

RESOLUTION NO. 2019-31

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUNTINGTON BEACH
ADJUSTING WATER METER RATES, INCLUDING A CAPITAL SURCHARGE
PURSUANT TO SECTION 14.12.040 OF THE HUNTINGTON BEACH MUNICIPAL CODE

WHEREAS, Section 14.12.040 of the Huntington Beach Municipal Code requires that the City shall charge a Water Meter Rate, and authorizes a Capital Surcharge, based upon the size of the water meter, or the number of dwelling units the meter serves. The Water Meter Rate and Capital Surcharge shall be set by a Resolution adopted by a two-thirds vote of the members of the City Council; and,

Pursuant to Huntington Beach Municipal Code Section 14.12.045, the City Council shall adjust water rates in order to maintain a balanced budget, provided that no rate shall exceed the reasonable cost of providing the services, facilities or regulatory activity for which the rates or charges are imposed; and,

On April 2, 2018, the City Council adopted Resolution No. 2018-17, which re-established new water meter rates for the City's customers; and,

Pursuant to Proposition 218 and Government Code Sections 53755 and 53756, an agency providing water service may adopt a schedule of adjustments to water rates for up to five (5) years; and,

The City Council desires to establish the Water Meter Rates and a Capital Surcharge pursuant to Section 14.12.040 of the Municipal Code for the next five years,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntington Beach that Resolution No. 2018-17 is replaced, and the following Water Meter Rates and Capital Surcharge are adopted:

1. Base Meter Rate. All Water Meter Rates are based on a 3/4-inch meter, known as the "Base Meter Rate." The Rate for larger capacity meters will be based on the meter's equivalent capacity to a 3/4-inch meter distributing water. The City will use the equivalent meter capacities as established by the American Water Works Association ("AWWA"), or any similar professional organization should AWWA no longer exist. All customers shall be charged based on meter size.

2. Water Meter Rates. Effective July 1, 2019, the fixed Water Meter Rates shall be as follows:

Meter Size/Type	Monthly Charge Effective July 1, 2017
3/4" (Base Meter Rate)	\$13.70
1"	\$22.84
1-1/2"	\$45.67
2"	\$73.07
3"	\$159.83
4" Compound	\$228.33
4" FM	\$319.66
6" Compound	\$456.66
6" FM	\$730.65
8" FM	\$1,278.639
10" FM	\$2,009.27

3. Meter Charge Annual Adjustment. On July 1, 2020, the Water Meter Rates shall be adjusted based on the Consumer Price Index-Urban (CPI-U) for the Los Angeles, Orange County-Riverside Area and available as of November for the previous year plus \$1.00 for the base meter rate. On July 1, 2021, the Water Meter Rates shall be adjusted based on the Consumer Price Index-Urban (CPI-U) for the Los Angeles, Orange County-Riverside Area and available as of November for the previous year plus \$1.00 for the base meter rate. On July 1, 2022, the Water Meter Rates shall be adjusted based on the Consumer Price Index-Urban (CPI-U) for the Los Angeles, Orange County-Riverside Area and available as of November for the previous year. On July 1, 2023, the Water Meter Rates shall be adjusted based on the Consumer Price Index-Urban (CPI-U) for the Los Angeles, Orange County-Riverside Area and available as of November for the previous year.

4. Water Meter Capital Charge. Pursuant to Section 14.12.040 of the Municipal Code, the City Council establishes a Capital Charge of \$3.00 per the Base Meter Fee effective July 1, 2018, increasing by \$0.50 on July 1, 2020 and again by \$0.50 on July 1, 2022. As adjusted for each meter size for all customer categories, the Capital Charge is as follows:

Meter Size/Type	Monthly Capital Charge Effective July 1, 2018	Monthly Capital Charge Effective July 1, 2020	Monthly Capital Charge Effective July 1, 2022
3/4" (Base Meter)	\$3.00	\$3.50	\$4.00
1"	\$5.00	\$5.83	\$6.67
1-1/2"	\$10.00	\$11.67	\$13.33
2"	\$16.00	\$18.67	\$21.33
3"	\$35.00	\$40.83	\$46.67
4" compound	\$50.00	\$58.33	\$66.67

4" FM	\$70.00	\$81.67	\$93.33
6" compound	\$100.00	\$116.67	\$133.33
6" FM	\$160.00	\$186.67	\$213.33
8" FM	\$280.00	\$326.67	\$373.33
10" FM	\$440.00	\$513.33	\$586.67

5. Effective July 1, 2028, the Capital Surcharge shall terminate.
6. Temporary Construction Service: In cases where water service is established on a temporary basis to accommodate construction activities, the daily Water Meter Rate shall be \$2.3014 (\$70 per month). The water usage charge shall equal twice (2 times) that of the established potable water rate.
7. Notice of Rate Increases: Notice of the formulaic annual adjustment to the Water Meter Rates, including the Capital Surcharge, shall be provided by way of an insert in the City monthly water and sewer bill at least thirty (30) days before the effective date of the rate adjustment.

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the _____ day of _____, 2019.

Mayor

ATTEST:

INITIATED AND APPROVED:

City Clerk


Director of Public Works

REVIEWED AND APPROVED:

APPROVED AS TO FORM:

City Manager


City Attorney 