



Ordinance Fact Sheet

TO: Honorable Mayor and City Council

DATE: June 3, 2024

FROM: City Attorney

SUBJECT: APPROVE RECOMMENDED 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 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 Department of Water and Power 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 purpose of this ordinance is to amend the Water Rate Ordinance as directed by the City Council on June 3, 2024, to implement adjustments to the water rates and utilize a tiered by customer type and meter size rate structure.

The amendments are necessitated by a number of factors including the increasing revenue requirements to provide safe, reliable and resilient water services, the desire to adjust the rate structure to equitably recover costs among different customer types, and the continued support of water conservation through the inclining pricing structure for water usage.

REASONS WHY LEGISLATION IS NEEDED:

Article XIV, Section 1403 of the City Charter requires that water rates be prescribed by ordinance.

MEETING OF 06/03/2024

AGENDA ITEM NO. 14

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.

ENVIRONMENTAL DETERMINATION:

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

FISCAL IMPACT:

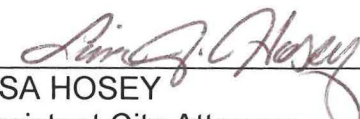
The recommended rate adjustments to be effective on July 1, 2024, through July 1, 2028, are expected to generate approximately \$42 million. The rate adjustments are sufficient to meet the projected revenue requirements as determined through the cost-of-service rate study.

Respectfully submitted,



MICHELE BEAL BAGNERIS
City Attorney

Prepared by:



LISA HOSEY
Assistant City Attorney

Concurred by:



MIGUEL MARQUEZ
City Manager