

# Ordinance Fact Sheet

TO: CITY COUNCIL

DATE: July 13, 2009

FROM: CITY ATTORNEY

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

**TITLE OF PROPOSED ORDINANCE:**

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

**PURPOSES OF THE ORDINANCE:**

The City Council directed preparation of this ordinance on June 22, 2009 following public hearings on June 8 and June 22. The purpose of this ordinance is to amend water rates for customers of the City of Pasadena. The ordinance amends the Water Rate Ordinance, Chapter 13.20 of the Pasadena Municipal Code to: increase the distribution and customer charge for each of the next three years; increase the fire protection surcharge; reallocate consumption quantities and increase commodity rates for Blocks 1, 2 and 3; set consumption quantities and commodity rates for new Blocks 4 and 5; lower the existing rate differential between customers outside the city from thirty-five to twenty-five percent as compared to customers inside the city; adjust the seasonal rate differential between winter and summer rates; allow potential refunds or credits for water purchased under Blocks 4 and 5; and permit Block 5 rate relief for customers who use water efficiently.

Detailed descriptions of how the ordinance will accomplish these purposes are contained in the Agenda Reports dated April 13, June 8 and June 22, 2009 and the General Manager's June 4, 2009 memorandum to the Municipal Services Committee of the City Council which includes an Addendum of the same date.

MEETING OF 7/13/2009

AGENDA ITEM NO. 8.A.1.

**REASONS WHY LEGISLATION IS NEEDED:**

Section 14.03 of the City Charter requires water rates to be prescribed by ordinance.

**PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED:**

Water customers of the Water and Power Department will pay the rates set forth in this ordinance. The Water and Power Department will be responsible for the administrative implementation of the new rates.

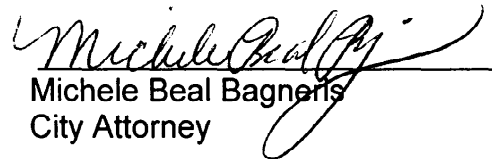
**FISCAL IMPACT:**

As set forth in the Agenda Report dated June 22, 2009, the Water Fund will receive \$3.0 million annually from the July 2009 rate increases in the distribution and customer charge and the fire protection surcharge, \$3.2 million annually from the July 2010 rate increase in the distribution and customer charge, and \$3.7 million annually from the July 2011 rate increase in the distribution and customer charge. These rate increases will result in an increase in the general fund transfer from the Water Fund of approximately \$180,000 in Fiscal Year 2011, \$372,000 in Fiscal Year 2012, and \$594,000 in Fiscal Year 2013.


**POLICY CHANGES:**

This ordinance does not result in any policy changes.

Respectfully submitted,

  
Michele Beal Bagners  
City Attorney

Prepared by:

  
Scott D. Rasmussen  
Senior Assistant City Attorney

**13.20.010 Short Title And Purpose**

This chapter shall be known and designated as the "water rate ordinance" and the rates set forth herein for water and water service to be charged and collected by the water division of the city, and the terms and conditions of service applicable to, and to be enforced in respect of, the supplying of such water and water service, and the time and manner of payment therefore are hereby fixed and established.

**13.20.020 Service--Areas Designated**

~~A. For the purpose of establishing water rates, the area served by the water division is divided into 2 classes, designated as Area A and Area B, and the water supplied by the water division is divided into 3 blocks, designated as first block and second block and third block.~~

A. For the purpose of establishing water rates, the area served by the water division is divided into two classes, designated as Area A and Area B.

B. Area A shall include all of the area inside the city.

C. Area B shall include all areas served by the water division outside the city.

~~D. First block water is that volume of water allocated, under Section 13.20.025, to a customer based on the customer's meter size.~~

~~E. Second block water is that volume of water allocated under Section 13.20.025 to a customer based on the customer's meter size.~~

~~F. Third block water is all water used by a customer in excess of the customer's first and second block allocations.~~

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

**~~The first and second block allocations shall be as follows:~~**

**13.20.025 Block Allocations**

The water supplied by the water division is divided by volume into five allocation blocks as indicated in the table below:

~~The first and second block allocations shall be as follows:~~

<del>Size of Meter (in inches)</del>	<del>Volume of First Block Allocation (in units of 100 cubic feet)</del>	<del>Volume of Second Block Allocation (in units of 100 cubic feet)</del>
<del>5/8 and 3/4</del>	<del>0-12</del>	<del>13-38</del>

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

Customer Group Served	Meter Size	Block Allocations (in Units of One Hundred Cubic Feet)				
		Block 1	Block 2	Block 3	Block 4	Block 5
Residential – Small SF	5/8", 3/4"	0 – 8	9 - 24	25 - 34	35 - 46	47>
Residential - MF						
Small Commercial						
Residential – Medium SF / Small MF	1"	0 – 12	13 – 40	41 – 60	61 – 90	91>
Small Commercial / Institutional						
Residential – Large SF / Small MF	1 ½"	0 – 22	23 – 86	87 – 132	133 – 188	189>
Small Commercial / Institutional						
Residential – Large SF/Small MF	2"	0 – 48	49 – 188	189 – 290	291 – 405	406>
Medium Commercial / Institutional						
Residential – Large SF/Medium MF	3"	0 – 116	117 – 500	501 – 860	861 – 1,300	1,301>
Medium Commercial / Institutional						
Residential – Large MF	4"	0 – 225	226 – 1,000	1,001 – 1,800	1,801 – 3,000	3,001>
Medium Commercial / Institutional						
Residential – Large MF	6"	0 – 500	501 – 5,600	5,601 – 8,800	8,801 – 12,000	12,001>
Large Commercial / Institutional						
Large Commercial / Institutional / Industrial	8"	0 – 500	501 – 5,600	5,601 – 10,000	10,001 – 14,000	14,001>
Large Commercial / Institutional / Industrial	10" – 12"	0 – 500	501 – 24,000	24,001 – 32,000	32,001 – 37,000	37,001>

Notes: SF- Single Family; MF – Multi-Family

### 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	\$8.02	\$10.83
1	15.24	20.57
1-1/2	30.78	47.67
2	72.21	97.48
3	176.51	238.29
4	272.78	368.25
6	417.19	563.21
8	681.94	920.62
10	887.53	1,137.16
12	1,002.78	1,353.75

**A. Distribution and Customer Charges.** The monthly Distribution and Customer Charges shall be as follows:

Customer Group Served	Meter Size	Distribution and Customer Charges	
		Area A	Area B
Residential – Small SF	5/8", 3/4"	\$10.70	\$13.37
Residential - MF			
Small Commercial			
Residential – Medium SF / Small MF	1"	\$20.33	\$25.41
Small Commercial / Institutional			
Residential – Large SF / Small MF	1 1/2"	\$41.06	\$51.32
Small Commercial / Institutional			
Residential – Large SF/Small MF	2"	\$96.32	\$120.40
Medium Commercial / Institutional			
Residential – Large SF/Medium MF	3"	\$235.45	\$294.32
Medium Commercial / Institutional			
Residential – Large MF	4"	\$363.87	\$454.84
Medium Commercial / Institutional			
Residential – Large MF	6"	\$556.51	\$695.63
Large Commercial / Institutional			
Large Commercial / Institutional / Industrial	8"	\$909.66	\$1,137.08
Large Commercial / Institutional / Industrial	10"	\$1,183.91	\$1,479.89
Large Commercial / Institutional / Industrial	12"	\$1,337.65	\$1,672.06

Effective July 1, 2010, the monthly Distribution and Customer Charges shall be as follows:

Customer Group Served	Meter Size	Distribution and Customer Charges	
		Area A	Area B
Residential – Small SF	5/8", 3/4"	\$13.68	\$17.10
Residential – MF			
Small Commercial			
Residential – Medium SF / Small MF	1"	\$26.00	\$32.49
Small Commercial / Institutional			
Residential – Large SF / Small MF	1 1/2"	\$52.50	\$65.63
Small Commercial / Institutional			
Residential – Large SF/Small MF	2"	\$123.17	\$153.96
Medium Commercial / Institutional			
Residential – Large SF/Medium MF	3"	\$301.08	\$376.35
Medium Commercial / Institutional			
Residential – Large MF	4"	\$465.29	\$581.61
Medium Commercial / Institutional			
Residential – Large MF	6"	\$711.61	\$889.51
Large Commercial / Institutional			
Large Commercial / Institutional / Industrial	8"	\$1,163.20	\$1,454.00
Large Commercial / Institutional / Industrial	10"	\$1,513.88	\$1,892.35
Large Commercial / Institutional / Industrial	12"	\$1,710.46	\$2,138.08

Effective July 1, 2011, the monthly Distribution and Customer Charges shall be as follows:

Customer Group Served	Meter Size	Distribution and Customer Charges	
		Area A	Area B
Residential – Small SF	5/8", 3/4"	\$17.13	\$21.41
Residential – MF			
Small Commercial			
Residential – Medium SF / Small MF	1"	\$32.55	\$40.68
Small Commercial / Institutional			
Residential – Large SF / Small MF	1 ½"	\$65.73	\$82.17
Small Commercial / Institutional			
Residential – Large SF/Small MF	2"	\$154.21	\$192.76
Medium Commercial / Institutional			
Residential – Large SF/Medium MF	3"	\$376.95	\$471.19
Medium Commercial / Institutional			
Residential – Large MF	4"	\$582.55	\$728.18
Medium Commercial / Institutional			
Residential – Large MF	6"	\$890.95	\$1,113.69
Large Commercial / Institutional			
Large Commercial / Institutional / Industrial	8"	\$1,456.35	\$1,820.43
Large Commercial / Institutional / Industrial	10"	\$1,895.40	\$2,369.26
Large Commercial / Institutional / Industrial	12"	\$2,141.53	\$2,676.92

**B. Commodity Rates.** The commodity rates for all water delivered as of October 2000 shall be:

	Commodity Rate for All First Block Water Delivered (per 100 cubic feet)	Commodity Rate for All Second Block Water Delivered (per 100 cubic feet)	Commodity Rate for All Third Block Water Delivered (per 100 cubic feet)
Water delivered April 1st – September 30th:			
In Area A	\$0.51912	\$1.77043	\$1.94590
In Area B	0.69877	2.38981	2.62587
Water delivered October 1st – March 31st:			
In Area A	\$0.46898	\$1.66598	\$1.93859
In Area B	0.63297	2.24881	2.61647

	Commodity Rate (Per One Hundred Cubic Feet)				
	All First Block Water Delivered	All Second Block Water Delivered	All Third Block Water Delivered	All Fourth Block Water Delivered	All Fifth Block Water Delivered
Water delivered April 1st--September 30th:					
In Area A	\$0.91037	\$2.50351	\$3.00421	\$5.00701	\$7.51052
In Area B	\$1.13796	\$3.12938	\$3.75526	\$6.25876	\$9.38814
Water delivered October 1st--March 31st:					
In Area A	\$0.88385	\$2.43059	\$2.91671	\$4.86118	\$7.29176
In Area B	\$1.10481	\$3.03823	\$3.64588	\$6.07647	\$9.11470

**C. Special Provisions**

- ~~1. All water under this section is metered.~~
- ~~2. Where water is delivered to land lying in both Area A and Area B, the rates are subject to adjustment based upon the use in each of the areas as determined by the water division.~~
- ~~3. A charge set forth in the department's service regulations is made for each new account or customer originated account change. This charge is added to the first bill for service under the account.~~
- ~~4. Deposits. The general manager may require a deposit in reasonable amount to guarantee payment for water to be delivered subsequent to date of demand for such deposit. If customer fails to make such deposit after demand therefore, water service may be discontinued until such deposit in the amount required has been made.~~

**C. Block Rates Pricing Structure**

The ratio between the block rates shall be subject to annual adjustments based on the department's projected five-year water supply costs. The department shall calculate the adjustments, if any, and recommend any new ratio between the block rates to City Council. Block 1 rates shall be priced to recover local water supply costs. Block 2 and Block 3 rates shall be priced to recover the first two tiers of imported water costs. Block 4 and Block 5 rates shall be priced to recover incremental costs of procuring additional imported water above the Block 3 consumption level.

**D. Special Provisions**

1. All water under this section is metered.
2. Where water is delivered to land lying in both Area A and Area B, the rates are subject to adjustment based upon the use in each of the areas as determined by the water division.



3. A charge set forth in the department's service regulations is made for each new account or customer originated account change. This charge is added to the first bill for service under the account.
4. Deposits. The general manager may require a deposit in reasonable amount to guarantee payment for water to be delivered subsequent to date of demand for such deposit. If customer fails to make such deposit after demand therefore, water service may be discontinued until such deposit in the amount required has been made.

### 13.20.035 Capital Improvements Charge

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.

#### A. 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

Effective July 1, 2006, 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	\$ 0.51667
In Area B	\$ 0.69746
Water delivered October 1st–March 31st:	
In Area A	\$ 0.48743
In Area B	\$ 0.65798

Effective August 2007, 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	\$ 0.62429
In Area B	\$ 0.84274
Water delivered October 1st--March 31st:	
In Area A	\$ 0.58896
In Area B	\$ 0.79504

**B. 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:  $\text{FTR}$  (“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.

### **C. 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.

### **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.

**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.

### **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.

### 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:

#### 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.

### **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.

### **13.20.080 Water Main Charge**

A. Before water is supplied from any existing water main installed subsequent to June 1, 1945, a water main charge or a special connection charge shall be paid. If a special connection charge has been established for the main in question, then the special connection charge shall be paid. If no special connection charge has been established, then a water main charge based on the front footage of the premises to be served shall be paid. The amount of the front footage charge shall be based on the department's then current cost of installing 6-inch water mains as determined by the general manager.

B. Before water is served to any development requiring the installation of new mains or the extension of existing mains, the total cost of such new mains or extensions shall be paid. In cases where such new mains or extensions may be of benefit to more than a single development, the general manager may establish a special connection charge which shall be paid in lieu of the total cost of the main. The special connection charge shall be paid by all future connectors to the main or extension.

### **13.20.090 Cost Of Other Installations**

A. In all cases where an installation is requested of the water division for any purpose not covered by other provisions of this chapter and such request is granted, the installation shall be made by the water division and the total cost shall be paid by the applicant.

B. In any case where in this chapter it is stated that the water division shall make an installation on a total cost basis, the water division where expedient may make said installation on a fixed charge basis to be determined by the general manager of the water and power department.

### **13.20.100 Meter Readings And Billings**

The commodity rates for the several classes of water service are based on meter readings, read in units of 100 cubic feet.

- A. The water division may have bimonthly meter readings and billings.
  - B. Opening and closing bills and bills for an irregular period are prorated on a 30-day-month basis.
  - C. All charges for water and water service, as well as for refuse service, and all other charges including taxes, surcharges and fees that are regularly assessed through the utility bill are due and payable when rendered and become delinquent 30 days after the date rendered. In addition to any other remedy provided by law, there shall be assessed a penalty for delinquent bills pursuant to Section 1.08.080. The amount of such penalty shall be as set forth on the general fee schedule.
  - D. If delinquent bills are not paid upon presentation, or on failure to comply with the rules and regulations established as a condition to the use of water, or to pay rates or any charges or penalty imposed in the time and manner herein provided, water may be turned off at any or all services where the customer is supplied with water until payment of the amount due is made. The appropriate reconnection and special service charges, in addition to all previously accrued charges, shall be made prior to having the service turned on again.
  - E. Should the owner or occupant of any premises or his agent turn water on or suffer or cause it to be turned on after it has been shut off at the curb stop by the division, it will be shut off at the main, and a charge of \$150.00 made for turning water on again.
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### 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:
- $A_i$  = 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.
  - $B_i$  = Difference between projected purchased water prices over base year purchased water prices, stated in terms of dollars per acre-foot, 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.
  - $D_k$  = 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.
  - $D_i$  = 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 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.

### 13.20.120 Potential Refund or Credit of Water Purchases Under Blocks 4 and 5

A. A customer may receive a full or partial refund or credit for water purchased within Block 4 and Block 5 as provided in this section. At the end of each fiscal year ending June 30, the department shall determine the incremental revenues collected from Block 4 and Block 5 rates. “Incremental” revenues for purposes for this section shall mean all amounts collected in Block 4 and/or Block 5 which exceed Block 3 rate levels for Area A and Area B. In the event incremental revenues exceed the penalties imposed by the Metropolitan Water District upon the department for exceeding its water allocation in the fiscal year under review, the department, in its sole

discretion, shall either refund or credit the difference between the incremental revenues and the penalties to those customers who were charged the Block 4 and Block 5 rates during that fiscal year. Each eligible customer shall receive a refund or credit equal to the amount of water consumed within Block 4 and Block 5 during the fiscal year under review multiplied by “X”, where “X” is calculated from the following equation:

$$X = \frac{Y - MP}{(V_{4A} + (2.25 V_{5A})) + 1.25 (V_{4B} + (2.25 V_{5B}))}$$

And where: Y = the incremental revenues collected from Blocks 4 and 5  
 MP = Metropolitan Water District Penalty for exceeding the department’s water allocation

V<sub>4A</sub> = Block 4 sales, Area A  
 V<sub>5A</sub> = Block 5 sales, Area A  
 V<sub>4B</sub> = Block 4 sales, Area B  
 V<sub>5B</sub> = Block 5 sales, Area B

Each eligible customer within Area A shall receive a refund or credit equal to the amount of water consumed within Block 4 during the fiscal year under review multiplied by “X”.

Each eligible customer within Area A shall receive a refund or credit equal to the amount of water consumed within Block 5 during the fiscal year under review multiplied by “2.25X”.

Each eligible customer within Area B shall receive a refund or credit equal to the amount of water consumed within Block 4 during the fiscal year under review multiplied by “1.25X”.

Each eligible customer within Area B shall receive a refund or credit equal to the amount of water consumed within Block 5 during the fiscal year under review multiplied by “2.81X”.

The sales, rates, and penalties herein refer to the fiscal year for which the calculation is made.

B. In the event incremental revenues are equal to the penalties imposed by the Metropolitan Water District upon the department for exceeding its water allocation in the fiscal year under review, the department shall make no refund or credit for that fiscal year.

C. In the event incremental revenues are less than the penalties imposed by the Metropolitan Water District upon the department for exceeding its water allocation in the fiscal year under review, the department shall collect the balance through the Purchased Water Adjustment Charge.

### **13.20.125 Block 5 Rate Relief for Customers Who Use Water Efficiently**

A. A customer may file with the department an application for relief from Block 5 rates. All expenses associated with the application shall be borne by the customer, including without limitation the cost of a water audit. The department shall have authority to take such steps as it deems reasonable and to set up such procedures as it considers necessary to resolve such application. In determining whether to grant relief, the department shall take into consideration all factors relevant to the customer’s water usage. Relief shall be granted only on a showing by the customer that:

- (i) he or she will be subject to payment of Block 5 rates for more than one billing period in a calendar year; and



- (ii) he or she has achieved the maximum practical reduction in water consumption over the previous three-year period.

If relief is granted, the department shall apply Block 4 rates for all water purchased within and above the Block 4 allocation on and after the date the application is granted by the department.

B. At any time after an application has been granted, the department may review the customer's water usage. In the event the customer fails to demonstrate that he or she continues to achieve the maximum practical reduction in water consumption, the department may re-impose Block 5 rates.

C. Any customer aggrieved by the department's decision shall be required to comply with the appeals procedure of this subsection. Compliance with this subsection shall be a prerequisite to a suit thereon. A customer's written appeal must be received by the department within ten (10) days of the date of notification or customer's appeal right shall be deemed waived. A customer shall be deemed notified of the department's decision upon the personal delivery of the department's notice of decision, or if personal delivery is not given, the date on which said notice is placed in the regular mail. The department may issue regulations to govern the conduct of the appeal, including prescribed contents of the written appeal and the manner in which hearings may be conducted.

### **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.

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.

### **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)	Fire 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

Size of Meter (in inches)	Fire Protection Surcharge	
	Area A	Area B
5/8 and 3/4	\$ 0.38	\$ 0.38
1	\$ 0.70	\$ 0.70
1 1/2	\$ 2.68	\$ 2.68
2	\$ 3.45	\$ 3.45
3	\$ 8.13	\$ 8.13
4	\$ 9.58	\$ 9.58
6	\$ 22.00	\$ 22.00
8	\$ 29.48	\$ 29.48
10	\$ 38.20	\$ 38.20
12	\$ 50.85	\$ 50.85

### 13.20.150 Fire Hydrants--Rates

#### A. Area A.

Fire hydrants shall be installed by the water division at the rates shown in the table below, to be paid from Area A fire protection surcharge revenues or by the subdivider or owner of the property to be protected, as the city shall determine. When requested by the fire department the fire hydrants shall be maintained and repaired by the water division at total cost to be paid from Area A fire protection surcharge revenues. Fire hydrants are provided for the principal purpose of extinguishing fires, and are for the use of the fire and water departments, and such other persons as may be authorized to do so by said departments in accordance with the provisions of the "fire hydrant ordinance" (Ordinance No. 2161) and this chapter.

#### B. Area B.

Fire hydrants shall be installed by the water division at the rates shown in the table below and shall be maintained and repaired by the water division at total cost, to be paid from Area B fire protection surcharge revenues. Fire hydrants are provided for the principal purpose of extinguishing fires, and shall be opened and

used only by the water division and the fire departments of public fire protection districts or cities or such persons as may be authorized to do so by said division and public fire protection districts or cities.

**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 \$450 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.

**13.20.160 Fire Hydrants--Additional Installed**

When any premises is changed in occupancy to multiple family, commercial or industrial use so as to cause a change in the water flow 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.

**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.

**13.20.170 Adjustment Of Complaints**

The general manager of the water and power department shall determine the class of service to be supplied to any consumer and shall adjust complaints in connection therewith.

**13.20.180 Permission Required For Connection**

A person may not tap, open or connect with a water main, pipe or service which forms a part of the water system of the city, without first obtaining written permission to do so from the service division of the water division which shall issue no such permit to or for any person who is delinquent in his indebtedness to the city for water or damage to hydrants.

### **13.20.190 Action When Property Has More Than 1 Consumer**

A. In all cases in which water is served to premises occupied by 2 or more different and independent consumers of water, which premises are held under 1 ownership, the owner or owners of such premises shall be and are required to provide for independent service to the curb line for each such independent consumer; provided, however, that if any owner of such premises so served with water agrees in writing to be responsible for and pay all money due for water used upon such premises, such independent service shall not be required. Should the owner or owners fail or refuse to provide such independent service or to assume responsibility for money due for water used upon such premises, the water division shall, after 30 days' notice to the consumers so served and to the owner or owners of such premises or the person in charge thereof, cut off the water from such premises until the independent services herein required are installed or the agreement assuming responsibility for money due for water served to the premises is made as herein provided.

B. No consumer shall supply water to any person, firm or corporation on premises other than that owned or occupied by the consumer unless permission is granted by the water division, and in the event that such permission is granted, the owner or owners of such premises shall in writing guarantee the payment of all charges for water and water service serviced thereto. The water division shall give 30 days' notice in writing to all consumers served through such service before enforcing this section by turning off water; provided that such consumer may supply water to persons, firms or corporations for use in the performance of any contract for the improvement of any street or other public place after having received permission from the commercial division of the water division. But a permit may be denied to or for any person, firm or corporation whose indebtedness to the city for water or damage to hydrants is delinquent, or who has on one or more occasions taken water from the distributing system of the city or from the pipes of consumers connected with the distributing system of the city without having received the permission provided for herein.

### **13.20.200 Cross-Connections**

A. "Cross-connection" means any arrangement or installation of piping or structures whereby it is possible for used, unclean, polluted or contaminated water, mixtures or substances to enter any portion of any approved water supply.

B. An "approved water supply" means a potable water supply of safe, sanitary quality which is approved for human consumption by the authorities having jurisdiction thereof.

C. Water service by the water division may be discontinued to any premises upon which there is found to be another source of water supply or a cross-connection and due notice is given thereof by said department to the consumer or owner of said premises. Such service shall not be restored until such cross-connection has been eliminated or backflow devices satisfactory to the water division have been installed to protect the water system of the division. The expense and maintenance of said backflow devices and the cost of eliminating cross-connections shall be paid by the consumer or owner of said premises.

### **13.20.210 Meter Installation And Examination**

A. Meters will be provided and installed by the water division free of any direct charges, except as otherwise in this chapter specifically provided.

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

C. No meter less than 1 inch in diameter shall be installed on services 1 1/2 inches or larger. No meter shall be installed which is larger in size than the diameter of the existing water service lateral.

D. All meters installed by the water division shall remain at all times the property of the water division and shall be maintained, repaired and replaced by said division; provided that adjustments, repairs or replacements of any meter rendered necessary by negligence, carelessness, or damage by the consumer, or any member of his family or anyone employed by him, including damage which may result from hot water or steam from boiler or otherwise, shall be paid for by such consumer to the division upon presentation of bill therefore; and in case the bill is not paid, the water shall be shut off from said premises without further notice and shall not be turned on until all charges are paid. If access to a meter or meter box is obstructed in any manner including the growing of plants or allowing them to grow, the depositing or allowing the deposit of any material or by the parking of any vehicle, the water division shall give a 15-day notice in writing to remove such obstruction before enforcing this provision by turning off the water. The notice shall be given to all of the consumers served by such meter.

E. All water used on any premises where a meter is installed must pass through the meter. Consumer will be held responsible and charged for all water passing through the meter. When rate-of-flow tests indicate that an existing meter operates above its safe operating capacity, the city may require a consumer to install a larger meter and service at owner's cost.

F. If water is served to the same premises through more than 1 meter, the water division may require a check valve on the consumer's side of each meter.

G. Any consumer may demand that the meter through which his water is being furnished be examined and tested by the water division, for the purpose of ascertaining whether or not it is registering correctly the amount of water, which is being delivered through it. Such demand shall be made in writing to the water division, and shall be accompanied by a deposit in the amount set forth in the department's service regulations. Upon receipt of such demand it shall be the duty of the water division to cause the meter to be examined and tested for the purpose of ascertaining whether or not it is registering correctly the water being delivered through it. If on such examination and test the meter shall be found to register over 3 percent more water than actually passes through it, another meter will be substituted therefore, and the deposit shall be repaid the person making the application, and the water bill for the current period adjusted in such manner as the general manager of the water and power department may deem fair and just. If the meter is found to register not over 3 percent fast, the deposit shall be forfeited to the city and the water bill paid as rendered.

### **13.20.220 Shut-Off Valves**

All shut-off valves installed by the water division are for the use of the division, and may be used by the consumer only in case of emergency. For ordinary usage all consumers shall provide their own valves.

### **13.20.230 Service--Interruptions**

The water division shall have the authority to turn off water from mains and pipes of the system without notice. The water division will endeavor to give notice through the newspapers or otherwise if time and

expediency permit. The division will not be liable for damage which may result from an interruption in service.

#### **13.20.240 Access To Private Premises**

A. Inspectors, foremen and employees of the water division whose duty it may be to enter upon private premises to make inspection, examination and tests of the pipes, fixtures or attachments used in connection with the water supply, shall be provided with a badge or other credentials to identify them as authorized agents of the water division.

B. Any officer, inspector, foreman or other authorized employee of the water division shall, upon presentation of his badge or other credentials provided for in the preceding paragraph, have free access at all reasonable hours to any premises supplied with city water for the purpose of making any inspection, examination or tests of the entire water system upon said premises.

C. In case any authorized employee is refused admittance to any premises, or being admitted shall be hindered or prevented from making such inspection, examination or tests, the general manager of the water and power department may cause the water to be turned off from said premises after giving 24 hours' notice to the owner or occupant of said premises of his intention to do so.

D. It is the duty of each officer and employee of the water division, upon resignation or dismissal, forthwith to deliver to said division all badges and credentials of the division held by him.

#### **13.20.250 Theft Of Water And City Rights**

A. In applying for service in accordance with the terms of this chapter, it is understood and agreed that the water division may install and maintain such equipment on the consumer's premises as it deems necessary for the proper metering and distribution of water to prevent the theft thereof. Any person tampering with the equipment of the city for the purpose of avoiding payment of the rates herein prescribed shall be liable to punishment therefore pursuant to law. In case the property is vacant or the equipment installed is no longer needed, such equipment may be removed at any time upon order of the general manager of the water and power department.

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.

#### **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.

#### **13.20.260 Notices Mailed**

All notices required to be given by the water division by this chapter may be given by depositing same in the United States mail, properly addressed, in a postage prepaid envelope. Upon such deposit, notices shall be deemed to have been given.

#### **13.20.270 Service Regulations And Charges**

A. The general manager of the water and power department shall, from time to time, submit service regulations relating to conditions of service, application, administration and interpretation of rates, or to any other provision of this chapter, and a schedule of charges for reconnections and for various special services

not otherwise provided for. Such regulations and schedule charges shall be effective upon adoption thereof by resolution of the board of directors of city.

B. On failure to comply with the service regulations of the department, or to pay charges, or to comply with penalties imposed for such failure as herein provided, water service may be turned off until the regulations, charges, or said penalties are complied with or payment is made of the amount due.

### **13.20.280 Customer's Leaking Water Pipes**

When a customer's interior water pipes, those water pipes on the customer's side of the water meter, leak to an extent that water is being wasted and the customer does not repair said leaks, the water division may give the customer and owner of the property, if not the customer, 30 days' notice to make such repairs on the interior water pipes as are necessary to eliminate said wastage of water. If said repairs are not completed within the 30 days' notice, the water service to the property may be shut off. To have water service restored after such a shutoff it will be necessary for the customer to furnish proof of said repairs and apply for service to be reinstated under existing conditions of this chapter.