

ORDINANCE NO. 2024- 05

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AMERICAN CANYON AMENDING CITY OF AMERICAN CANYON MUNICIPAL CODE CHAPTER 13.06: "WATER RATES AND CONNECTION FEES", CHAPTER 13.14 "WATER CONSERVATION PLAN", AND CHAPTER 14.04: "WASTEWATER RATES AND CHARGES" TO ESTABLISH NEW POTABLE WATER, RECYCLED WATER AND WASTEWATER PROPERTY RELATED FEES AND CHARGES

WHEREAS, the City of American Canyon’s utility infrastructure includes a network of treatment plants, pipes, tanks, pump stations, fire hydrants, meters, and other facilities; and

WHEREAS, through this valuable infrastructure, the City provides safe and reliable drinking water, collects and treats wastewater, and produces recycled water for reuse, advancing sustainability efforts; and

WHEREAS, skilled labor, quality materials, and reliable equipment are necessary to operate and maintain the utility systems and facilitate water purchases from the Cities of Napa and Vallejo, as well as the State Water Project; and

WHEREAS, the City’s current utility rates and charges, comprised of Water, Wastewater, and Recycled Water Enterprise Funds, do not bring in sufficient revenue to cover operating and capital costs; and

WHEREAS, utility rates and charges have not increased for water since 2018, wastewater since 2009, and there are no established recycled water rates and charges; and

WHEREAS, a Utility Rate Study was prepared by an independent consulting firm, NBS, and contains a detailed description and analysis of the proposed utility rates and charges per the respective enterprise fund; and

WHEREAS, the City and the Utility Rate Advisory Committee (URAC) have conducted a detailed fiscal analysis of the utility rates and developed recommendations regarding adjustments to the utility rates and charges in order to comply with state law; and

WHEREAS, these rate and charge adjustments will help ensure the health and safety of the community while protecting the City’s financial health; and

WHEREAS, Article XIID, Section 6 of the California Constitution requires that prior to the public hearing to increase utility rates charged by the City, the City mail to each property owner or utility billing customer, at least 45 days prior to such public hearing, a notice describing (a) the amount of the fee or charge to be imposed upon each parcel, (b) the basis upon which the amount of the proposed fee or charge was calculated, (c) the reason for the fee or charge, and (d) the date, time, and location of a public hearing on the proposed fee or charge; and

WHEREAS, on February 16, 2024 the City mailed the notice of public hearing to be held on April 2, 2024, relating to the City’s proposed utility rates and charges in accordance with California Constitution Article XIID Section 6; and

WHEREAS, the City held such public hearing on April 2, 2024, and received and considered all oral and written protests related to the proposed adjustments in the utility rates and charges; and

WHEREAS, the City Council of the City of American Canyon determined that written protests have not been received from property owners or utility billing customers representing a majority of the parcels subject to the proposed fee increase; and

WHEREAS, the City Council intends to adopt a utility rate structure proposed by the analysis following the procedures required by Proposition 218, article XIII D, section 6 of the California Constitution; and

NOW THEREFORE BE IT ORDAINED that the City Council of the City of American Canyon, having considered all the evidence, including any submitted by member of the public, hereby adopts Municipal Code amendments as follows:

SECTION 1: Repeal and replace ACMC 13.06.030.B with the following:

(B) As of the effective date of the ordinance, or January 1, 2025, whichever comes later, the water meter charges for all customers shall be levied according to the following schedule:

	<i>01/01/25</i>	<i>01/01/26</i>	<i>01/01/27</i>	<i>01/01/28</i>	<i>01/01/29</i>
<i>< 1" meter</i>	<i>\$31.32</i>	<i>\$34.14</i>	<i>\$37.21</i>	<i>\$38.70</i>	<i>\$39.86</i>
<i>1" meter</i>	<i>\$31.32</i>	<i>\$34.14</i>	<i>\$37.21</i>	<i>\$38.70</i>	<i>\$39.86</i>
<i>1 1/2" meter</i>	<i>\$58.53</i>	<i>\$63.80</i>	<i>\$69.55</i>	<i>\$72.33</i>	<i>\$74.50</i>
<i>2" meter</i>	<i>\$91.19</i>	<i>\$99.40</i>	<i>\$108.35</i>	<i>\$112.68</i>	<i>\$116.06</i>
<i>3" meter</i>	<i>\$178.29</i>	<i>\$194.33</i>	<i>\$211.82</i>	<i>\$220.30</i>	<i>\$226.91</i>
<i>4" meter</i>	<i>\$276.27</i>	<i>\$301.13</i>	<i>\$328.23</i>	<i>\$341.36</i>	<i>\$351.60</i>
<i>6" meter</i>	<i>\$548.43</i>	<i>\$597.79</i>	<i>\$651.59</i>	<i>\$677.66</i>	<i>\$697.99</i>
<i>8" meter</i>	<i>\$875.03</i>	<i>\$953.78</i>	<i>\$1,039.63</i>	<i>\$1,081.21</i>	<i>\$1,113.65</i>

SECTION 2: Repeal ACMC 13.06.030.C.

SECTION 3: Repeal and replace ACMC 13.06.040.B with the following:

(B) As of the effective date of the ordinance, or January 1, 2019, whichever comes later, customers will pay quantity rates according to the following schedule below:

Residential Use	01/01/19	01/01/20	01/01/21	01/01/22	01/01/23
Tier 1 (0 - 6 units)	\$6.07	\$6.42	\$6.78	\$7.15	\$7.54
Tier 2 (> 6 units)	\$6.50	\$7.01	\$7.38	\$7.76	\$8.15
Non-Residential Use	01/01/19	01/01/20	01/01/21	01/01/22	01/01/23
	\$6.24	\$6.59	\$6.96	\$7.33	\$7.72
Raw Water	01/01/19	01/01/20	01/01/21	01/01/22	01/01/23
	\$3.06	\$3.15	\$3.24	\$3.34	\$3.44

Effective January 1, 2024, and on every January 1st thereafter, quantity charges will be adjusted by the percent change in the Bay Area Consumer Price Index over the previous calendar year, or by three percent, whichever is less.

SECTION 4: Repeal and replace ACMC 13.14.100 with the following:

13.14.100 – Drought Surcharge

- (A) Customers will receive prior notification of the standard allotment basis, applicable rates, and the opportunity to request exceptions to the standard allotment basis.**
- (B) Water use beyond the maximum allowed for each water conservation stage shall be subject to a drought surcharge pursuant to the schedule set forth below. The customer of record may request an increase in this basic allotment as set forth in Section 13.14.110 hereof. Application forms and instructions will be available at the American Canyon City Hall.**
- (C) In addition to the quantity rates set forth in ACMC 13.06.040.B, each customer shall pay, during each billing period, a drought surcharge for water delivered in excess of the basic allotment as follows:**

	01/01/25	01/01/26	01/01/27	01/01/28	01/01/29
Stage 1	\$0.35	\$0.44	\$0.53	\$0.58	\$0.62
Stage 2	\$0.79	\$0.98	\$1.19	\$1.30	\$1.39
Stage 3	\$1.36	\$1.68	\$2.03	\$2.23	\$2.39
Stage 4	\$2.12	\$2.61	\$3.16	\$3.46	\$3.71
Stage 5	\$3.17	\$3.92	\$4.75	\$5.20	\$5.57
Stage 6	\$4.76	\$5.88	\$7.12	\$7.79	\$8.36

Customers whose water usage falls in Tier 1 as set forth in in ACMC 13.06.040.B are assumed to have maximized their conservation effort and will not be subject to a drought surcharge if their water consumption is not further reduced.

In addition to the drought surcharge, if drought usage exceeds the allowed allotment, a warning will be issued and enforcement actions may be taken as described in Section 13.14.120.

SECTION 5: Modify ACMC 13.14.065 as follows:

Following a public hearing, the city's ~~nonresidential~~ recycled water customers whose properties may be served by recycled water shall connect their property to recycled water for those uses for which the use of potable domestic water would be deemed a waste or unreasonable use of water as specified in Division 7, Chapter 7, of the California Water Code (Section 13550 et seq.). ~~Recycled water customers shall pay for recycled water at the rate established by the city council.~~

As of the effective date of the ordinance, or January 1, 2025, whichever comes later, recycled water customers shall pay the meter charges and quantity rates for recycled water service as set forth below:

Water Meter Charges					
	01/01/25	01/01/26	01/01/27	01/01/28	01/01/29
< 1" meter	\$38.89	\$42.78	\$47.05	\$49.41	\$51.88
1" meter	\$64.81	\$71.29	\$78.42	\$82.34	\$86.46
1 1/2" meter	\$129.62	\$142.58	\$156.84	\$164.69	\$172.92
2" meter	\$207.40	\$228.14	\$250.95	\$263.50	\$276.67
3" meter	\$414.79	\$456.27	\$501.90	\$526.99	\$553.34
4" meter	\$648.11	\$712.92	\$784.22	\$823.43	\$864.60
6" meter	\$1,296.23	\$1,425.85	\$1,568.43	\$1,646.85	\$1,729.20
8" meter	\$2,073.96	\$2,281.36	\$2,509.49	\$2,634.97	\$2,766.71

Quantity Rates (\$/hcf)					
	01/01/25	01/01/26	01/01/27	01/01/28	01/01/29
Delivered	\$3.14	\$3.46	\$3.80	\$3.99	\$4.19
Self-Haul	\$1.88	\$2.07	\$2.28	\$2.39	\$2.51

Effective January 1, 2030, and on every January 1st thereafter, wastewater service charges will be adjusted by the percent change in the Bay Area Consumer Price Index over the previous calendar year, or by three percent, whichever is less.

SECTION 6: Repeal and replace ACMC 14.04.020 as follows:

14.04.020 Wastewater service charges – Residential service

(A) As of the effective date of the ordinance, or January 1, 2025, whichever comes later, each residential customer shall pay for wastewater services per dwelling unit per month according to the schedule outlined below:

	01/01/25	01/01/26	01/01/27	01/01/28	01/01/29
Single Family Residential	\$74.94	\$89.93	\$100.72	\$112.81	\$112.81
Multi-Family Residential	\$48.70	\$58.44	\$65.45	\$73.31	\$73.31

(B) Effective January 1, 2030, and on every January 1st thereafter, wastewater service charges will be adjusted by the percent change in the Bay Area Consumer Price Index over the previous calendar year, or by three percent, whichever is less.

SECTION 7: Repeal and replace ACMC 14.04.030 as follows:

14.04.030 Wastewater service charge—Mobile home residential service.

(A) Each mobile home customer with an individual metered account shall be considered a Multi-Family Residential Customer and pay for wastewater services according to the schedule set forth in ACMC 14.040.020.

SECTION 8: Repeal and replace ACMC 14.04.040 as follows:

14.04.040 Wastewater service charge—Multifamily.

(A) Each multi-family residential customer shall pay for wastewater services according to the schedule set forth in ACMC 14.040.020.

SECTION 9: Repeal and replace ACMC 14.04.050 as follows

14.04.050 Wastewater service charges—Nonresidential, normal strength.

(A) As of the effective date of the ordinance, or January 1, 2025, whichever comes later, each normal strength, nonresidential customer shall pay both a monthly service charge and a volumetric charge for wastewater services according to the schedule outlined below:

	01/01/25	01/01/26	01/01/27	01/01/28	01/01/29
Monthly Service Charge	\$115.21	\$138.25	\$154.84	\$173.42	\$173.42
Volumetric Rate (\$/HCF)	\$1.92	\$2.31	\$2.58	\$2.89	\$2.89

The volumetric charge shall be equal to the volumetric rate established by schedule above (\$/HCF) multiplied by the quantity of water delivered to the customer pursuant to ACMC 13.04.

(B) Effective January 1, 2030, and on every January 1st thereafter, wastewater service charges will be adjusted by the percent change in the Bay Area Consumer Price Index over the previous calendar year, or by three percent, whichever is less.

SECTION 10: EFFECTIVE DATE. This ordinance shall become effective 30 days after its final passage pursuant to Government Code Section 36937.

SECTION 11: SEVERABILITY. If any section, sentence, clause 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 of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and adopted this Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

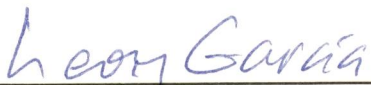
SECTION 12: CUSTODIAN OF RECORDS. The documents and materials that constitute the record of proceedings on which this Ordinance is based are located at the City Clerk's office located at 4381 Broadway, Suite 201, American Canyon, CA 94503. The custodian of these records is the City Clerk.

The foregoing Ordinance was introduced at a regular meeting of the City Council of the City of American Canyon, State of California, held on the 2nd day of April, 2024 by the following vote:

AYES: Council Members Aboudamous, Joseph, Washington, Vice Mayor Oro, and Mayor Garcia
NOES: None
ABSTAIN: None
ABSENT: None

The foregoing Ordinance was adopted at a regularly scheduled meeting of the City Council of the City of American Canyon held on the 16th day of April, 2024, by the following vote:

AYES: Council Members Aboudamous, Joseph, Washington, Vice Mayor Oro, and Mayor Garcia
NOES: None
ABSTAIN: None
ABSENT: None




Leon Garcia, Mayor

ATTEST:

Taresa Geilfuss, CMC, City Clerk

APPROVED AS TO FORM:



William D. Ross, City Attorney