

**RESOLUTION NO. 3683**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COALINGA  
APPROVING NEW WATER RATES EFFECTIVE JULY 1, 2015**

WHEREAS, Coalinga Municipal Code Section 6-4.20 provides for the establishment of water service rates by resolution of the City Council; and

WHEREAS, on April 1, 2015, Governor Jerry Brown issued the fourth in a series of Executive Orders on actions necessary to manage California's ongoing drought; and

WHEREAS, the City of Coalinga, in accordance with the Executive Order and subsequent direction from the State Water Resources Control Board, is required to reduce its water consumption 28% during the months June 2015 through February 2016, below the same months in 2013/2014; and

WHEREAS, the City Council of the City of Coalinga has enacted Stage 2 of 3 of its Water Conservation Ordinance in an attempt to curtail water use by its water customers; and

WHEREAS, the water rate model prepared in January 2014 for rates established July 1, 2014, does not provide for sufficient revenue because water sales in 2014/15 were lower than forecast, and sales in 2015/16 are lower yet. Ongoing drought conditions and conservation efforts prevent sufficient revenue to cover Water Fund expenses and debt coverage requirements without a water rate adjustment; and

WHEREAS, IGService prepared a subsequent water rate study for the City, updated and presented at the City Council meeting on April 16, 2015, which analyzed the ongoing impacts of the drought and conservation, and proposed revised rates to yield revenue based on anticipated water deliveries that are sufficient to cover water fund operating costs and debt service coverage, and replace the existing water rate schedule adopted on June 25, 2014; and

WHEREAS, the City Council of the City of Coalinga discussed the proposed revised rates on June 18, 2015, and comments were received from the public; and

WHEREAS, notice of the proposed water rates was mailed to the record owners of each parcel in accordance with the requirements of Proposition 218 and Government Code section 53750 et seq.; and

WHEREAS, a public hearing to consider the proposed new water rates and any protests to such rates was held at a public meeting on June 18, 2015 before the City Council of the City of Coalinga, which meeting and hearing was more than 45 days after the notice to property owners was mailed; and

WHEREAS, written protests to the proposed new water rates were not presented by a majority of the owners of the identified parcels in the City of Coalinga; and

WHEREAS, the proposed water rates set forth in Exhibit "A" attached hereto are nondiscriminatory and do not exceed the cost of providing water service and improvements to the water system (all as defined in section 6-4.01 of the Coalinga Municipal Code) for which the rates and charges are imposed; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Coalinga as follows:

1. The schedule of new water rates in Exhibit "A" attached hereto is hereby adopted, and the new water rates shall be effective on July 1, 2015.
2. The new water rates shall be effective until a subsequent City Council Resolution is adopted further amending water rates.

The foregoing resolution was approved and adopted at a regular meeting of the City Council of the City of Coalinga held on the 18th day of June, 2015, by the following vote:

AYES: Lander, Raine, Ramsey

NOES: Vosburg

ABSTAIN: None

ABSENT: Keough

APPROVED:

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk/Deputy City Clerk



**EXHIBIT "A"**

<b>City of Coalinga Water Rates and Charges</b>						
<b>Effective Rates</b>						
Increases	(Historical)	3% (Historical)	3% (Historical)	9% (Existing)	14.3% (Proposed)	
<b>Volumetric Rates (\$/TG)</b>	<b>03/01/12</b>	<b>03/01/13</b>	<b>03/01/14</b>	<b>07/01/14</b>	<b>07/01/15</b>	
<b>Urban Residential</b>						
Tier 1: Up to 10,000 g/mo	\$1.35	\$1.39	\$1.43	\$1.56		
Tier 2: 10,001 to 30,000 g/mo	\$1.65	\$1.70	\$1.75	\$1.91	\$2.02	
Tier 3: Above 30,000 g/mo	\$2.00	\$2.06	\$2.12	\$2.32		
Urban Commercial	\$1.45	\$1.49	\$1.53	\$1.67	\$1.91	
Rural	\$1.41	\$1.45	\$1.49	\$1.63	\$1.86	
PVSP and CSH	\$1.76	\$1.81	\$1.86	\$2.03	\$2.32	
<b>Fixed Monthly Charges (\$/Mo)</b>						
<b>Urban Res and Commercial</b>						
1" Meter Size	\$19.64	\$20.22	\$20.83	Fixed Monthly Charges Unchanged	\$23.81	
1.5"	\$78.50	\$80.86	\$83.29		\$95.20	
2"	\$297.22	\$306.14	\$315.32		\$360.41	
3"	\$667.38	\$687.40	\$708.02		\$809.27	
4"	\$1,186.68	\$1,222.28	\$1,258.95		\$1,438.98	
6"	\$2,671.68	\$2,751.83	\$2,834.38		\$3,239.70	
8"	\$4,750.02	\$4,892.52	\$5,039.30		\$5,759.92	
10"	\$5,276.96	\$5,435.27	\$5,598.33		\$6,398.89	
<b>Rural</b>						
1" Meter Size	\$27.14	\$27.96	\$28.80		\$32.92	
1.5"	\$108.66	\$111.92	\$115.28	\$131.77		
2"	\$488.92	\$503.58	\$518.69	\$592.86		
3"	\$1,099.76	\$1,132.75	\$1,166.73	\$1,333.57		
4"	\$1,954.48	\$2,013.12	\$2,073.51	\$2,370.02		
6"	\$4,400.26	\$4,532.26	\$4,668.23	\$5,335.79		
8"	\$7,822.68	\$8,057.36	\$8,299.08	\$9,485.85		
10"	\$8,691.74	\$8,952.49	\$9,221.06	\$10,539.67		
PVSP	\$9,200.00	\$9,476.00	\$9,760.28	\$11,156.00		
CSH	\$2,600.00	\$2,678.00	\$2,758.34	\$3,152.78		