

Introduced by Councilmember \_\_\_\_\_

**ORDINANCE NO.** \_\_\_\_\_

AN ORDINANCE OF THE CITY OF PASADENA AMENDING THE WATER RATE ORDINANCE, CHAPTER 13.20 OF THE PASADENA MUNICIPAL CODE.

The People of the City of Pasadena ordain as follows:

**SECTION 1.** This ordinance, due to its length and the corresponding costs of publication, will be published by title and summary as permitted by Section 508 of the Charter. The approved summary of this ordinance reads as follows:

**“ SUMMARY**

The purpose of Ordinance No. \_\_\_\_\_ is to amend water rates for customers of the water and power department of the City of Pasadena. The Ordinance establishes a formula-based capital improvements charge (“CIC”) to fund the Water Fund capital improvements program. An average CIC of \$0.20 per billing unit will commence April 1, 2003, and an additional CIC of \$0.22 per billing unit take effect July 1, 2004 (a billing unit is 748 gallons of water). The Ordinance provides for a reduction in the size of the first block water for small meter sizes. The Ordinance eliminates standby charges and replaces them with distribution and customer charges. The Ordinance also permits the department to charge its actual costs of plan reviews and inspections. The Ordinance adjusts various other fees and charges, including connection and lateral charges.”

**SECTION 2.** Section 13.20.025 of the Pasadena Municipal Code is hereby amended to read as follows:

**“ Section 13.20.025 First Block And Second Block Allocations**

The first and second block allocations shall be as follows:

Section 13.20.025 First Block And Second Block Allocations (Continued)

Size of Meter (in inches)	Volume of First Block Allocation (in units of 100 cubic feet)	Volume of Second Block Allocation (in units of 100 cubic feet)
5/8 and 3/4	0--12	13--38
1	0--12	13--38
1-1/2	0--40	41--325
2	0--50	51--325
3	0--150	151--1,275
4	0--150	151--1,275
6	0--400	401--3,400
8	0--400	401--3,400
10	0--400	401--3,400
12	0--400	401--3,400

**SECTION 3.** Subsection A and the title of Section 13.20.030 of the Pasadena Municipal Code is hereby amended to read as follows:

**“Section 13.20.030 Service Charges and Rates**

**A. Distribution and Customer Charges.** The monthly distribution and customer charges for service shall be as follows:

Size of Meter (in inches)	Distribution and Customer Charges	
	Area A	Area B
5/8 and 3/4	\$ 5.94	\$ 8.02
1	11.29	15.24
1 1/2	22.80	35.31
2	53.49	72.21
3	130.75	176.51
4	202.05	272.78
6	309.03	417.19
8	505.14	681.94
10	657.43	842.34
12	742.76	1,002.78

**SECTION 4.** A new Section 13.20.035 is hereby added to the Pasadena Municipal Code to read as follows:

**“Section 13.20.035 Capital Improvements Charge**

**A.** A Capital Improvements Charge (“CIC”) shall be added to water rates to recover the capital improvement costs of the water distribution system as provided in this Section.

**B.** CIC Amounts

Effective April 1, 2003, the CIC shall be as follows and shall be subject to adjustment as provided in subsection C:

	<b>CIC (per 100 cubic feet)</b>
Water delivered April 1st--September 30th:	
In Area A	\$ 0.19382
In Area B	\$ 0.26162
Water delivered October 1st--March 31st:	
In Area A	\$ 0.18285
In Area B	\$ 0.24681

Effective July 1, 2004, the CIC shall be as follows and shall be subject to adjustment as provided in subsection C:

	<b>CIC (per 100 cubic feet)</b>
Water delivered April 1st--September 30th:	
In Area A	\$ 0.40905
In Area B	\$ 0.55218
Water delivered October 1st--March 31st:	
In Area A	\$ 0.38590
In Area B	\$ 0.52092

Section 13.20.035 Capital Improvements Charge (Continued)

C. Adjustments to the CIC

Adjustments to the CIC shall be calculated by the department and shall take effect on the first of the month following city council's approval of the Water Fund Capital Improvements Program ("CIP"). The CIC shall be adjusted by the following calculation:

$$\text{CIC} = ((\text{FTR} \times \text{CE}) + \text{DS}) / \text{WS}$$

(expressed to the nearest \$0.00001 per hundred cubic feet)

Where: FTR ("Funding Target Ratio") = (A) / (A+B)

Where "A" is the five-year average annual cash required from current-year water rates to fund the CIP as projected by the department at the time the CIC calculation is made.

Where "B" is the five-year average annual revenue bond funds required to fund the CIP as projected by the department at the time the CIC calculation is made.

CE ("Capital Expenditure") is the five-year average annual Water Fund capital expenditure as projected by the department at the time the CIC calculation is made.

DS ("Debt Service") is the five-year average annual CIC-related debt service payment as projected by the department at the time the CIC calculation is made.

WS ("Water Sales") is the water system sales for the next twelve months stated in billing units, as projected by the department at the time the CIC calculation is made.

D. CIC Account

A CIC account shall be maintained into which all CIC revenue bond funds, CIC revenues and interest earned shall be deposited. The CIC account shall be used solely for the purposes of paying CIC-related debt service, funding the Water Fund CIP as approved by the city council, and the Water Fund transfer to the general fund."

**SECTION 5.** Section 13.20.040 of the Pasadena Municipal Code is hereby amended to read as follows:

**"Section 13.20.040 Water Taken from Fire Hydrants**

- A. Before taking water from a fire hydrant, all persons shall obtain a permit and a portable meter from the department. The permit fee shall be \$150 for each portable meter issued by the department.

Section 13.20.040 Water Taken from Fire Hydrants (Continued)

- B. The rates for water taken from a fire hydrant shall be the commodity rates pursuant to Section 13.20.030, a distribution and customer charge per month applicable to the size of the portable meter, the CIC pursuant to Section 13.20.035 and the PWAC pursuant to Section 13.20.110.
- C. The permit applicant shall pay a refundable deposit for the actual cost of each portable meter issued by the department to guarantee the return of the meter in good condition. If the portable meter is damaged or lost, the department shall deduct from the deposit the department's actual costs of repairing or replacing the portable meter.
- D. This Section shall not apply to the city fire department or to government fire agencies which use water from fire hydrants for fire suppression purposes."

**SECTION 6.** Section 13.20.050 of the Pasadena Municipal Code is hereby amended to read as follows:

**"Section 13.20.050 Service—Municipal**

For water and water service supplied to other city departments, the department shall be paid out of the general fund, or other appropriate fund, as follows:

- A. Water for domestic purposes shall be supplied at the charges and rates established by Section 13.20.030, Section 13.20.035 and Section 13.20.110.
- B. Water for park and power plant purposes shall be supplied at the rates established in Section 13.20.030, Section 13.20.035 and Section 13.20.110.
- C. Water for street sprinkling or flushing and other non-domestic use shall be supplied at rates established in Section 13.20.030, Section 13.20.035 and Section 13.20.110; except, that street sweepers, small trucks or other vehicles used for general street maintenance by the public works department may make unmetered connections to fire hydrants for street sweeping and drain flushing operations at a fixed charge of \$200 per month per vehicle."

**SECTION 7.** Section 13.20.60 of the Pasadena Municipal Code is hereby amended to read as follows:

**"Section 13.20.060 Service--Application And Lateral Charges**

- A. Before water is supplied to any premises, the customer shall make application to the department. Unless the water service lateral charge has previously been paid, the department, as a condition to granting such application and furnishing water to the premises, the customer shall pay the following minimum charges, whether service is in Area A or Area B:

Section 13.20.060 Service--Application And Lateral Charges (Continued)

**WATER SERVICE LATERAL CHARGES**

Size of Service Lateral (inches)	Type of Service	When Installed in New Subdivisions or in Unpaved Streets	When Installed in Streets Under Normal Conditions & Standard Methods
1	Domestic	\$ 1,450	\$ 1,700
1 1/2	Domestic	\$ 2,050	\$ 2,300
2	Domestic	\$ 3,450	\$ 3,700
3	Domestic	\$ 8,050	\$ 8,500
4	Domestic	\$ 8,950	\$ 9,400
6	Domestic	\$ 12,950	\$ 13,400
8	Domestic	\$ 16,250	\$ 16,700
4	Fire service with detector meter	\$ 6,850	\$ 7,300
6	Fire service with detector meter	\$ 7,065	\$ 7,515
8	Fire service with detector meter	\$ 8,705	\$ 9,155
4	Fire service with double check detector assembly	\$ 6,975	\$ 7,425
6	Fire service with double check detector assembly	\$ 8,060	\$ 8,510
8	Fire service with double check detector assembly	\$ 11,150	\$ 11,600
10 and larger	Fire or Domestic	Actual Cost	Actual Cost

B. In lieu of the charges set forth in Subsection A, the department may charge actual costs where unusual conditions exist, such as nature of the soil or earth in which the service lateral is to be installed, jacking, or unusual length of lateral, and the lateral charges set forth in Subsection A are not sufficient to fully recover the department's actual costs. The department may require a deposit prior to commencing work to guarantee payment.

C. The customer shall pay for service lateral replacements at the charges set forth in this section. If the department determines that an existing water service lateral should be replaced, the customer may have 3/4-inch, 1-inch or 1 1/2-inch service laterals replaced with a maximum size of 2 inches upon paying the difference between the charges set forth in this section. A 3/4-inch lateral shall be replaced with a 1-inch lateral at no charge. For replacement of a 3/4-inch lateral with a size larger than 1 inch, credit shall be given equal to a 1-inch lateral charge.

D. In the event the customer requests a service lateral replacement and meter relocations, the customer shall pay the department's actual cost.

E. "Actual cost" as used this Chapter shall mean the department's costs of labor, materials, equipment and overhead, including administrative expenses."

**SECTION 8.** Section 13.20.070 of the Pasadena Municipal Code is hereby amended to read as follows:

**“Section 13.20.070 Service -- Reservoir And Pumping Plant Charges**

When deemed necessary by the department, a reservoir and pumping plant charge shall be paid as a condition to granting water service to areas not presently served with water, or where the existing water system cannot provide adequate pressure and volume, including undeveloped areas that are to be annexed to the city. For fiscal year 2003, the reservoir and pumping charge shall be \$2,884 per gross acre. The reservoir and pumping charge shall be adjusted by the department in subsequent years to reflect the then current cost of adding the necessary reservoir capacity.”

**SECTION 9.** Section 13.20.110 of the Pasadena Municipal Code is hereby amended to read as follows:

**“Section 13.20.110 Purchased Water Adjustment Charge**

The charges for all water delivered, other than the distribution and customer charges and the capital improvements charge shall be subject to an adjustment to reflect changes in the prices paid by the department for its water. The responsibility to calculate the adjustment shall rest with the department and the authority to approve the adjustment shall rest with the general manager. The adjustment shall be the product of a percentage multiplied by all commodity rates. The percentage is calculated as follows:

$$\frac{\text{Total Dollar Amount of Adjustment}}{\text{Total Commodity Revenue}} = \frac{\sum(A_i \times B_i) + C}{\sum(D_k \times E_k) + \sum(D_i \times E_i)}$$

- Where:
- A<sub>i</sub> = Projected water system purchases for the next twelve months stated in acre-feet, for every category of commodity purchased, where “i” represents each category of commodity purchase costs.
  - B<sub>i</sub> = Difference between projected purchased water prices over base year purchased water prices, stated in terms of dollars per acre-feet, for every category of commodity purchased, where “i” represents each category of commodity purchase costs. Base year prices are defined as those water rates last reflected in department’s retail water rates.
  - C = Any other change to costs incurred by the department in the acquisition of water stated in dollars over the base year.
  - D<sub>k</sub> = Projected water system sales for the next twelve months stated, in terms of number of billing units, for every block of commodity sold, for customers in Area A, where “k” represents each category of commodity revenue in Area A, as defined in Section 13.20.020 and Section 13.20.030 of the Pasadena Municipal Code. A billing unit is 100 cubic feet.
  - D<sub>i</sub> = Projected water system sales for the next twelve months stated, in terms of number of billing units, for every block of commodity sold,

Section 13.20.110 Purchased Water Adjustment Charge (continued)

for customers in Area B, where “i” represents each category of commodity revenue in Area B, as defined in Section 13.20.020 and Section 13.20.030 of the Pasadena Municipal Code.

$E_k$  = Current commodity rate for every block in Area A in dollars per billing unit, where “k” represents each category of commodity revenue in Area A.

$E_i$  = Current commodity rate for every block in Area B in dollars per billing unit, where “i” represents each category of commodity revenue in Area B.

Each commodity rate in each block in each Area shall be adjusted by the formula above.

**SECTION 10.** Section 13.20.130 of the Pasadena Municipal Code is hereby amended to read as follows:

**“Section 13.20.130 Service --Fire -Private**

A. The monthly rates for private fire service for private fire protection shall be at the following flat rates:

Size of Service Lateral (in inches)	Area A	Area B
	With or Without Detector Meter	With or Without Detector Meter
4	\$ 50.71	\$ 67.95
6	\$ 94.82	\$ 127.06
8	\$ 170.35	\$ 228.27
10	\$ 250.53	\$ 335.71
12	\$ 332.89	\$ 446.07

B. Service at the foregoing rates is for fire extinguishing purposes only and includes water for such purposes. If the department determines that water from a private fire service is used for other than fire extinguishing purposes, fire service may be discontinued or the department may install a fire flow meter at customer's expense and the service will be deemed a domestic service in all cases.

C. No private fire service less than four inches in size shall be installed.



Section 13.20.130 Service--Fire--Private (Continued)

D. Once instituted, fire service to any property may be terminated with written approval by the fire marshal.

E. Charges for private fire protection service are the responsibility of the building owner.”

**SECTION 11.** Section 13.20.145 of the Pasadena Municipal Code is hereby amended to read as follows:

**“Section 13.20.145 Fire Protection Surcharge**

A fire protection surcharge shall be added to each monthly distribution and customer charge to reflect the cost of maintaining, repairing, installing and upgrading public fire hydrants utilized for fire protection purposes. The fire protection surcharge shall not apply to private fire protection service rendered in accordance with Section 13.20.130. The fire protection surcharge shall be as follows:

Size of Meter (in inches)	Fir Protection Surcharge	
	Area A	Area B
5/8 and 3/4	\$ 0.15	\$ 0.15
1	\$ 0.28	\$ 0.28
1 1/2	\$ 1.07	\$ 1.07
2	\$ 1.38	\$ 1.38
3	\$ 3.25	\$ 3.25
4	\$ 3.83	\$ 3.83
6	\$ 8.80	\$ 8.80
8	\$ 11.79	\$ 11.79
10	\$ 15.28	\$ 15.28
12	\$ 20.34	\$ 20.34

**SECTION 12.** Subsection C of Section 13.20.150 (Fire Hydrant – Rates) of the Pasadena Municipal Code is hereby amended to read as follows:

**“C. Table of Fire Hydrant Charges.**

<b>Item</b>	<b>Charge</b>
6" standard fire hydrant lateral, without head	\$5,750 each
6" x 4" x 2 1/2" fire hydrant head	\$975 each
Miscellaneous fire hydrant lateral work will be done as follows:	
6" fire hydrant lateral extension	\$3,500 each
Install 6" tapping valve for fire hydrant lateral	\$3,500 each
Nonstandard fire hydrant lateral	actual cost

Where fire hydrants, fire hydrant taps or extensions are installed in new subdivisions or on street improvement projects where paving will be done by others, a \$45000 deduction shall be applied to the rate for fire hydrant work. Where applicable, above costs include the installation of gate cans and cutting and plugging of existing fire hydrant laterals, which are to be replaced.

Fire hydrant lateral charges cover installations where the hydrant is located on the same side of the street as the water main. If located on the opposite side of the street, it shall be considered a nonstandard installation and billed at actual cost.

When any premises are changed in occupancy to multiple family, commercial or industrial use so as to cause a change in the water flow requirements to meet proper fire-fighting requirements in the opinion of the fire chief, the owner of said property shall pay for the installation of a new hydrant or the enlargement of existing hydrants in accordance with the recommendations of the fire chief.”

**SECTION 13.** Section 13.20.165 of the Pasadena Municipal Code is hereby amended to read as follows:

**“Section 13.20.165 Fire Hydrant Flow Test Charge**

Fire hydrant flow tests shall be conducted by the department when requested for the purpose of determining the availability of water for fire protection purposes. A charge of \$200 for each flow test shall be paid by the person requesting such test.”

**SECTION 14.** Subsection B of Section 13.20.210 (Meter Installation and Examination) of the Pasadena Municipal Code is hereby amended to read as follows:

“B. If a meter has been installed and a different size, whether larger or smaller, is requested by the consumer and approved by the general manager of the water and power department, the charge for the installation of the meter requested shall be paid by the consumer as follows:

Size of Meter (inches)	Charge
1	\$ 150.00
1 1/2	\$ 200.00
2	\$ 250.00
3 or larger	total cost

**SECTION 15.** Subsection B of Section 13.20.250 (Theft of Water and City Rights) of the Pasadena Municipal Code is hereby amended to read as follows:

“B. Any person or agency apprehended using water without permission from a fire hydrant, service or other system connection will be charged for each occurrence a minimum of \$500, or other such charge as may be established by resolution of the city council, plus the cost of water estimated to have been used. The department’s actual costs of any investigation may be added thereto at the option of the general manager.”

**SECTION 16.** A new Section 13.20.255 is hereby added to the Pasadena Municipal Code to read as follows:

**“Section 13.20.255 Plan Review and Inspection Charges**

Where a project requires the department to conduct a plan review or inspection or both, the customer or applicant shall pay the department’s actual costs of providing these services. The department may require a deposit in advance to guarantee payment.”

**SECTION 17.** The City Clerk shall certify the adoption of this Ordinance and shall cause this ordinance to be published by title and summary.

**SECTION 18.** This ordinance shall take effect upon its publication by title and summary.

Signed and approved this \_\_\_ day of February 2003.

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Bill Bogaard  
Mayor of the City of Pasadena

I HEREBY CERTIFY that the foregoing ordinance was adopted by the City Council at its meeting held \_\_\_\_\_, 2003, by the following vote:

AYES:

NOES:

ABSENT:


ABSTAIN:

Published:

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JANE L. RODRIGUEZ, CMC  
CITY CLERK

Approved as to form:

  
Scott D. Rasmussen  
Assistant City Attorney