or charges incurred on and after September 1, 2017.

Part 9. If any term or portion of this ordinance is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this ordinance shall continue in full force and effect. Where that is the case, the City Council intends that the provisions of Ordinance No. 2859 that would have been repealed by this ordinance shall remain in effect as if this ordinance had not been adopted.

Part 10. Pursuant to Government Code Section 36933(c)(1), the City Attorney was designated to prepare, and the City Clerk published, a summary of this ordinance, and a certified copy of the ordinance was posted in the Office of the City Clerk a minimum of five (5) days before the City Council's adoption of the ordinance.

Part 11. The City Clerk shall certify as to the adoption of this ordinance and shall cause the summary thereof to be published within fifteen (15) calendar days of the adoption and shall post a certified copy of this ordinance, including the vote for and against the same, in the office of the City Clerk, in accordance with Government Code Section 36933. Ordinance No. 2921 was first read on July 11, 2017, finally adopted on July 18, 2017, to become effective thirty (30) days thereafter.

APPROVED AND ADOPTED this 18th day of July, 2017, by the following vote:

AYES: Councilmembers Flynn, Ramirez, MacDonald, Perello and Madrigal.

NOES: None.

ABSENT: None.

ABSTAIN: None.



Tim Flynn, Mayor

ATTEST:

APPROVED AS TO FORM:



Michelle Ascencion, City Clerk



Stephen M. Fischer, City Attorney