

RESOLUTION NO. CC _____ & UA 2023-__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA HABRA AND THE LA HABRA UTILITY AUTHORITY AMENDING THE MASTER SCHEDULE OF FEES PERTAINING TO WATER AND SEWER USAGE, CONNECTIONS AND FEES

WHEREAS, City fees for services rendered are adjusted from time to time, as necessary, to recover costs; and

WHEREAS, the City seeks to have its water and sewer revenues correspond to expected changes in expenditures due to inflation; and

WHEREAS, the City seeks to have its water and sewer fund balances to correspond with industry standards for financial best practices; and

WHEREAS, the City has determined that certain fees for services are not sufficient to recover costs; and

WHEREAS, City fees for services rendered are adjusted annually based financial data reported by the City of La Habra; and

WHEREAS, the City is required to maintain annual water revenues at a level sufficient to pay bond debt service and cover the Water Authority operations, capital, and reserves need; and

WHEREAS, a provision of the bond requires that the City periodically increase water rates. Increasing water rates is a nondiscretionary bond issuance requirement to produce revenues sufficient to cover operating expenses and bond payments; and

WHEREAS, a provision of the bond requires that the net revenues from the Water Enterprise Fund be at least equal to 1.25 times the bond payments that are due each year; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LA HABRA AND THE LA HABRA UTILITY AUTHORITY HEREBY RESOLVES AS FOLLOWS:

SECTION 1: The City Council finds that all the facts, findings, and conclusions set forth above in this Resolution are true and correct.

SECTION 2: That Sections 6.50 (A) 1, 6.50 (A) 2, 6.50 (B) 1.a., and 6.50 (B) 1.b., WATER USAGE, CONNECTIONS, AND FEES of the Master Schedule of Fees are hereby deleted in their entirety and replaced with the following:

WATER AND SEWER RATES- EFFECTIVE JANUARY 1, 2024

6.50 WATER USAGE, CONNECTIONS, AND FEES

(A) Rates:

1. Fixed Charge (Readiness to Serve Charge)

A minimum rate per month is established by size of meter. The minimum monthly charge for each meter by size is established as follows:

Meter Size	1/1/2024
5/8"	\$20.76
3/4"	\$29.07
1"	\$45.68
1½"	\$87.21
2"	\$137.04
3"	\$253.31
4"	\$419.42
6"	\$834.68
8"	\$1,333.00

2. Variable Use Charge (Billed per hundred cubic feet, ccf)

A variable rate per hundred cubic feet (ccf) is established by Customer Class and tier as follows:

Class / Tier	1/1/2024
Residential	
Tier 1: 0-8 ccf	\$2.83
Tier 1: 9-16 ccf	\$5.07
Tier 1: 17+ ccf	\$7.46
Multi-Family	
Uniform Tier	\$3.87
Commercial	
Uniform Tier	\$4.15
Municipal	
Uniform Tier	\$4.68
Irrigation	
Uniform Tier	\$5.65

(B) **Other Services and/or Water Facilities:**

1. Private Fire-line Protection Services:

a. Fireline Fixed Charge (Readiness to Serve Charge):

Meter Size	1/1/2024
2"	\$9.14
3"	\$18.65
4"	\$35.04
6"	\$93.87
8"	\$195.34
10"	\$347.97

b. Fireline Volumetric Charge (Billed per hundred cubic feet, ccf):

Class / Tier	1/1/2024
Fireline Uniform Tier	\$5.65

SECTION 3: That Sections 6.40 (A) 1, and 6.40 (A) 2, SEWER USAGE, CONNECTIONS, AND FEES of the Master Schedule of Fees are hereby deleted in their entirety and replaced with the following:

6.40 SEWER USAGE, CONNECTIONS, AND FEES

(A) **Rates:**

1. Fixed Charge (Readiness to Serve Charge)

A minimum rate per month, per dwelling unit is established by customer class.

The minimum monthly charge for each customer class is established as follows:

Customer Class	1/1/2024
Residential	
Single-Family Residential	\$5.47
Multi-Family Residential*	\$4.67
Sewer Only Residential**	\$14.25
Non-Residential	\$0.00
Non-Residential Minimum Charge***	\$9.71

Notes:

*The fixed charge is billed monthly per dwelling unit. For example, starting January 1, 2024, a 2-unit multifamily building would be charged \$4.67 x 2 units, or \$9.34 total for the fixed charge plus \$0.59 cents per unit of water used. A 40-unit apartment complex would be charged \$4.67 x 40 units, or \$186.80 total for the fixed charge plus \$0.59 cents per unit of water used.

**Residential units connected to the City sewer system that do not receive water service from the City of La Habra shall pay the flat monthly rate shown for each residential unit.

***Non-Residential customers are subject to a minimum charge equal to the fixed charge for Apartment customers with 10 ccf of wastewater flow.

2. Variable Use Charge (Billed per hundred cubic feet, ccf)

A variable rate per hundred cubic feet (ccf) of water usage is established by Customer Class as follows:

Class / Tier	1/1/2024
Residential	
Single-Family Residential*	\$0.51
Multi-Family Residential	\$0.59
Non-Residential	\$1.20

Notes:

*For Single-Family Residential Customers, the monthly billing for the variable use charge is capped at 20 ccf. Any additional water use is assumed to be irrigation and therefore not generating wastewater. For example, if a residential customer uses 25 units in one month, the most that customer will be billed at is for 20 ccf of water usage.

SECTION 4: The fees set forth in Sections 2 and 3 of this resolution shall become effective on January 1, 2024.

SECTION 5: That Sections 6.50 (A) 1, 6.50 (A) 2, 6.50 (B) 1.a., and 6.50 (B) 1.b., WATER USAGE, CONNECTIONS, AND FEES of the Master Schedule of Fees are hereby deleted in their entirety and replaced with the following:

WATER AND SEWER RATES- EFFECTIVE JANUARY 1, 2025

6.50 WATER USAGE, CONNECTIONS, AND FEES

(A) Rates:

1. Fixed Charge (Readiness to Serve Charge)

A minimum rate per month is established by size of meter. The minimum monthly charge for each meter by size is established as follows:

Meter Size	1/1/2025
5/8"	\$22.21
3/4"	\$31.10
1"	\$48.88
1½"	\$93.31
2"	\$146.63
3"	\$271.04
4"	\$448.78
6"	\$893.11
8"	\$1,426.31

2. Variable Use Charge (Billed per hundred cubic feet, ccf)

A variable rate per hundred cubic feet (ccf) is established by Customer Class and tier as follows:

Class / Tier	1/1/2025
Residential	
Tier 1: 0-8 ccf	\$3.03
Tier 1: 9-16 ccf	\$5.42
Tier 1: 17+ ccf	\$7.98
Multi-Family	
Uniform Tier	\$4.14
Commercial	
Uniform Tier	\$4.44
Municipal	
Uniform Tier	\$5.01
Irrigation	
Uniform Tier	\$6.05

(B) Other Services and/or Water Facilities:

1. Private Fire-line Protection Services:

a. Fireline Fixed Charge (Readiness to Serve Charge):

Meter Size	1/1/2025
2"	\$9.78

3"	\$19.96
4"	\$37.49
6"	\$100.44
8"	\$209.01
10"	\$372.33

b. Fireline Volumetric Charge (Billed per hundred cubic feet, ccf):

Class / Tier	1/1/2025
Fireline	
Uniform Tier	\$6.05

SECTION 6: That Sections 6.40 (A) 1, and 6.40 (A) 2, SEWER USAGE, CONNECTIONS, AND FEES of the Master Schedule of Fees are hereby deleted in their entirety and replaced with the following:

6.40 SEWER USAGE, CONNECTIONS, AND FEES

(A) Rates:

1. Fixed Charge (Readiness to Serve Charge)

A minimum rate per month, per dwelling unit is established by customer class. The minimum monthly charge for each customer class is established as follows:

Customer Class	1/1/2025
Residential	
Single-Family Residential	\$5.78
Multi-Family Residential*	\$4.93
Sewer Only Residential**	\$15.04
Non-Residential	\$0.00
Non-Residential Minimum Charge***	\$10.25

Notes:

*The fixed charge is billed monthly per dwelling unit. For example, starting January 1, 2025, a 2-unit multifamily building would be charged \$4.93 x 2 units, or \$9.86 total for the fixed charge plus \$0.63 cents per unit of water used. A 40-unit apartment complex would be charged \$4.93 x 40 units, or \$197.20 total for the fixed charge plus \$0.63 cents per unit of water used.

**Residential units connected to the City sewer system that do not receive water service from the City of La Habra shall pay the flat monthly rate shown for each residential unit.

***Non-Residential customers are subject to a minimum charge equal to the fixed charge for Apartment customers with 10 ccf of wastewater flow.

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

Witness my hand and the official seal of the City of La Habra this 4th day of
December, 2023.

Rhonda J. Barone, CMC, City Clerk/Secretary