#### **RESOLUTION NO. 2022-34**

# A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOMITA, CALIFORNIA, ADOPTING NEW WATER RATES AND CHARGES

# THE CITY COUNCIL OF THE CITY OF LOMITA, CALIFORNIA, DOES HEREBY FIND, ORDER AND RESOLVE AS FOLLOWS:

## Section 1. Recitals.

- A. The City of Lomita provides water service to all properties within the City of Lomita (with the exception of 211 parcels in the Rolling Ranchos Tract).
- B. The City Council previously set October 18, 2022, as the date for a public hearing for consideration of a revised schedule of water rates and charges.
- C. The notice of the October 18, 2022, public hearing, and of the proposed schedule of rates and charges, was mailed to each Lomita water customer in August 2022 as required by Proposition 218.
- D. The City mailed out 4,378 notices to affected property owners. Under Proposition 218, the City would not be able to adopt the proposed water rates if 2,189 written protests are received.
- E. The public notice and other water rate study information was made available to the public on the City's website in August 2022.
- F. The public notice provided instructions on how to file a written protest relative to the proposed water rates.
- G. On October 18, 2022, the City Council conducted a duly noticed public hearing concerning the proposed water rate increase and heard and considered all oral and written testimony and protests.
- H. The proposed increase in water rates is statutorily exempt from the provisions of CEQA pursuant to Title 14, section 15273 of the California Code of Regulations as it applies only to rates necessary to operate and maintain the City's water system.
- All legal prerequisites to adoption of a water rate increase have occurred prior to adoption of this Resolution.

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# Section 2. Effective Date.

The rates and charges set forth in this Resolution shall take effect on January 1, 2023.

# Section 3. Schedule of Rates and Charges.

## A. Rate Structure

Each customer is charged both a bi-monthly base charge known as a "meter service charge" and a "commodity charge" based on the amount of water consumed during the billing service period.

# B. Meter Service Charge and Commodity Charge

Bi-Monthly Base Charge							
Meter Size	Existing	22-23 <sup>(1)</sup>	23-24 <sup>(2)</sup>	24-25 <sup>(2)</sup>	25-26 <sup>(2)</sup>	26-27 <sup>(2)</sup>	
5/8-inch	\$50.31	\$53.81	\$57.31	\$61.03	\$65.00	\$69.23	
3/4-inch	50.31	53.81	57.31	61.03	65.00	69.23	
3/4 x 1-inch	67.08	70.49	75.07	79.95	85.15	90.68	
1-inch	83.85	87.33	93.01	99.05	105.49	112.35	
1 ½-inch	167.71	170.38	181.45	193.24	205.81	219.18	
2-inch	268.33	270.43	288.01	306.73	326.67	347.90	
3-inch	503.13	537.58	572.52	609.73	649.37	691.57	
4-inch	838.54	837.74	892.19	950.19	1,011.95	1,077.73	
Volume Rate (\$/CCF)							
Residential							
Usage Range	Existing	22-23 <sup>(1)</sup>	23-24 <sup>(2)</sup>	24-25 <sup>(2)</sup>	25-26 <sup>(2)</sup>	26-27 <sup>(2)</sup>	
0-20 CCF	\$4.79	\$5.03	\$5.35	\$5.70	\$6.07	\$6.47	
20-35 CCF	4.94	5.28	5.62	5.99	6.38	6.79	
> 35 CCF	5.61	6.68	7.11	7.57	8.06	8.59	
Commercial							
Usage Range	Existing	22-23 <sup>(1)</sup>	23-24 <sup>(2)</sup>	24-25 <sup>(2)</sup>	25-26 <sup>(2)</sup>	26-27 <sup>(2)</sup>	
>0 CCF	\$4.94	\$5.30	\$5.64	\$6.01	\$6.40	\$6.82	
Fire Bi-Monthly Charge							
Meter Size	Existing	22-23 <sup>(1)</sup>	23-24 <sup>(2)</sup>	24-25 <sup>(2)</sup>	25-26 <sup>(2)</sup>	26-27 <sup>(2)</sup>	
4-inch	\$227.61	\$240.77	\$242.40	\$258.16	\$274.94	\$292.81	
6-inch	455.22	477.76	484.81	516.32	549.88	585.63	
8-inch	728.35	762.15	775.69	826.11	879.81	937.00	
<ul><li>(1) Effective January 1</li><li>(2) Effective July 1</li></ul>							

## Section 4. Rate Adjustments

Each rate set forth in Section 3 of this resolution shall be adjusted on July 1 of each year as indicated in the rate table and additionally as follows:

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# A. Pass Through Component.

Pursuant to Section 53756 of the Government Code, the City may adopt a rate schedule which provides for automatic adjustments to pass along increases in wholesale/imported water charges. Pursuant to Section 53756, the City Council hereby authorizes the following automatic adjustments to the fixed customer charge and the variable water commodity charge:

Wholesale/Imported Water Cost Adjustments. City reserves the right to automatically pass along future increases in wholesale water charges imposed on City by another agency, such as the Metropolitan Water District or WD and/or the West Basin Municipal Water District. These automatic adjustments may be made whenever the other agency increases the standard wholesale cost of water beyond the current wholesale cost assumed by City in the proposed rate structure, provided that notice of any adjustment shall be provided to the customers at least 30 days before the effective date of the adjustment in accordance with Section 53756(d).

#### Section 5: Administration.

It shall be the duty and function of the Administrative Services Director to administer this Resolution.

## Section 6. Findings

- A. At the close of the public hearing, the City received 9 written protests. The City Clerk has certified the tabulation of written protests. Thus, no majority protest to the proposed water rate increases has been presented under Proposition 218.
- B. That revenues derived from those rates will be utilized to meeting water operating expenses including the purchasing or leasing of supplies, equipment/materials, employee wage rates/benefits as can be attributable to water operations/water capital and will not exceed the funds required to provide water service.
- C. That revenues derived from these rates will not be used for any purpose other than providing water service including water capital projects that upgrade infrastructure within the service area.
- D. That the amounts of those rates imposed upon any parcel or person as an incident of property ownership will not exceed the proportional cost of the service attributable to the parcel.

<u>Section 7</u>: The City Clerk shall certify the passage and adoption of this resolution and enter it into the book of original resolutions.

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# PASSED, APPROVED AND ADOPTED, this 18th day of October 2022.

Cindy Segawa, Mayo

APPROVED AS TO FORM

Trevor Rusin

Trevor Rusin, City Attor

ATTEST

Kathleen Horn Gregory, MMC, City Clerk

STATE OF CALIFORNIA	)
COUNTY OF LOS ANGELES	) SS.
CITY OF LOMITA	)

I, **Kathleen Horn Gregory**, City Clerk of the City of Lomita, California, do hereby certify that the foregoing Resolution No. 2022-34 was duly passed, approved, and adopted by the City Council of the City of Lomita at its special meeting held on October 18, 2022, by the following vote, to wit:

AYES:

Council Members: Gazeley, Uphoff, Waronek, Mayor Pro Tem Waite and

Mayor Segawa

NOES:

None

ABSENT:

None

RECUSE:

None

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed the official seal of the City of Lomita, California this 18<sup>th</sup> day of October 2022.

Kathleen Horn Gregory, MMC, City Clerk City of Lomita, California