



Legislation Text

File #: 19-225, **Version:** 1

RESOLUTION to Accept the Wastewater Utility Financial Plan and Rates Study and Wastewater Utility Capacity Charges Study and Provide Direction to Proceed with the Processes and Procedures to Increase the Sewer Service Rate as Required by Proposition 218

WHEREAS, the Water Pollution Control Enterprise Fund has rate setting objectives to adequately fund sewer utility operations, maintenance, capital replacement expenditures and debt service obligations, while keeping rates as competitive as possible and maintaining a prudent level of reserves; and

WHEREAS, the City concluded a Wastewater Utility Financial Plan and Rates Study and Wastewater Utility Capacity Charges Study to ensure equitable allocation among customer classifications and project the fiscal sustainability of the wastewater utility; and

WHEREAS, this Wastewater Rate Study, a copy of which is attached, concluded that wastewater utility rates need to be increased in order to adequately fund operations, maintenance, capital replacement expenditures and debt service operations; and

WHEREAS, the City concluded a Wastewater Utility Capacity Charges Study to ensure equitable charges for adding additional loading to the sewer system; and

WHEREAS, this Capacity Charges Study concluded that a new schedule of charges should be instituted and that rates should increase annually by the ENR-20 City index as published by Engineering News-Record and on the schedule as set by City Council.

NOW, THEREFORE, the City Council of the City of San Leandro does **RESOLVE** as follows:

- That the City Manager or his or her designee, in accordance with Proposition 218, is authorized to take all actions necessary to properly notice the affected property owners and proceed with the necessary procedures to authorize the sewer service rate increase.
- That the requisite Proposition 218 Public Hearing for the proposed sewer service rate increase and vote tally shall be held on July 15, 2019.
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Attachments

- Wastewater Utility Financial Plan and Rates Study
- Wastewater Utility Capacity Charges Study