



**CITY OF OAKDALE
JOINT CITY COUNCIL AND
SUCCESSOR AGENCY FOR THE
FORMER OAKDALE COMMUNITY
REDEVELOPMENT AGENCY
REGULAR MEETING MINUTES**

City Council Chambers
277 North Second Avenue
Oakdale, California

Tuesday, January 17, 2017

7:00 PM

City Council Chambers

1. CALL TO ORDER:

Mayor/Chairperson Paul called the meeting to order at 7:00 p.m.

2. CITY COUNCIL / AGENCY MEMBERS PRESENT/ABSENT:

Present: Mayor/Chairperson Paul
Mayor Pro Tem/Agency Member Dunlop
Council/Agency Member Bairos
Council/Agency Member McCarty
Council/Agency Member Murdoch

Staff Present: City Manager Whitemyer
City Attorney Hallinan
Finance Director Avila
Fire Chief Daly
Interim Public Services Manager Black
Interim Public Services Director Gravel
Police Chief Heller
Interim Public Services Manager Odom
Senior Engineering Technician Renfrow
City Clerk Teixeira

3. PLEDGE OF ALLEGIANCE:

Mayor Paul led the Pledge of Allegiance.

4. INVOCATION:

The invocation was provided by Pastor Rick Burnam, Oakdale Community Church.

5. PRESENTATIONS/ACKNOWLEDGEMENTS:

5.1: Presentation of Police Department Awards to CAPS Volunteer of the Year; Dispatcher of the Year and Police Officer of the Year.

Police Chief Heller presented awards to the following individuals.

Police Department Volunteer of the Year - Armando Vera
CAPS Volunteer of the Year - Pamela Kelly
Part-Time Employee of the Year - Rick Plath
Professional Staff of the Year - Jeanine Yates and Amber Evans
Officer of the Year - Jon Burch

Police Chief Heller advised the third recipient for Professional Staff of the Year is Heather Tamburino. Ms. Tamburino was unable to attend therefore Chief Heller accepted the award on her behalf.

Mayor Paul congratulated all recipients on the receipt of their awards.



**CITY OF OAKDALE
JOINT CITY COUNCIL AND
SUCCESSOR AGENCY FOR THE
FORMER OAKDALE COMMUNITY REDEVELOPMENT AGENCY
REGULAR MEETING MINUTES
Tuesday, January 17, 2017**

**Next City Council Resolution: 2017-001
Next Successor Agency Resolution: 2017-001**

**City Council Chambers
Next Ordinance: 1245**

Mayor Paul thanked the Oakdale Lions Club for posting the United States Flag in remembrance of Martin Luther King. Mayor Paul offered a special thanks to Council Member Murdoch for his assistance to the Garden Club in the removal of Christmas trees from Wood Park.

6. ADDITIONS/DELETIONS:

No items were added or deleted.

7. PUBLIC COMMENT:

Alice Garcia addressed the City Council on a recent robbery at her home and her dissatisfaction with the way the investigation was handled by the responding officer.

In response to comments made by Ms. Garcia related to code enforcement and a request made by Mayor Paul; City Manager Whitemyer advised staff will provide a presentation on the Code Enforcement Process and Code Enforcement Update at the February 6, City Council meeting.

Mary Guardiola, Chief Executive Officer of the Oakdale Chamber advised the City Council on upcoming events.

8. APPOINTMENT TO BOARDS AND COMMISSIONS:

None scheduled.

9. CITY COUNCIL CONSENT AGENDA:

Mayor Paul asked whether there were any questions on any matter listed on the Consent Agenda. No questions were asked.

Mayor Paul reminded those in attendance, book donations for the Friends of Oakdale Library Annual Book Sale are being accepted at the Oakdale Library.

MOTION

To approve the City of Oakdale City Council Consent Agenda for January 17, 2017 comprised of Items 9.1 through 9.4 as submitted.

9.1: Approve the Regular City Council Meeting Minutes of December 19, 2016.

9.2: Receive and File the Warrant List for the period of December 13, 2016 to January 10, 2017.

9.3: Waive Readings of Ordinances/Resolutions except by Title.

9.4: Approve by Minute Order City Co-sponsorship Friends of Oakdale Library Annual Book Sale (March 6 – 9, 2017).



**CITY OF OAKDALE
JOINT CITY COUNCIL AND
SUCCESSOR AGENCY FOR THE
FORMER OAKDALE COMMUNITY REDEVELOPMENT AGENCY
REGULAR MEETING MINUTES
Tuesday, January 17, 2017**

**Next City Council Resolution: 2017-001
Next Successor Agency Resolution: 2017-001**

**City Council Chambers
Next Ordinance: 1245**

Moved by Mayor Pro Tem Dunlop seconded by Council Member McCarty and PASSED AND ADOPTED this 17th day of January 2017, by the following vote:

AYES:	COUNCIL MEMBERS:	Bairos, Dunlop, McCarty, Murdoch and Paul	(5)
NOES:	COUNCIL MEMBERS:	None	(0)
ABSENT:	COUNCIL MEMBERS:	None	(0)
ABSTAINED:	COUNCIL MEMBERS:	None	(0)

Motion carried 5/0 by City Council roll call vote.

10. PUBLIC HEARINGS:

10.1: Public Hearing to Consider a Resolution of the City of Oakdale City Council Authorizing the City Manager to Execute a Memorandum of Understanding to form the Stanislaus and Tuolumne Rivers Groundwater Basin Association Groundwater Sustainability Agency and to Prepare and Submit Notice of the Stanislaus and Tuolumne Rivers Groundwater Basin Association Groundwater Sustainability Agency's Election to be the Groundwater Sustainability Agency for the Modesto Sub-Basin (Designated Basin Number 5-22.02 in the California Department of Water Resources' CASGEM Groundwater Basin System) to the California Department of Water Resources. *Notice Published in the Oakdale Leader on the January 4, 2017 and January 11, 2017.*

A PowerPoint Presentation was provided.

Senior Engineering Technician Renfrow presented the staff report recommending the City Council adopt the resolution contained in staff's report authorizing the City Manager to execute a Memorandum of Understanding to form the Stanislaus and Tuolumne Rivers Groundwater Basin Association Groundwater Sustainability Agency and to prepare and submit Notice of the Stanislaus and Tuolumne Rivers Groundwater Basin Association Groundwater Sustainability Agency's Election to be the Groundwater Sustainability Agency for the Modesto Sub-Basin (Designated Basin Number 5-22.02 in the California Department of Water Resources' CASGEM Groundwater Basin System) to the California Department of Water Resources.

Mayor Paul opened the public hearing at 7:31 p.m. asking for public testimony.

There being no public testimony, Mayor Paul closed the public hearing at 7:32 p.m.

MOTION

To Adopt Resolution 2017-001, a Resolution of the City of Oakdale City Council Authorizing the City Manager to Execute a Memorandum of Understanding to Form the Stanislaus and Tuolumne Rivers Groundwater Basin Association Groundwater Sustainability Agency and to Prepare and Submit Notice of the Stanislaus and Tuolumne Rivers Groundwater Basin Association Groundwater Sustainability Agency's Election to be the Groundwater Sustainability Agency for the Modesto Sub-Basin (Designated Basin Number 5-22.02 in the California Department of Water Resources' CASGEM Groundwater Basin System) to the California Department of Water Resources.



**CITY OF OAKDALE
JOINT CITY COUNCIL AND
SUCCESSOR AGENCY FOR THE
FORMER OAKDALE COMMUNITY REDEVELOPMENT AGENCY
REGULAR MEETING MINUTES
Tuesday, January 17, 2017**

**Next City Council Resolution: 2017-001
Next Successor Agency Resolution: 2017-001**

**City Council Chambers
Next Ordinance: 1245**

Moved by Mayor Pro Tem Dunlop seconded by Council Member McCarty and PASSED AND ADOPTED this 17th day of January 2017, by the following vote:

AYES:	COUNCIL MEMBERS:	Bairos, Dunlop, McCarty, Murdoch and Paul	(5)
NOES:	COUNCIL MEMBERS:	None	(0)
ABSENT:	COUNCIL MEMBERS:	None	(0)
ABSTAINED:	COUNCIL MEMBERS:	None	(0)

Motion carried 5/0 by City Council roll call vote.

11. STAFF REPORTS:

- 11.1: Consider a Resolution of the City of Oakdale City Council to Initiate the Proposition 218 (Voter Approval) Process to Implement Proposed Water Rate Increases.

Management Analyst Lutzow introduced the staff report and Clayton Tuckfield who represents Tuckfield and Associates the consultant who prepared the Study presented to the City Council.

A comprehensive PowerPoint Presentation (Exhibit A) was provided.

Clayton Tuckfield representing Tuckfield and Associates reviewed the PowerPoint Presentation in detail and responded to questions raised by the City Council.

The City Council and staff discussed the process. The consensus and recommendation of the City Council was that it would be beneficial to continue discussion and take potential action during a special meeting.

MOTION

To continue discussion and action to a special City Council Meeting to be held Monday, January 30 or Tuesday, January 31 at 6:00 p.m. in the City Council Chambers.

Moved by Mayor Pro Tem Dunlop seconded by Council Member Bairos and PASSED AND ADOPTED this 17th day of January 2017, by the following vote:

AYES:	COUNCIL MEMBERS:	Bairos, Dunlop, McCarty, Murdoch and Paul	(5)
NOES:	COUNCIL MEMBERS:	None	(0)
ABSENT:	COUNCIL MEMBERS:	None	(0)
ABSTAINED:	COUNCIL MEMBERS:	None	(0)

Motion carried 5/0 by City Council roll call vote.

- 11.2: Consider Authorizing the City Manager to Negotiate a Lease Agreement with the Oakdale Tourism Visitors Bureau for Office Space at the Gene Bianchi Community Center.

A PowerPoint Presentation was provided.



**CITY OF OAKDALE
JOINT CITY COUNCIL AND
SUCCESSOR AGENCY FOR THE
FORMER OAKDALE COMMUNITY REDEVELOPMENT AGENCY
REGULAR MEETING MINUTES
Tuesday, January 17, 2017**

**Next City Council Resolution: 2017-001
Next Successor Agency Resolution: 2017-001**

**City Council Chambers
Next Ordinance: 1245**

City Manager Whitemyer presented the staff report recommending the City Council approve, by Minute Order, authorization to negotiate a Lease Agreement with the Oakdale Tourism Visitors Bureau for office space at the Gene Bianchi Community Center.

The City Council discussed the proposal with staff.

Public Comment

Alice Garcia advised the Oakdale Tourism Visitors Bureau should be responsible for all costs associated with leasing an area within the community center.

Has Panchal spoke in support of the City Council authorizing the City Manager to negotiate a lease amendment with Oakdale Tourism Visitors Bureau for office space at the Gene Bianchi Community Center.

MOTION

By Minute Order, to authorize the City Manager to Negotiate a Lease Agreement with the Oakdale Tourism Visitors Bureau for Office Space at the Gene Bianchi Community Center.

Moved by Council Member Murdoch seconded by Council Member Bairos and PASSED this 17th day of January 2017, by the following vote:

AYES:	COUNCIL MEMBERS:	Bairos, Dunlop, McCarty, and Paul	(5)
NOES:	COUNCIL MEMBERS:	None	(0)
ABSENT:	COUNCIL MEMBERS:	None	(0)
ABSTAINED:	COUNCIL MEMBERS:	None	(0)

Motion carried 5/0 by City Council roll call vote.

- 11.3: Consider by Minute Order the Approval of the December 2016 Treasurer's Report.

Finance Director Avila presented the staff recommending the City Council accept by Minute Order the Treasurer's Report for December 2016.

MOTION

To accept by Minute Order, the Approval of the December 2016 Treasurer's Report.

Moved by Mayor Pro Tem Dunlop seconded by Council Member McCarty and PASSED this 17th day of January 2017, by the following vote:

AYES:	COUNCIL MEMBERS:	Bairos, Dunlop, McCarty, and Paul	(5)
NOES:	COUNCIL MEMBERS:	None	(0)
ABSENT:	COUNCIL MEMBERS:	None	(0)
ABSTAINED:	COUNCIL MEMBERS:	None	(0)

Motion carried 5/0 by City Council roll call vote.



**CITY OF OAKDALE
JOINT CITY COUNCIL AND
SUCCESSOR AGENCY FOR THE
FORMER OAKDALE COMMUNITY REDEVELOPMENT AGENCY
REGULAR MEETING MINUTES
Tuesday, January 17, 2017**

**Next City Council Resolution: 2017-001
Next Successor Agency Resolution: 2017-001**

**City Council Chambers
Next Ordinance: 1245**

Staff Report of the Successor Agency for the Former Oakdale Community Redevelopment Agency:

- 11.4: Consider a Resolution of the City of Oakdale Successor Agency for the Former Oakdale Community Redevelopment Agency Approving the July 1, 2017 to June 30, 2018 Recognized Obligation Payment Schedule (ROPS).

Finance Director Avila presented the staff report recommending the City Council acting as the City of Oakdale Successor Agency for the Former Oakdale Community Redevelopment Agency approve the July 1, 2017 to June 30, 2018 Recognized Obligation Payment Schedule (ROPS). Finance Director Avila advised a corrected copy of the "Oakdale Recognized Obligation Payment Schedule (ROPS 17-18) - ROPS Detail July 1, 2017 through June 30, 2018 (Report Amounts in Whole Dollars)" had been provided to the Successor Agency.

MOTION

To Adopt Successor Agency Resolution 2017-001, a Resolution of the City of Oakdale Successor Agency for the Former Oakdale Community Redevelopment Agency Approving the July 1, 2017 to June 30, 2018 Recognized Obligation Payment Schedule (ROPS).

Moved by Agency Member Dunlop seconded by Agency Member McCarty and PASSED AND ADOPTED this 17th day of January 2017, by the following vote:

AYES:	AGENCY MEMBERS:	Bairos, Dunlop, McCarty, Murdoch and Paul	(5)
NOES:	AGENCY MEMBERS:	None	(0)
ABSENT:	AGENCY MEMBERS:	None	(0)
ABSTAINED:	AGENCY MEMBERS:	None	(0)

Motion carried 5/0 by City Council roll call vote.

12. CITY MANAGER'S REPORT:

12.1: Department Reports

City Manager Whitemyer advised the City Council that the department reports for January 2017 have been provided in the City Council packet.

City Manager Whitemyer advised staff would like to schedule a special information workshop to discuss City's facilities such as the corporation yard, Police Department and City Hall.

13. CITY COUNCIL ITEMS:

- 13.1: Consider Appointment of One City Council Member to Serve on the Adult Use of Marijuana Committee.

Recommended Action: By Minute Order, Appoint One City Council Member to Serve on the Adult Use of Marijuana Committee.



**CITY OF OAKDALE
JOINT CITY COUNCIL AND
SUCCESSOR AGENCY FOR THE
FORMER OAKDALE COMMUNITY REDEVELOPMENT AGENCY
REGULAR MEETING MINUTES
Tuesday, January 17, 2017**

**Next City Council Resolution: 2017-001
Next Successor Agency Resolution: 2017-001**

**City Council Chambers
Next Ordinance: 1245**

City Manager Whitemyer presented the staff report advising cities have until January 2018 to determine regulations for dispensaries and with this in mind, Stanislaus County has offered to lead a county-wide Adult Use of Marijuana Committee. The County has requested two volunteers from each City to serve on the committee. City Manager Whitemyer advised if the City Council is agreeable, he would like to volunteer to serve on this committee.

The City Council briefly discussed the issue with staff which concluded with Council Member McCarty volunteering to serve on the committee with Mayor Paul as secondary.

MOTION

By Minute Order Appoint the City Manager and Council Member McCarty as Primary Committee Member and Mayor Paul as Secondary Committee Member.

Moved by Council Member Bairos seconded by Mayor Pro Tem Dunlop and PASSED this 17th day of January 2017, by the following vote:

AYES:	COUNCIL MEMBERS: Bairos, Dunlop, McCarty, Murdoch and Paul	(5)
NOES:	COUNCIL MEMBERS: None	(0)
ABSENT:	COUNCIL MEMBERS: None	(0)
ABSTAINED:	COUNCIL MEMBERS: None	(0)

14. ADJOURNMENT:

There being no further business, Mayor Paul adjourned the meeting at 8:41 p.m.

ATTEST:

APPROVED:

/s/Kathy Teixeira
Kathy Teixeira, CMC
City Clerk

/s/Pat Paul
Pat Paul
Mayor

EXHIBIT A

Water and Wastewater Rate Study



Presentation to:
City of Oakdale

Presented by:
Tuckfield & Associates
Clayton Tuckfield, PE
January 2017

Agenda

■ Assumptions and Plan Factors

- Key Assumptions
- Financial and Reserve Policies
- Financial Plan goals

■ Water System

- Financial Plan and Revenue Adjustments
- Capital Improvements Financing: sources and uses of funds
- Water Rate Design
- Bill Impacts

■ Wastewater System

- Financial Plan and Revenue adjustments
- Capital Improvements Financing: sources and uses of funds

Key Assumptions

■ Customer Growth

- Single-family – 0.5% annually
- No other customer growth

■ Inflation Factors

- First year (FY 16-17) revenue/expense as budgeted
- Projected Annual Expense Inflation:
 - Salaries & Benefits – 4 percent
 - Electric Power – 4 percent
 - Chemicals – 3 percent
 - All Other – 2 percent

■ Interest earnings rate – 0.25%

Financial and Reserve Policies

■ Financial Goals

- Meet Budget goals and Reserve Targets
- Meet debt service coverage requirements

■ Reserve Policy

- City has reserve policy adopted April 18, 2016
- For this Study,
 - Operating Target Reserve – 90 days of O&M
 - Capital Reserve – equal to Depreciation Expense
 - Emergency Capital – 3% of current fixed asset value

Current Reserves and Targets

■ Reserves as of June 30, 2016

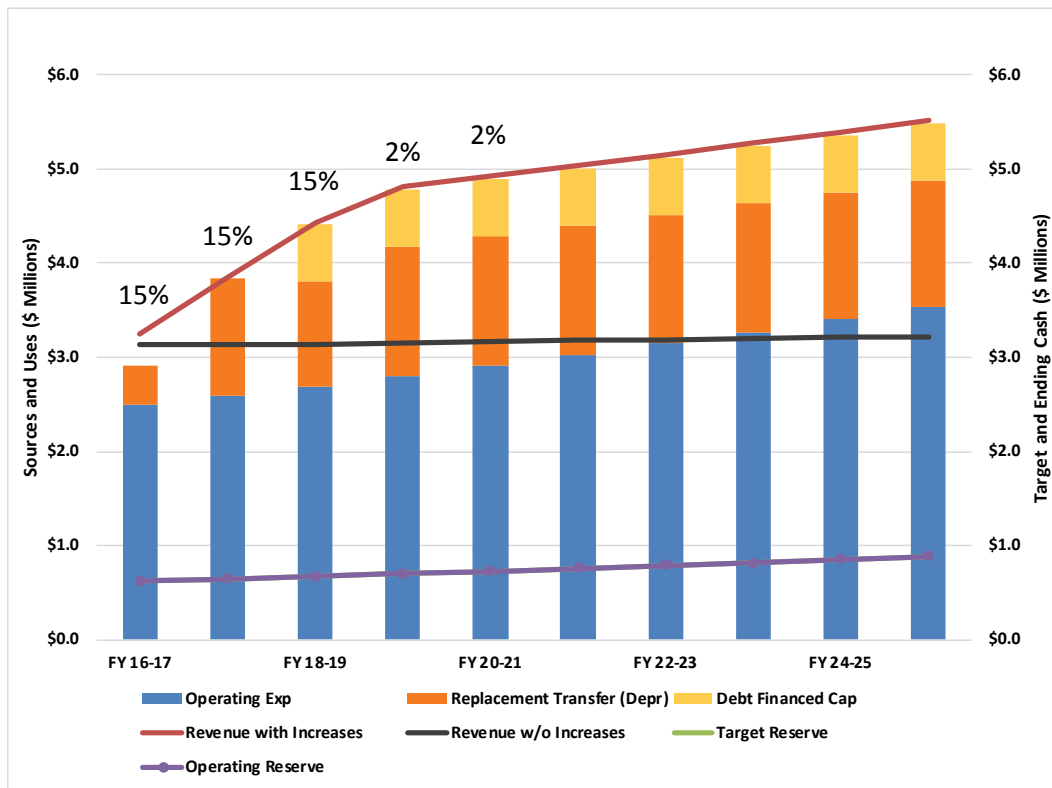
Reserve Type	Reserve Balance	Reserve Target
Water Utility		
Operating Reserve	\$290,200	\$624,000
Capital Replacement	\$2,278,400	\$1,500,000
Capital Facility Fund	\$2,942,200	n/a
Capital Emergency	\$0	\$600,000
Total	\$5,510,800	\$2,724,000
Wastewater Utility		
Operating Reserve	\$782,000	\$782,000
Capital Replacement	\$6,247,600	\$1,500,000
Capital Facility Fund	\$573,200	n/a
Capital Emergency	\$0	\$1,200,000
Total	\$7,602,800	\$3,482,000

Financial Plan Goals

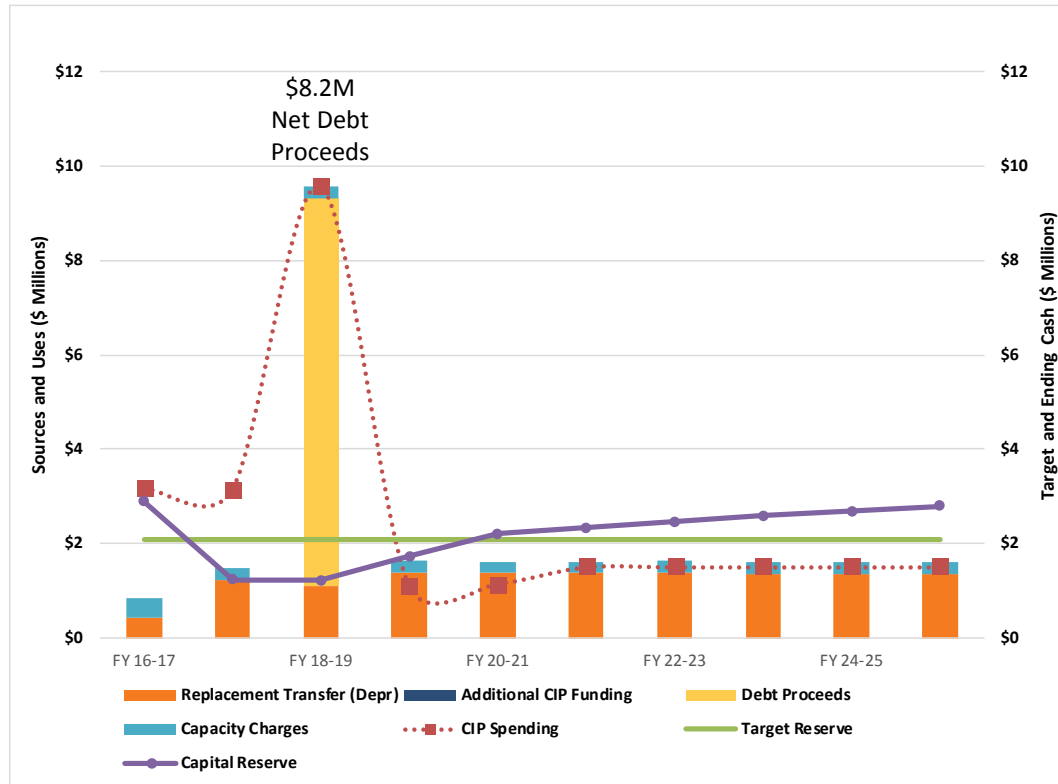
- Minimize revenue increases over 10-year planning period
- Provide for capital funding, pay-go or debt
- Maintain Operating and Capital Reserves above Target levels
- Meet minimum required debt service coverage levels

Water Rate Study

Water Financial Plan



CIP Sources and Uses of Funds



San Juan Capistrano Decision

- Rates must be proportional to cost of service as before
- Previously proportionality by customer classification was sufficient
- Costs must now be proportional within rate Tiers

Water Rate Design Method

- Allocate revenue requirements to cost component
 - Base, Peaking, Meters & Services, Customer, Conservation, Fire Protection
- Determine Unit Costs
 - Divide component costs by units of service
 - Base - Avg annual use (HCF/yr) ; Peaking – HCF/max month; etc.

Proposed Fixed Charges and Uniform Volume Rates

30% of
water rate
revenue is
from Fixed
Charges

	Current Rate	April 1, FY 16-17	January 1, FY 17-18	January 1, FY 18-19	January 1, FY 19-20	January 1, FY 20-21	
	Meter Size	Fixed Charge (\$ per month)					
	5/8 & 3/4 inch	\$16.97	\$11.48	\$13.19	\$15.14	\$15.41	\$15.69
	1 inch	\$16.97	\$11.48	\$13.19	\$15.14	\$15.41	\$15.69
	1-1/2 inch	\$33.95	\$12.18	\$13.99	\$16.06	\$16.35	\$16.65
	2 inch	\$54.60	\$14.09	\$16.20	\$18.60	\$18.94	\$19.28
	3 inch	\$108.66	\$28.21	\$32.46	\$37.29	\$37.97	\$38.66
	4 inch	\$169.77	\$33.44	\$38.48	\$44.21	\$45.02	\$45.84
		Variable Charge (\$ per HCF)					
Residential (1-inch and less)							
	Tier 1 - 0 to 6 units	\$0.00					
	Tier 2 - 7 to 17 units	\$0.86					
	Tier 3 - 18 to 27 units	\$1.28					
	Tier 4 - Over 27	\$1.70					
	All Consumption		\$1.56	\$1.80	\$2.07	\$2.11	\$2.15
Commercial			\$1.56	\$1.80	\$2.07	\$2.11	\$2.15
Irrigation			\$1.56	\$1.80	\$2.07	\$2.11	\$2.15

Water Bill Impacts

Single-family Residential									
Bills in Block	Usage (HCF)	Service Charge	Volume Charge	Current Bill	Service Charge	Volume Charge	Proposed Bill	Dollar Difference	% Change
32,318	7	\$16.97	\$0.86	\$17.83	\$11.48	\$10.92	\$22.40	\$4.57	25.6%
31,060	17	\$16.97	\$9.46	\$26.43	\$11.48	\$26.52	\$38.00	\$11.57	43.8%
15,791	40	\$16.97	\$44.36	\$61.33	\$11.48	\$62.40	\$73.88	\$12.55	20.5%
1,019	50	\$16.97	\$61.36	\$78.33	\$11.48	\$78.00	\$89.48	\$11.15	14.2%
399	60	\$16.97	\$78.36	\$95.33	\$11.48	\$93.60	\$105.08	\$9.75	10.2%
205	70	\$16.97	\$95.36	\$112.33	\$11.48	\$109.20	\$120.68	\$8.35	7.4%

Commercial - 1-inch meter size and smaller									
Bills in Block	Usage (HCF)	Service Charge	Volume Charge	Current Bill	Service Charge	Volume Charge	Proposed Bill	Dollar Difference	% Change
3,667	7	\$16.97	\$0.86	\$17.83	\$11.48	\$10.92	\$22.40	\$4.57	25.6%
386	17	\$16.97	\$9.46	\$26.43	\$11.48	\$26.52	\$38.00	\$11.57	43.8%
436	40	\$16.97	\$44.36	\$61.33	\$11.48	\$62.40	\$73.88	\$12.55	20.5%
93	50	\$16.97	\$61.36	\$78.33	\$11.48	\$78.00	\$89.48	\$11.15	14.2%
74	60	\$16.97	\$78.36	\$95.33	\$11.48	\$93.60	\$105.08	\$9.75	10.2%
60	70	\$16.97	\$95.36	\$112.33	\$11.48	\$109.20	\$120.68	\$8.35	7.4%

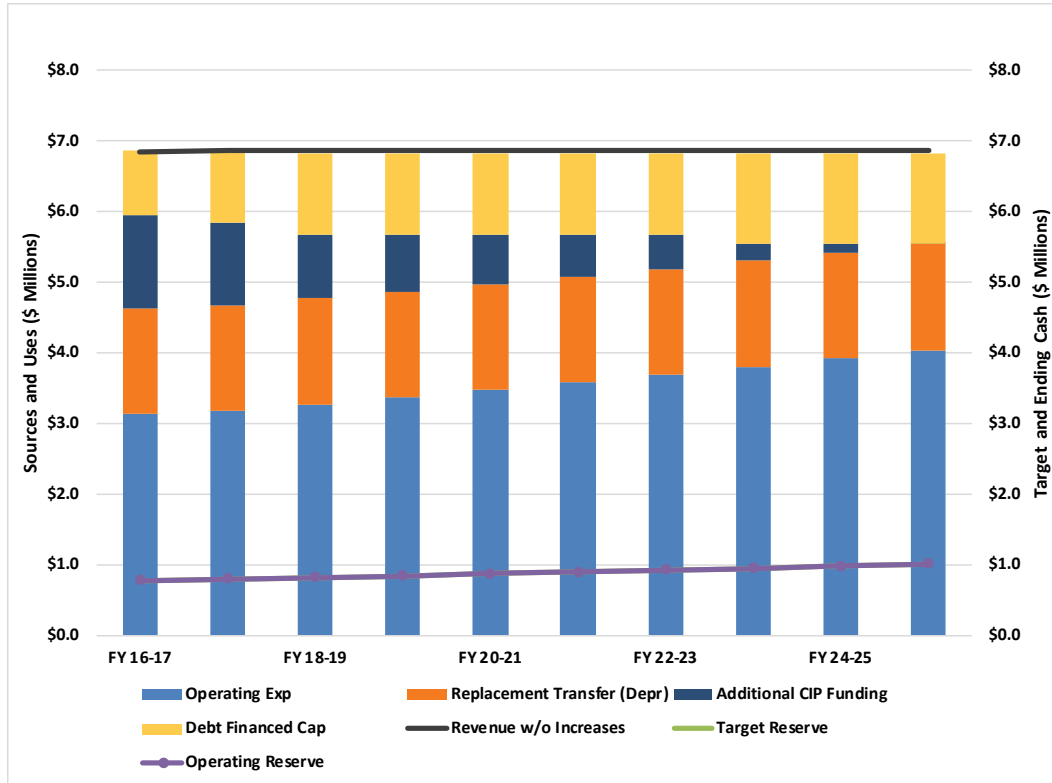
Water SFR Bill Comparison at 12 CCF Consumption



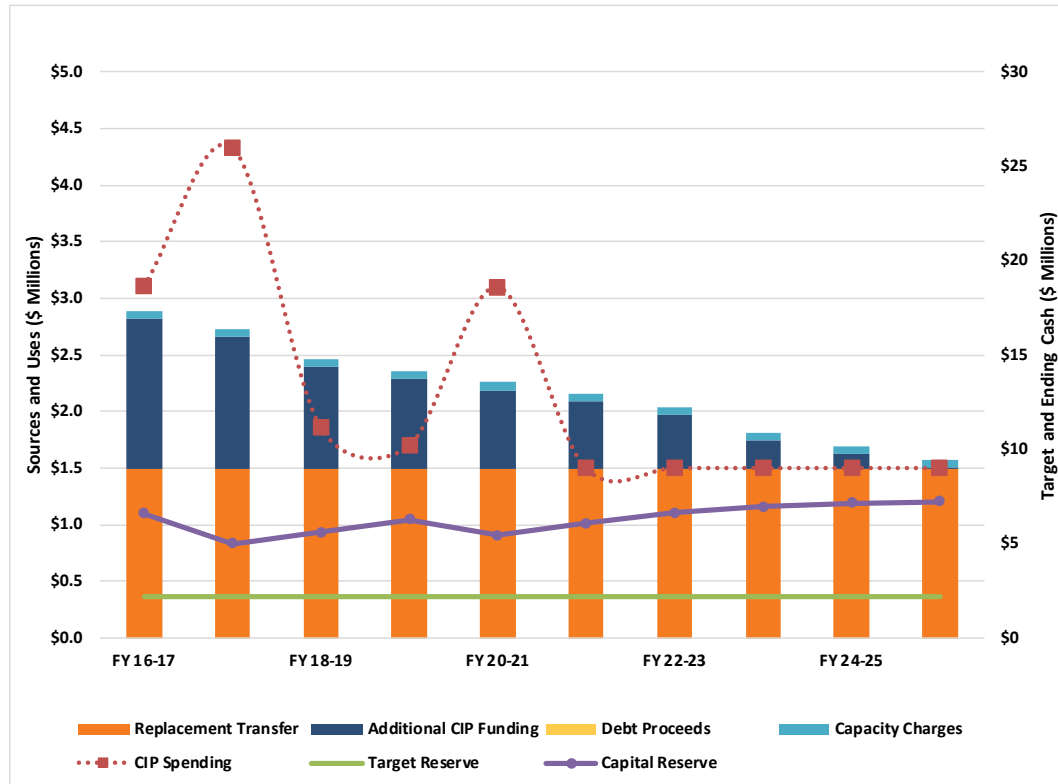
Wastewater Rate Study

Wastewater Financial Plan

– no revenue increases



CIP Sources and Uses of Funds



Timeline and Next Steps

- Accept Draft Report and Study Findings
- Direct Staff to Prepare Proposition 218 Notices
 - Mail Notices on January 18, 2016
 - Notices to be issued to property owners and rate payers
- Schedule Proposition 218 Hearing
 - Hearing conducted not less than 45 days after mailing
 - Hearing date is scheduled for March 6
- Implement rates effective April 1

Discussion

Water and Wastewater Rate Study
City of Oakdale

Option 1 – Uniform Fixed Charges

	Current Rate	April 1, FY 16-17	January 1, FY 17-18	January 1, FY 18-19	January 1, FY 19-20	January 1, FY 20-21
Meter Size	Fixed Charge (\$ per month)					
5/8 & 3/4 inch	\$16.97	\$22.97	\$26.40	\$30.34	\$30.91	\$31.50
1 inch	\$16.97	\$22.97	\$26.40	\$30.34	\$30.91	\$31.50
1-1/2 inch	\$33.95	\$35.16	\$40.41	\$46.46	\$47.35	\$48.27
2 inch	\$54.60	\$50.86	\$58.47	\$67.24	\$68.54	\$69.87
3 inch	\$108.66	\$101.75	\$117.00	\$134.57	\$137.17	\$139.84
4 inch	\$169.77	\$148.34	\$170.58	\$196.21	\$200.02	\$203.94

Fixed revenue is 65% of total using these charges

Option 1 – Uniform Variable Rates

Classification	Current Rate	April 1, FY 16-17	January 1, FY 17-18	January 1, FY 18-19	January 1, FY 19-20	January 1, FY 20-21
Variable Charge (\$ per HCF)						
Single-family Residential (1")						
Tier 1 - 0 to 6 units	\$0.00					
Tier 2 - 7 to 17 units	\$0.86					
Tier 3 - 18 to 27 units	\$1.28					
Tier 4 - Over 27	\$1.70					
All Consumption		\$0.81	\$0.93	\$1.07	\$1.09	\$1.12
Multifamily Residential (1")						
Tier 1 - 0 to 6 units	\$0.00					
Tier 2 - 7 to 17 units	\$0.86					
Tier 3 - 17 to 27 units	\$1.28					
Tier 4 - Over 27	\$1.70					
All Consumption		\$0.81	\$0.93	\$1.07	\$1.09	\$1.12
Commercial		\$0.81	\$0.93	\$1.07	\$1.09	\$1.12
Irrigation		\$0.81	\$0.93	\$1.07	\$1.09	\$1.12

Option 1 Impacts

- Option 1 monthly bill at 12 HCF is \$32.69

Single-family Residential								
Usage (HCF)	Service Charge	Volume Charge	Current Bill	Service Charge	Volume Charge	Proposed Bill	Dollar Difference	% Change
5	\$16.97	\$0.00	\$16.97	\$22.97	\$4.05	\$27.02	\$10.05	59.2%
10	\$16.97	\$3.44	\$20.41	\$22.97	\$8.10	\$31.07	\$10.66	52.2%
12	\$16.97	\$5.16	\$22.13	\$22.97	\$9.72	\$32.69	\$10.56	47.7%
20	\$16.97	\$13.30	\$30.27	\$22.97	\$16.20	\$39.17	\$8.90	29.4%
30	\$16.97	\$27.36	\$44.33	\$22.97	\$24.30	\$47.27	\$2.94	6.6%
50	\$16.97	\$61.36	\$78.33	\$22.97	\$40.50	\$63.47	(\$14.86)	-19.0%

Option 2 – Tiered Fixed Charges

	Current Rate	April 1, FY 16-17	January 1, FY 17-18	January 1, FY 18-19	January 1, FY 19-20	January 1, FY 20-21
Meter Size	Fixed Charge (\$ per month)					
5/8 & 3/4 inch	\$16.97	\$11.48	\$13.19	\$15.14	\$15.41	\$15.69
1 inch	\$16.97	\$11.48	\$13.19	\$15.14	\$15.41	\$15.69
1-1/2 inch	\$33.95	\$12.18	\$13.99	\$16.06	\$16.35	\$16.64
2 inch	\$54.60	\$14.10	\$16.20	\$18.60	\$18.93	\$19.27
3 inch	\$108.66	\$28.22	\$32.46	\$37.29	\$37.97	\$38.66
4 inch	\$169.77	\$33.44	\$38.48	\$44.21	\$45.02	\$45.84

Fixed revenue is 30% of total revenue using these charges

Tier Break Points

- Executive Order B-37-16
 - Strengthened standards for indoor and outdoor use
- First Tier – Indoor Use
 - $2.9 \text{ PPH} * 60 \text{ gpcd} * 365 \text{ days} / 12 / 748 = 7 \text{ HCF}$
- Second Tier – Outdoor Use
 - Avg Summer demand; SFR – 18 HCF; MFR – Over 7 HCF
 - Plus proportion Conservation costs
- Third Tier
 - Over Second Tier
 - Plus proportional Conservation costs

Option 2 – Tiered Variable Rates

Classification/Tier	Current Rate	April 1, FY 16-17	January 1, FY 17-18	January 1, FY 18-19	January 1, FY 19-20	January 1, FY 20-21
Variable Charge (\$ per HCF)						
Single-family Residential (1")						
Tier 1 - 0 to 6 units	\$0.00					
Tier 2 - 7 to 17 units	\$0.86					
Tier 3 - 18 to 27 units	\$1.28					
Tier 4 - Over 27	\$1.70					
Tier 1 - 0 to 7 units		\$1.08	\$1.24	\$1.43	\$1.46	\$1.49
Tier 2 - 7 to 18 units		\$1.59	\$1.83	\$2.11	\$2.15	\$2.20
Tier 3 - Over 18		\$2.50	\$2.88	\$3.31	\$3.38	\$3.45
Multifamily Residential (1")						
Tier 1 - 0 to 6 units	\$0.00					
Tier 2 - 7 to 17 units	\$0.86					
Tier 3 - 17 to 27 units	\$1.28					
Tier 4 - Over 27	\$1.70					
Tier 1 - 0 to 7 units		\$1.09	\$1.26	\$1.45	\$1.48	\$1.51
Tier 2 - Over 7		\$1.80	\$2.08	\$2.39	\$2.44	\$2.49
Commercial		\$1.47	\$1.69	\$1.94	\$1.98	\$2.02
Irrigation		\$1.71	\$1.97	\$2.27	\$2.31	\$2.36

Option 2 Impacts

- Option 2 monthly bill at 12 HCF is \$26.99

Single-family Residential								
Usage (HCF)	Service Charge	Volume Charge	Current Bill	Service Charge	Volume Charge	Proposed Bill	Dollar Difference	% Change
5	\$16.97	\$0.00	\$16.97	\$11.48	\$5.40	\$16.88	(\$0.09)	-0.5%
10	\$16.97	\$3.44	\$20.41	\$11.48	\$12.33	\$23.81	\$3.40	16.7%
12	\$16.97	\$5.16	\$22.13	\$11.48	\$15.51	\$26.99	\$4.86	22.0%
20	\$16.97	\$13.30	\$30.27	\$11.48	\$30.05	\$41.53	\$11.26	37.2%
30	\$16.97	\$27.36	\$44.33	\$11.48	\$55.05	\$66.53	\$22.20	50.1%
50	\$16.97	\$61.36	\$78.33	\$11.48	\$105.05	\$116.53	\$38.20	48.8%

Water Option Summary

- Option 1 - Uniform Volume Charge
 - 65% of revenue from rates is fixed
- Option 2 - Tiered Rate Structure
 - 30% of revenue from rates is fixed
- Option 3 - Tiered Fixed with Uniform Volume Rate Structure
 - 30% of revenue from rates is fixed
 - Monthly bills increase with consumption more consistently when compared to the current rate structure than with Option 1 uniform rate structure

Water SFR Bill Comparison at 12 CCF Consumption

