

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF THOUSAND OAKS ADJUSTING AND
SETTING RATES AND FEES OF THE CITY WATER
DIVISION (UNCODIFIED)

WHEREAS, Section 5471 of the Health and Safety Code requires that rates and fees of the City Water Division be adopted by City Council action; and

WHEREAS, clean water and good sanitation are essential to public health and safety and improve the quality of life for residents; and

WHEREAS, the City Council of the City of Thousand Oaks has adopted Ordinance No. 1681-NS which establishes the authority for imposing and charging fees for the Water Division; and

WHEREAS, in the adoption of this Ordinance, the City of Thousand Oaks desires to adjust the existing water plant investment fee and Special Facilities Surcharge Fees; and

WHEREAS, Thousand Oaks Municipal Code Section 10-2.701 (d) provides for the annual escalation of plant investment fees, special facilities surcharges, and fire flow surcharges, this section stating that charges shall be adjusted by Council action in December, each year, based on the percentage change in the Engineering News Record (ENR) Construction Cost Index for Los Angeles as of July of that year; and

WHEREAS, the July 2021 ENR Construction Cost Index for Los Angeles was 13017.52; and

WHEREAS, the July 2021 ENR Construction Cost Index for Los Angeles increased by 8.0 percent from July 2020; and

WHEREAS, in the adoption of this Ordinance, the City of Thousand Oaks desires to adjust the existing water plant investment fees, special facilities surcharge fees, and fire flow surcharge fees; and

WHEREAS, in the adoption of this Ordinance, the City of Thousand Oaks has followed the provisions of Government Code Section 66000 et seq. relating to the setting of fees and charges that do not exceed the estimated reasonable cost of providing the services for which the fees or charges are made; and

WHEREAS, Thousand Oaks Municipal Code Section 10-2.705(c) allows the pass-through of wholesale water and energy charges and Proposition 218 requirements have been complied with.

NOW, THEREFORE, the City Council of the City of Thousand Oaks DOES ORDAIN as follows:

PART 1

(Uncodified)

Ordinance No. 1681-NS is hereby repealed only to the extent inconsistent with this Ordinance, concurrent with the effective date of this Ordinance. Some of the water fees, charges, formulas, and related cost recovery matters are restated in this Ordinance and have not been modified or altered from the earlier Ordinance No. 1681-NS therefore, the respective portions of the facility or capital improvement financial plans, operating expense reports and budgets, future facility needs and cost studies, City Council findings and nexus reports associated with the earlier Ordinance are incorporated herein and re-approved by the City Council.

PART2

Section 10-2.701(d) of the Thousand Oaks Municipal Code is hereby amended to read as follows:

Sec 10-2.701(d) Escalation

All plant investment fees, special facilities surcharge fees, and fire flow surcharges shall be adjusted biennially and by Council action by a factor based upon the increase or decrease in the Engineering News Record (ENR)'s Construction Cost Index for Los Angeles based upon the change from the preceding 2 years' July-to-July period.

Part 3

(Uncodified)

That the following rates, charges and fees shall be set for the City Water Division in accordance with Chapter 2 of Title 10 of the Thousand Oaks Municipal Code:

I. In accordance with Section 10-2.701, plant investment fees shall be as follows:

A. Plant Investment Fee. The assessment of the plant investment fee shall be computed as follows:

<u>By Customer Type*</u>	<u>Ratio**</u>	
Single family detached home	1.00	\$8,870
Single family detached condominium	1.00	\$8,870
Residential condominium, townhouse, mobile home Apartment, duplex, granny flat, secondary unit, per dwelling unit	0.75	\$6,653
Motel, hotel, congregate care units, with kitchens per dwelling unit	0.50	\$4,435
Commercial if 10 or less fixture units & low water use***	0.50	\$4,435

<u>By Meter Size*</u>	<u>AWWA Ratio**</u>	<u>Rate</u>
5/8"x3/4" or 3/4"	1.00	\$8,870
1"	1.67	\$14,813
1 1/2"	3.33	\$29,537
2"	5.335	\$47,276
3"	11.67	\$103,511
4"	21.00	\$186,267
6"	43.33	\$384,331

*Generally, a customer is charged based upon the "customer type" amounts unless that category does not fit. Exceptions include a single-family dwelling or condominium project having larger than a 3/4" meter, kitchen and dining facilities at a motel, hotel, or congregate-care facility, and any irrigation meter. The charge for these customers is to be based on equivalent meter size of the estimated water demand.

**Approximate American Water Works Association (AWWA) ratio to single family detached home or to 5/8" x 3/4" or 3/4" meter as appropriate.

***Fixture units as defined in the City of Thousand Oaks Plumbing Code using the water demand weight of fixtures; low water usage corresponds to a hundred cubic feet of eight (8) per month or less.

B. Escalation. Biennially, all Plant Investment Fee charges in this Ordinance shall be increased or decreased by a factor based upon the change from the preceding two years' July-to-July period in the ENR Construction Cost Index for Los Angeles.

C. Vested Maps. Development projects with an approved vesting tentative map which had an application deemed complete by the City prior to March 1, 2022 shall pay the indexed water plant investment fee of \$8,215 per equivalent meter unit. Development projects with an approved vesting tentative map which had an application deemed complete by the City on or after March 1, 2022 shall pay the plant investment fee of \$8,870 per equivalent meter unit.

II. In accordance with Section 10-2.702, special facilities surcharge fees shall

be as follows:

A. Special Facilities Surcharge Fees

Single Family Detached: per Unit

- Kelley/Ventu Zone \$4,234
- Wilder / Grissom Zone \$5,768

Condominiums, Townhouses, Mobile Homes: per Unit

- Kelley/Ventu Zone 0.75 x above
- Wilder / Grissom Zone SFD fees

Apartments, Duplex: per Unit:

- Kelley/Ventu Zone 0.75 x above
- Wilder / Grissom Zone SFD fees

Motel, Hotel, Congregate Care: per Room or Suite

- Kelley/Ventu Zone 0.50 x above
- Wilder / Grissom Zone SFD fees

Commercial Projects with 8 or less Fixture Units

- Kelley/Ventu Zone 0.50 x above
- Wilder / Grissom Zone SFD fees

Irrigation Meters -0-

All others, on a building-by-building basis *Per formula below
with minimum charge
equal to "SFD" charge
per site/project

$$* SFS = SFD \text{ amount} \times \left\{ \frac{FF}{1000} \times 0.5 + \frac{F.U.}{20} \times 0.25 + \frac{Sq. Ft.}{3000} \times 0.25 \right\}$$

Where: SFS = Special facilities surcharge per site/project
SFD = Single family dwelling
FF = Required fire flow for site/project
F.U. = Fixture units in site/project
Sq. Ft. = Total site/project square footage

B. Escalation. Biennially, all Special Facilities Surcharge Fee charges in this Ordinance shall be increased or decreased by a factor based upon the preceding two years' percent increase or decrease in the ENR Construction Cost Index for Los Angeles as of July of that year.

III. In accordance with Section 10-2.703, the fire flow surcharge fees shall be as follows:

A. Fire Flow Surcharge Fees

<u>Required fire flow</u>	<u>Residential</u>	<u>All Others</u>
0-1,250 gpm 0 Required fire flow	\$0	\$0
1,251 - 1,750 gpm Required fire flow	10% of PIF	\$6,515 or 10% of PIF*
1,751 - 2,250 gpm Required fire flow	20% of PIF	\$13,003 or 20% of PIF*

Over 2,250 gpm 30% of PIF \$19,514 or 30% of PIF*
Required fire flow

*Whichever is greater, per site/project.

Fire flow surcharge fees shall not be applied to the PIF for any irrigation meter.

B. Escalation. Biennially, all Fire Flow Surcharge Fee charges in this Ordinance shall be increased or decreased by a factor based upon the preceding two years' percent increase or decrease in the ENR Construction Cost Index for Los Angeles as of July of that year.

C. Refunds of Previous Payments. Where payments of fire flow surcharge fees have been made at higher rates, refunds shall not be made. Where an agreement has been executed for the deferred payment of this fee, the amount due shall be the amount shown on the deferred agreement.

IV. In accordance with Section 10-2.705, the base or minimum domestic (including single family residential, multiple family dwellings, apartments, commercial buildings, and trailer courts) rate shall be as follows:

A. Single Units Rate: On or after March 1, 2022

Meter Size	Base Rate (Monthly)*
5/8" or 3/4"	\$ 26.50
1"	\$ 41.54
1-1/2"	\$ 79.13
2"	\$124.24
3"	\$ 267.08
4"	\$ 477.59
6"	\$ 981.30

On or after January 1, 2023

Meter Size	Base Rate (Monthly)*
5/8" or 3/4"	\$ 26.77
1"	\$ 41.96
1-1/2"	\$ 79.93
2"	\$125.49
3"	\$ 269.76
4"	\$ 482.37

6" \$ 991.12

*Most customers are billed bi-monthly

- B. Multiple Units Rate (including multiple family dwellings, apartments, commercial buildings and trailer courts): Same as single units
- C. Groundwater accounts are not charged a base meter charge as total program costs are collected through the quantity rate.
- D. Charges for portions of billing period: a property connected to the water system for a portion of a billing period shall be billed for the portion of the period service is received.
- E. In accordance with Section 10-2.705, the quantity rate shall be as follows per one hundred (100) cubic feet.

- a. Non-Single-Family Residential Quantity Rate on or after January 1, 2023: \$5.87

- b. Single Family Residential Quantity Rate on or after March 1, 2022:

Tier 1 (0 - 12 HCF)	\$5.25
Tier 2 (13 - 30 HCF)	\$5.82
Tier 3 (31+ HCF)	\$6.15

On or after January 1, 2023:

Tier 1 (0 - 12 HCF)	\$5.52
Tier 2 (13 - 30 HCF)	\$6.09
Tier 3 (31+ HCF)	\$6.42

- F. In accordance with Section 10-2.705, the pumping lift charge shall be forty cents (\$0.40) on or after March 1, 2022 and forty-one cents (\$0.41) on or after January 1, 2023. It shall be charged to all water services which rely on one or more pumping lifts in the City system.

G. In accordance with Section 10-2.706, the groundwater rate shall be five dollars and sixty cents (\$5.60) on or after March 1, 2022 and five dollars and eighty-seven cents (\$5.87) on or after January 1, 2023 per one hundred (100) cubic feet. This rate is based on charging groundwater use at non-single-family residential rates.

H. In accordance with Sections 10-2.707 and 10-2.708, the following shall apply for construction water and unmetered water furnished by the City:

a. Construction Water

The construction water rate shall be six dollars and fifteen cents (\$6.15) on or after March 1, 2022 and six dollars and forty-two cents (\$6.42) on or after January 1, 2023, per one hundred cubic feet with a monthly base rate of \$267.08 on or after March 1, 2022 and \$269.76 on or after January 1, 2023. These rates are based on charging the same commodity rate as for SFR Tier 3 rates and meter base rate of a 3" meter.

b. Unmetered Water

For projects where a water system has been declared usable but has not been accepted by the City Council and the subdivider, builder, or developer requests the use of or uses unmetered water for incidental onsite construction purposes, a monthly fee equal to that of the base rate of a 3/4" water meter shall be charged per lot. The subdivider, builder or developer shall be responsible for the payment of the charge until such time as the new owner or occupant signs an application for metered service at which time the regular service charges shall apply.

If water use during the period the availability rate is in effect is estimated to exceed three (3) hcf per service per month, the Public Works Director may increase such monthly service charge to reflect the estimated usage.

c. Payment Due Date:

Payment is due on all invoices for construction water and unmetered water within 30 days of the date of the invoice; the invoice becomes delinquent then after.

I. In accordance with Section 10-2.902, delinquent invoices shall be assessed a basic penalty equal to ten (10%) percent of the unpaid water service charge. An additional penalty, equal to one half of one percent (0.5%) of the unpaid water service charge and the basic penalty shall be charged each month, or fraction

thereof, that the water service charge and the basic penalty of the previous billing period remain unpaid.

- J. In accordance with Sections 10-2.712 and 10-7.715, the overhead rate is included in the approved fully-burdened hourly rate.
- K. In accordance with Section 10-2.713 and 10-2.305, the minimum rate for each automatic fire sprinkler service and each private fire hydrant shall be as follows:

On or after March 1, 2022

<u>Size of Service Connection</u>	<u>Monthly Charge</u>
2-inch and smaller	\$2.24
3-inch	\$6.50
4-inch	\$13.84
6-inch	\$40.19
8-inch	\$85.64
10-inch	\$154.00
12-inch	\$248.76

On or after January 1, 2023

<u>Size of Service Connection</u>	<u>Monthly Charge</u>
2-inch and smaller	\$2.27
3-inch	\$6.57
4-inch	\$13.98
6-inch	\$40.60
8-inch	\$86.50
10-inch	\$155.54
12-inch	\$251.25

- L. Beginning on February 13, 2020, the administrative fee for the installation of non-construction water meters shall be computed as follows:

By Meter Size

5/8" x 3/4" or a 3/4"	\$460.00
1"	\$580.00

For all other meters, a deposit equal to 100 percent of the estimated cost of installing the meter shall be collected. A cost accounting of the installation costs of water meters larger than 1" shall be prepared. Overages shall be refunded and shortfalls shall be billed to the responsible party.

- M. Repeal of any provision of this ordinance will not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before, this Ordinance's effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.
- N. Any water-related fees not set forth in this ordinance may be set forth in the User Fee Manual or other ordinance or resolution.

PART 4

Continuation (Uncodified)

Repeal of any provision of Ordinance No. 1681-NS herein will not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before, this Ordinance's effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

PART 5

Severability

If any section, sentence, clauses, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions. The City Council hereby declares that it would have passed this ordinance, and each section, sentence, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clause, or phrases be declared invalid or unconstitutional.

PART 6

Effective Date

This Ordinance shall take effect at 12:01 a.m. on the first (1st) day of March 2022 following its final passage and adoption.

PASSED AND ADOPTED this XX day of XXXXX, 202X, by the following vote:

Ayes:
Noes:
Absent:

Bob Engler, Mayor
City of Thousand Oaks, California

ATTEST/CERTIFY:

Cynthia M. Rodriguez, City Clerk

Date Attested: _____

APPROVED AS TO FORM:
Office of the City Attorney

Tracy Friedl, Assistant City Attorney

APPROVED AS TO ADMINISTRATION:

Andrew P. Powers, City Manager

Introduced: XXXX XX, 202X
Published: XXXX XX, 202X
Ordinance No.: XXXX-NS

The presence of electronic signature certifies that the foregoing is a true and correct copy as approved by the City of Thousand Oaks City Council on the date cited above.