

RESOLUTION NO. 2014-122

A RESOLUTION OF THE LODI CITY COUNCIL SETTING PRE-APPROVED ENGINEERING NEWS RECORD ADJUSTMENT INDEX FOR WASTEWATER RATES AND RESTRUCTURED WATER RATES FOR RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL CUSTOMERS

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WHEREAS, Resolution No. 2014-75 approved a program of wastewater rate increases of up to 3 percent effective July 1, 2014 through 2018; a program of water rate increases of up to 3 percent effective January 1, 2015 through 2019; and a restructuring of usage-based water rates. A Proposition 218 procedure was conducted that validated these actions; and

WHEREAS, staff has regularly updated the Wastewater Utility Financial Plan and the recommended rate adjustment in the Financial Plan is 2.5 percent beginning July 1, 2014; and

WHEREAS, the rates for current adjustment reflect a 2.5 percent increase that is lower than the ENR-based index of 2.6 percent; and

WHEREAS, staff recommends implementation of the first year of a three-year transition to restructure the usage-based water rates effective July 17, 2014.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby set the pre-approved Engineering News Record Adjustment Index for wastewater rates for residential, commercial and industrial customers as outlined on Exhibit A attached with the effective date of the increase to be July 17, 2014; and

BE IT FURTHER RESOLVED that the City Council does hereby set the restructured water rates for residential, commercial and industrial customers as outlined in Exhibit B attached with the effective date of the increase to be July 17, 2014.

Dated: July 16, 2014

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I hereby certify that Resolution No. 2014-122 was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 16, 2014, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Johnson, Nakanishi, and Mayor Katakian

NOES: COUNCIL MEMBERS – Mounce

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None

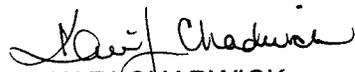

KARI CHADWICK
Administrative Secretary

Exhibit A
City of Lodi -- Wastewater Utility
Current and Proposed Wastewater Rates

	Current	July 2014
Residential		
Percent Increase		2.5
Flat Rates (\$/month)		
1 Bedroom	\$ 25.83	\$ 26.48
2 Bedroom	\$ 34.44	\$ 35.30
3 Bedroom	\$ 43.05	\$ 44.13
4 Bedroom	\$ 51.66	\$ 52.95
5 Bedroom	\$ 60.27	\$ 61.78
6 Bedroom	\$ 68.88	\$ 70.60
7 Bedroom	\$ 77.49	\$ 79.43
Mobile Homes		
Any Size	\$ 25.83	\$ 26.48
Usage-Based Rates (1)		
Service Charge (\$/month for 3/4" water meter)	\$ 23.52	\$ 24.11
Usage Charge (\$/CCF) (1)	\$ 2.68	\$ 2.75
Non-Residential (\$/month) (2)		
Moderate Strength (per SSU)	\$ 34.44	\$ 35.30
High Strength		
Flow (per MG, annual basis)	\$ 3,487.41	\$ 3,574.60
BOD (per 1,000 lbs, annual basis)	\$ 575.51	\$ 589.90
SS (per 1,000 lbs, annual basis)	\$ 359.85	\$ 368.85
Grease Interceptor & Septic Holding Tank		
Waste within City Limits (per 1,000 gal.)	\$ 304.72	\$ 312.34
Septic (only) Holding Tank Waste		
Outside City Limits (per 1,000 gal.)	\$ 646.89	\$ 663.06
Disposal to Storm Drain System (per MG)	\$ 320.09	\$ 328.09

Notes:

- (1) Winter water usage determined as average monthly usage from December through February.
- (2) Flat wastewater rates for schools are to be determined on the basis of 18 students per SSU.

Exhibit B
City of Lodi
Current and Proposed Usage-Based Water Rates

	Current (Jan. 2014)	Proposed (July 2014)	Future Rate Ceiling				
			Proposed (Jan. 2015)	Proposed (Jan. 2016)	Proposed (Jan. 2017)	Proposed (Jan. 2018)	Proposed (Jan. 2019)
Rate Increase -->		(2)	3.0% (3)	3.0% (3)	3.0%	3.0%	3.0%
USAGE-BASED RATES							
Monthly Service Charge							
Single Family							
Up to 3/4" meter	\$ 24.37	\$ 23.26	\$ 22.80	\$ 21.65	\$ 22.30	\$ 22.97	\$ 23.66
1" meter	\$ 39.57	\$ 37.38	\$ 36.26	\$ 34.01	\$ 35.03	\$ 36.08	\$ 37.16
1 1/2" meter	\$ 77.31	\$ 72.45	\$ 69.63	\$ 64.62	\$ 66.56	\$ 68.56	\$ 70.62
2" meter	\$ 122.78	\$ 114.71	\$ 109.84	\$ 101.52	\$ 104.57	\$ 107.71	\$ 110.94
Multi-Family and Non-Residential (1)							
Up to 3/4" meter	\$ 24.37	\$ 23.26	\$ 22.80	\$ 21.65	\$ 22.30	\$ 22.97	\$ 23.66
1" meter	\$ 39.57	\$ 37.38	\$ 36.26	\$ 34.01	\$ 35.03	\$ 36.08	\$ 37.16
1 1/2" meter	\$ 61.75	\$ 62.08	\$ 64.28	\$ 64.62	\$ 66.56	\$ 68.56	\$ 70.62
2" meter	\$ 77.15	\$ 84.29	\$ 94.17	\$ 101.52	\$ 104.57	\$ 107.71	\$ 110.94
3" meter	\$ 108.01	\$ 132.74	\$ 162.18	\$ 187.65	\$ 193.28	\$ 199.08	\$ 205.05
4" meter	\$ 138.90	\$ 193.14	\$ 254.80	\$ 310.67	\$ 319.99	\$ 329.59	\$ 339.48
6" meter	\$ 200.57	\$ 333.69	\$ 480.82	\$ 617.94	\$ 636.48	\$ 655.57	\$ 675.24
8" meter	\$ 262.31	\$ 494.23	\$ 747.94	\$ 986.82	\$ 1,016.42	\$ 1,046.91	\$ 1,078.32
10" meter	\$ 324.00	\$ 674.61	\$ 1,056.08	\$ 1,417.30	\$ 1,459.82	\$ 1,503.61	\$ 1,548.72
Usage Rates (\$/CCF)							
Single Family							
Tier 1 (0-10 CCF)	\$ 0.94	\$ 0.94	\$ 0.97	\$ 0.96	\$ 0.99	\$ 1.02	\$ 1.05
Tier 2 (11-50 CCF)	\$ 1.41	\$ 1.35	\$ 1.33	\$ 1.27	\$ 1.31	\$ 1.35	\$ 1.39
Tier 3 (>50 CCF)	\$ 1.87	\$ 1.76	\$ 1.70	\$ 1.59	\$ 1.64	\$ 1.69	\$ 1.74
Multi-Family and Non-Residential (1)							
All water usage	\$ 0.94	\$ 1.00	\$ 1.09	\$ 1.14	\$ 1.17	\$ 1.21	\$ 1.25

Notes:

- (1) Multi-family includes duplexes, triplexes, fourplexes, apartments, condominiums, and mobile home parks.
- (2) This rate schedule is revenue neutral relative to the proposed newly indexed July 2014 water rates, but includes the beginning of the proposed 3-year phased changes to the rate structure.
- (3) These rate schedules reflect the second and third year of the 3-year rate structure phasing, as well as the maximum potential rate adjustment due to ENR indexing.