



Ordinance Fact Sheet

TO: Honorable Mayor and City Council

DATE: March 14, 2022

FROM: City Attorney

SUBJECT: IMPLEMENTATION OF WATER RATE ADJUSTMENTS

TITLE OF PROPOSED ORDINANCE:

AN ORDINANCE OF THE CITY OF PASADENA, CALIFORNIA AMENDING THE WATER RATE ORDINANCE, TITLE 13, CHAPTER 13.20 OF THE PASADENA MUNICIPAL CODE

PURPOSE OF THE ORDINANCE:

The purpose of this ordinance is to amend the Water Rate Ordinance as directed by the City Council on March 14, 2022. The Water Rate Ordinance, Chapter 13.20 of the Pasadena Municipal Code, sets forth the rates 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.

The amendments are necessitated by a number of factors resulting in the need for additional revenues. The proposed revenue increases contribute to the financial stability of the Water System.

REASONS WHY LEGISLATION IS NEEDED:

Article XIV, Section 1403 of the City Charter requires that water rates 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.

MEETING OF 03/21/2022
03/14/2022
14
AGENDA ITEM NO. 18

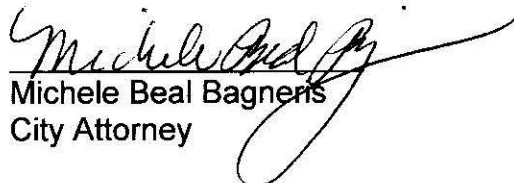
ENVIRONMENTAL DETERMINATION:

The recommended adjustments to the water rates are statutorily exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15273 (Rates, Tolls, Fares, and Charges).

FISCAL IMPACT:

The recommended Distribution and Customer Charge ("D&C") and Commodity rate increases to be effective on April 1, 2022 are expected to generate approximately \$2.5 - \$3.0 million annually, and the recommended D&C, Commodity, and Capital Improvement Charge ("CIC") rate increases to be effective on January 1, 2023 are expected to generate approximately \$3.8 million annually, based on projected annual unit sales. The incremental revenues will be used to offset increased operations and maintenance costs, provide funding for capital improvements to the water system and mitigate the impacts of a decrease in sales due to assertive conservation measures. There is no fiscal impact for the recommended action to amend the description of the CIC in the Water Rate Ordinance to replace reference to the "water distribution system" with "water system."

Respectfully submitted,


Michele Beal Bagners
City Attorney

Prepared by:


Lisa Hosey
Assistant City Attorney

Concurred by:


Cynthia Kurtz
Interim City Manager

SGL3TXEW0D1ML8