

# Ordinance Fact Sheet

TO: CITY COUNCIL

DATE: June 16, 2008

FROM: CITY ATTORNEY

SUBJECT: AN ORDINANCE OF THE CITY OF PASADENA AMENDING THE WATER RATE ORDINANCE, CHAPTER 13.20 OF THE PASADENA MUNICIPAL CODE, TO REVISE DISTRIBUTION AND CUSTOMER CHARGES.

**TITLE OF PROPOSED ORDINANCE:**

AN ORDINANCE OF THE CITY OF PASADENA AMENDING THE WATER RATE ORDINANCE, CHAPTER 13.20 OF THE PASADENA MUNICIPAL CODE, TO REVISE DISTRIBUTION AND CUSTOMER CHARGES.

**PURPOSES OF THE ORDINANCE:**

As described in the Agenda Report accompanying the public hearing to be conducted on June 16, 2008, the purpose of this Ordinance is to increase Distribution and Customer Charges (D&C) to generate adequate revenue to cover the costs of operation and maintenance of the water distribution system, including metering, customer service, billing, call center and collections. Current D&C rates are inadequate to meet the revenue requirement and the D&C rates have not been adjusted since 1995.

**REASONS WHY LEGISLATION IS NEEDED:**

Charges for water service must be prescribed by ordinance pursuant to Charter Section 1403.

**PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED:**

Retail water ratepayers taking water service from the Water and Power Department will be responsible to pay the D & C charges. The revenues derived from the charge will be used by the department as set forth above.

MEETING OF 06/16/2008

AGENDA ITEM NO. 9.A.1.

The monthly bill impacts of the proposed ordinance vary by the size of a customer's meters. For example, the monthly bill impact to residential inside-city customers with a 5/8" or 3/4" meter using 12 billing units per month is an additional \$2.08, with the monthly bill rising from \$20.89 to \$22.97. The monthly bill impact to outside-city customers with the same meter size and usage is an additional \$2.81, with the bill rising from \$28.26 to \$31.07. The D&C charge for each meter size is set forth in the proposed ordinance.

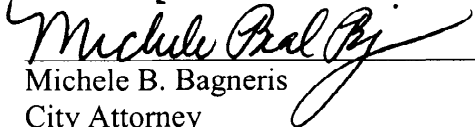
**FISCAL IMPACT:**

The proposed D&C rate increase is expected to generate \$2.3 million annually for the Water Fund. This will result in an increase to the Water Fund Operating Revenues from \$41.2 million in FY08 to \$43.8 million in FY09.


**POLICY CHANGES:**

This ordinance does not result in any policy changes.

Respectfully submitted,

  
Michele B. Bagneris  
City Attorney

Prepared by:

  
Scott D. Rasmussen  
Assistant City Attorney

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

**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.** Title 13, Chapter 13.20, Section 13.20.030 of the Pasadena

Municipal Code is hereby amended to read:

**“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" & 3/4"	\$5.94	\$8.02	<del>\$8.02</del>	\$10.83
1"	<del>11.29</del>	15.24	<del>15.24</del>	20.57
1-1/2"	<del>22.80</del>	30.78	<del>35.31</del>	47.67
2"	<del>53.49</del>	72.21	<del>72.21</del>	97.48
3"	<del>130.75</del>	176.51	<del>176.51</del>	238.29
4"	<del>202.05</del>	272.77	<del>272.78</del>	368.25
6"	<del>309.03</del>	417.19	<del>417.19</del>	563.21
8"	<del>505.14</del>	681.94	<del>681.94</del>	920.62
10"	<del>657.43</del>	887.53	<del>842.34</del>	1,137.16
12"	<del>742.76</del>	1,002.78	<del>1,002.78</del>	1,353.75

**SECTION 2.** The City Clerk shall certify the adoption of this Ordinance and shall cause this ordinance to be published by title and summary.

**SECTION 3.** This ordinance shall take effect upon its publication by title and summary.

Signed and approved this \_\_\_\_\_ day of June 2008.

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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 \_\_\_\_\_, 2008, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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JANE L. RODRIGUEZ, CMC  
CITY CLERK

Approved as to form:

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Scott D. Rasmussen  
Assistant City Attorney