



**SAN FERNANDO CITY COUNCIL**  
**SPECIAL MEETING NOTICE AND AGENDA**  
**NOVEMBER 26, 2019 – 4:00 PM**  
**CITY HALL COUNCIL CHAMBERS**  
**117 MACNEIL STREET**  
**SAN FERNANDO, CA 91340**

**NOTICE IS HEREBY GIVEN** that the San Fernando City Council will hold a Special Meeting on **Tuesday, November 26, 2019, at 4:00 p.m.**, in the City Hall Council Chambers, located at 117 Macneil Street, San Fernando, California.

**CALL TO ORDER/ROLL CALL**

Mayor Joel Fajardo  
Vice Mayor Sylvia Ballin  
Councilmember Robert C. Gonzales  
Councilmember Mary Mendoza  
Councilmember Hector A. Pacheco

**PLEDGE OF ALLEGIANCE**

Led by Mayor Joel Fajardo

**APPROVAL OF AGENDA**

**PUBLIC STATEMENTS – WRITTEN/ORAL**

There will be a three (3) minute limitation per each member of the audience who wishes to make comments in order to provide a full opportunity to every person who desires to address the City Council. Only matters contained in this notice may be considered.

**PUBLIC HEARING**

**1) CONSIDERATION TO ADOPT PROPOSED WATER AND SEWER RATE INCREASES**

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Recommend that the City Council:

- a. Reopen the continued Proposition 218 (Prop. 218) Public Hearing;
- b. Provide comments and questions;
- c. Receive public comment pursuant to Prop. 218 requirements;
- d. Close the Public Hearing;
- e. Announce the official number of written protests received on proposed water and sewer rate increases;
- f. Adopt Resolution No. 7963 establishing new Water Rates if the number of valid protests votes is below 50% of the number of property owners or customers authorized to vote;
- g. Adopt Resolution No. 7964 establishing new Sewer Rates if the number of valid protests votes is below 50% of the number of property owners or customers authorized to vote;
- h. Approve the recommended revised Income-Based Assistance Program; and
- i. Provide direction to staff regarding an enhanced water conservation program.

**RECESS TO CLOSED SESSION****A) CONFERENCE WITH LABOR NEGOTIATOR**

G.C. §54957.6

Designated City Negotiators:

City Manager Nick Kimball

City Attorney Rick Olivarez

Assistant City Attorney Richard Padilla

Employees and Employee Bargaining Units that are the Subject of Negotiation:

San Fernando Management Group (SEIU, Local 721)

San Fernando Public Employees' Association (SEIU, Local 721)

San Fernando Police Officers Association

San Fernando Police Officers Association Police Management Unit

San Fernando Police Civilian Association

San Fernando Part-time Employees' Bargaining Unit (SEIU, Local 721)

All Unrepresented Employees

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**RECONVENE/REPORT OUT FROM CLOSED SESSION****ADJOURNMENT**

*I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the City Hall bulletin board not less than 24 hours prior to the meeting.*

Cynthia Alba

Deputy City Clerk

Signed and Posted: November 25, 2019 (3:50 p.m.)

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*Agendas and complete Agenda Packets (including staff reports and exhibits related to each item) are posted on the City's Internet website ([www.sfcity.org](http://www.sfcity.org)). These are also available for public reviewing prior to a meeting in the City Clerk Department. Any public writings distributed by the City Council to at least a majority of the Councilmembers regarding any item on this regular meeting agenda will also be made available at the City Clerk Department at City Hall located at 117 Macneil Street, San Fernando, CA, 91340 during normal business hours. In addition, the City may also post such documents on the City's website at [www.sfcity.org](http://www.sfcity.org). In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification/accommodation to attend or participate in this meeting, including auxiliary aids or services please call the City Clerk Department at (818) 898-1204 at least 48 hours prior to the meeting.*

**Special Meeting**  
**San Fernando City Council**



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## AGENDA REPORT

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**To:** Mayor Joel Fajardo and Councilmembers

**From:** Nick Kimball, City Manager  
**By:** Martin Pastucha, Interim Director of Public Works

**Date:** November 26, 2019

**Subject:** Consideration to Adopt Proposed Water and Sewer Rate Increases

**RECOMMENDATION:**

It is recommended that the City Council:

- a. Reopen the continued Proposition 218 (Prop. 218) Public Hearing;
- b. Provide comments and questions;
- c. Receive public comment pursuant to Prop. 218 requirements;
- d. Close the Public Hearing;
- e. Announce the official number of written protests received on proposed water and sewer rate increases;
- f. Adopt Resolution No. 7963 (Attachment "A") establishing new Water Rates if the number of valid protests votes is below 50% of the number of property owners or customers authorized to vote;
- g. Adopt Resolution No. 7964 (Attachment "B") establishing new Sewer Rates if the number of valid protests votes is below 50% of the number of property owners or customers authorized to vote;
- h. Approve the recommended revised Income-Based Assistance Program; and
- i. Provide direction to staff regarding an enhanced water conservation program.

**Consideration to Adopt Proposed Water and Sewer Rate Increases**Page 2 of 6

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**BACKGROUND:**

1. On August 17, 2017, the City Council approved a Professional Service Agreement with Lechowicz & Tseng to prepare a water and sewer utility rate study in accordance with Prop. 218 requirements.
2. On June 3, 2019, the City Council approved the creation of an Ad Hoc Committee (Vice Mayor Ballin and Councilmember Lopez) to review the Water & Sewer Utility Rate Study (Study) prepared by Lechowicz & Tseng.
3. On June 26, 2019 and August 27, 2019, the Ad Hoc Committee met with the consultant and staff to review the Study, provide feedback and finalize the Ad Hoc Committee's recommendation for proposed water and sewer rate adjustments.
4. On September 16, 2019, Lechowicz & Tseng gave a presentation to City Council on the water and sewer rate study, which included two rate options: Phase One that included system maintenance only and Phase Two that included system maintenance plus system enhancements. Staff presented the Ad Hoc Committee's recommendation to move forward with the Phase One water and sewer rates.
5. On September 16, 2019, the City Council approved the Ad Hoc Committee's recommendation and authorized the City Manager to direct Lechowicz & Tseng to initiate the Prop 218 process for the Phase One Water Rate Plan and the Phase One Sewer Rate Plan.
6. On October 1, 2019, the Water and Sewer Rate Prop. 218 Notice (Attachment "C") was mailed out to 6,675 addresses made up of both property owners and ratepayers.
7. On November 7, 2019, a Notice of Public Hearing on water and sewer rate adjustments was published in the San Fernando Valley Sun.
8. On November 18, 2019, the City Council received a presentation of the proposed water and sewer rate increases and conducted the Prop. 218 majority protest hearing. The City received nine written protests and three verbal protests. Following questions and discussion by City Council, the protest hearing was closed and the item was continued.
9. On November 22, 2019, staff met with the Ad Hoc Committee (Vice Mayor Ballin and Councilmember Pacheco) to receive additional feedback and present options to phase in the initial rate increases, as well as other programs to assist ratepayers by offsetting the proposed rate increases.



## Consideration to Adopt Proposed Water and Sewer Rate Increases

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### ANALYSIS:

Pursuant to feedback received from the ratepayers during the public hearing, City Council discussion, and meeting with the Ad Hoc Committee, staff is proposing a number of revisions to phase in the initial rate increase and assist ratepayers by offsetting future rate increases. The tables below identify the revised water and sewer rates, which presents a two-year phase in of the initial increase and a slight increase to the bill assistance program for low-income residents. Rather than fully implementing an increase of approximately 20% in the first year as was included in the original proposed rates, the revised recommended rates spread that increase over two years, or 10% in year one and 10% in year two<sup>1</sup>.

### Revised Recommended Water and Sewer Rate Plans.

#### Phase One Water Rate Plan:

The revised Phase One Water Rate Plan is based on generating sufficient revenue annually to cover the cost of basic ongoing maintenance and repair of the City's water infrastructure and the implementation of an \$8 million Capital Improvement Plan (CIP) that focuses strictly on water main replacement. The proposed revision will result in approximately \$339,000 in reduced revenue over the five-year period. Staff will work to offset this loss in revenue through grants or other revenue sources.

**Table I: Phase 1 Revised Five Year Water Rate Plan**

	Current Rates	PROPOSED WATER RATES				
		Jan 1, 2020	Jan 1, 2021	Jan 1, 2022	Jan 1, 2023	Jan 1, 2024
<b>FIXED METER CHARGES</b>						
<u>Meter Size</u>						
5/8" and 3/4"	\$37.37	\$40.11	\$42.11	\$47.96	\$51.80	\$55.94
1"	\$63.93	\$83.53	\$90.24	\$97.45	\$105.25	\$113.66
1-1/2"	\$108.20	\$154.23	\$166.61	\$179.92	\$194.32	\$209.86
2"	\$161.32	\$239.07	\$258.26	\$278.89	\$301.21	\$325.30
3"	\$302.99	\$465.31	\$502.66	\$542.81	\$586.25	\$633.14
4"	\$462.37	\$719.83	\$777.61	\$839.72	\$906.92	\$979.46
6"	\$905.07	\$1,426.83	\$1,541.36	\$1,664.47	\$1,797.67	\$1,941.46
<b>COMMODITY CHARGES<sup>1</sup> (per HCF<sup>2</sup>)</b>						
<b>Single &amp; Multi-Family Residential</b>						
Tier 1: 0 - 18 hcf	\$1.31	\$2.10	\$2.40	\$2.66	\$2.87	\$3.10

<sup>1</sup> The increases identified is for illustration purposes only. Each customer's actual increase is dependent on their current billing category.

## Consideration to Adopt Proposed Water and Sewer Rate Increases

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	Current Rates	PROPOSED WATER RATES				
		Jan 1, 2020	Jan 1, 2021	Jan 1, 2022	Jan 1, 2023	Jan 1, 2024
Tier 2: 19 - 36 hcf	\$2.67	\$2.10	\$2.40	\$2.66	\$2.87	\$3.10
Tier 3: Over 36 hcf	\$3.56	\$2.10	\$2.40	\$2.66	\$2.87	\$3.10
<b>Non-Residential</b>	\$2.38	\$2.10	\$2.40	\$2.66	\$2.87	\$3.10

### Phase One Sewer Rate Plan:

The revised Phase One Sewer Rate Plan is also based on generating sufficient revenue to cover the increasing cost associated with basic ongoing maintenance and repair of the sewer infrastructure and the implementation of \$1.1 million CIP that focuses only on sewer main replacement. The proposed revision will result in approximately \$132,000 in reduced revenue over the five-year period. Staff will work to offset this loss in revenue through grants or other revenue sources.

**Table II: Phase 1 Revised Five Year Sewer Rate Plan**

	Current Rates	PROPOSED BI-MONTHLY SEWER RATES				
		Jan 1, 2020	Jan 1, 2021	Jan 1, 2022	Jan 1, 2023	Jan 1, 2024
<b>FIXED CHARGES</b>						
<u>Customer Class</u>						
Single Family Residential	\$65.40	\$72.59	\$79.93	\$81.53	\$83.16	\$84.82
Multi-Family Residential	\$65.40	\$57.37	\$58.52	\$59.69	\$60.89	\$62.11
Group II Commercial (1)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Group III Commercial (2)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Group IV Commercial (3)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
City Property	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Industrial	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Schools (4)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Higher Education (4)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
<b>VOLUME CHARGES (per HCF)</b>						
<u>Customer Class</u>						
Group II Commercial (1)	\$1.89	\$2.67	\$2.72	\$2.78	\$2.83	\$2.89
Group III Commercial (2)	\$3.04	\$4.43	\$4.52	\$4.61	\$4.70	\$4.79
Group IV Commercial (3)	\$4.57	\$6.54	\$6.67	\$6.80	\$6.94	\$7.08
City Property	\$1.44	\$2.32	\$2.36	\$2.41	\$2.46	\$2.51
Industrial	\$1.44	\$2.38	\$2.43	\$2.48	\$2.53	\$2.58
Schools (4)	\$1.28	\$1.71	\$1.75	\$1.78	\$1.82	\$1.86
Higher Education (4)	\$1.28	\$1.71	\$1.75	\$1.78	\$1.82	\$1.86

**Consideration to Adopt Proposed Water and Sewer Rate Increases**Page 5 of 6

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**Revised Bill Assistance Program for Low Income Customers.**

On September 16, 2019, the City Council approved a low-income bill assistance program of \$16 per billing period (\$10 applied to water bill and \$6 applied to sewer bill). After additional analysis, staff is recommending an increase to the low-income bill assistance program to \$18 per billing period (\$11 applied to water bill and \$7 applied to sewer bill). Prop. 218 does not allow rate revenues generated from one group of customers to off-set the rates of another group. Consequently, the City may only utilize non-rate revenues, such as interest earning and delinquent penalties, to fund an income-based bill assistance program.

The City will use Southern California Edison's (SCE) California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) programs to confirm eligibility for the proposed bill assistance program. As such, customers requesting the income based bill assistance program will have to provide evidence that they are currently enrolled in SCE's CARE or FERA programs. Based on information obtained from SCE, approximately 1,700 to 1,900 San Fernando customers may qualify for rate assistance program.

**Enhanced Water Conservation Program.**

In addition to the proposed rate smoothing and revised low-income bill assistance program, the City Council and the Ad Hoc Committee expressed a desire to increase conservation efforts, which will also have a cost savings on customers' utility bills. As a Metropolitan Water District (MWD) member agency, there are a number of programs available to the City's customers, including, but not limited to, toilet retrofits, shower head retrofits, irrigation retrofits, and drought tolerant landscaping. Additionally, the City can explore water audit programs to assist high water users with identifying cost effective improvements that can be implemented to conserve water.

The City can develop a more aggressive marketing and information program to encourage more participation in these programs to assist the City in meeting mandatory conservation goals and assist customers with off-setting rate increases.

**BUDGET IMPACT:**

The water and sewer utilities are operated as Enterprise Funds. As a result, both utilities must be self-sustaining and funded entirely from rates and fee for service charges that are separate and apart from the City's General Fund. The proposed rates and charges will provide funding adequate to maintain the City's water and sewer service and provide revenues proportionate to the cost of providing these services. The proposed annual increases account for annual inflation and projected cost of service increases. Revenues will increase annually proportionate to the needs to fully fund both operating and capital programs. The recommended rates are proposed take effect January 1, 2020.

**Consideration to Adopt Proposed Water and Sewer Rate Increases**Page 6 of 6

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**CONCLUSION:**

It is recommended that the City Council conduct the Prop 218 Public Hearing process and adopt Resolution Nos. 7963 and 7964 establishing new Water and Sewer Rates, respectively, and approve the recommended income assistance program and water conservation program.

**ATTACHMENTS:**

- A. Resolution No. 7963
- B. Resolution No. 7964
- C. Prop. 218 Notice

**ATTACHMENT “A”****RESOLUTION NO. 7963****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
SAN FERNANDO, CALIFORNIA, ESTABLISHING NEW WATER  
SERVICE RATES**

**WHEREAS**, the City Council of the City of San Fernando (“City Council”) at its Regular Meeting of September 16, 2019 approved the findings of that certain water rate study for the proposed increase of water rates in the City of San Fernando (“City”) entitled “City of San Fernando Water and Sewer Rate Study” and dated September 9, 2019 (hereinafter, the “Approved Rate Study”); and

**WHEREAS**, the City Council at the same Regular Meeting of November 18, 2019 also authorized the conduct of a majority-protest public hearing in accordance with Article XIID of the California Constitution for the consideration and approval of property-related fees and charges; and

**WHEREAS**, based on the findings of the water and sewer rate study recently completed, water rate adjustments is necessary to ensure sufficient operation of and maintenance, repairs and improvements to the City’s water infrastructure; and

**WHEREAS**, the approved rate adjustments will help ensure the health and safety of the community while protecting the City’s financial stability as well as being sensitive to the impacts on the rate payers; and

**WHEREAS**, San Fernando’s Municipal Code authorizes the City Council to amend water service rates by resolution; and

**WHEREAS**, the City Council conducted a duly noticed majority-protest public hearing on November 18, 2019 as required by Article XIID of the California Constitution and has received written protests from ratepayers and property owners and has also considered comments and input from interested parties; and

**WHEREAS**, forty-five days prior to the public hearing, the proposed rates were noticed to all water customers; and

**WHEREAS**, under the majority-protest public hearing process, if written protests in opposition to a rate increase are submitted on behalf of more than 50% of the real property parcels that are eligible to have a written protest submitted on their behalf by or before the end of the public comment/protest portion of the majority protest public hearing, the rate increase cannot be approved; and

**WHEREAS**, of the 5040 customer accounts in the City for which written protests in opposition to the rate increase, the City received 9 protests by the close of the public comment/protest portion of the majority-protest proceedings of November 18, 2019; and

**WHEREAS**, the City received written protests in opposition to the proposed rate increase by less than 50% of the total number of real property parcels in the City for which written protests could be submitted; and

**WHEREAS**, the City Council deems it to be in the best public interest to establish new rates for 2020 through 2025; and

**WHEREAS**, Section (a) of Government Code Section 53759 allows the City to adopt the schedule of rates and inflationary adjustments for a period of up to five years; and

**WHEREAS**, Section (d) of Government Code Section 53759 requires notice of any adjustment pursuant to the rate schedule shall be given no less than 30 days before the effective date of the adjustment; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO DOES HEREBY RESOLVE, FIND, DETERMINE, AND ORDER AS FOLLOWS:**

**1. FINDINGS:**

- a. The foregoing recitals are true and correct; and
- b. The adjusted water rates implemented by this resolution have been fixed in an amount sufficient to pay the operating expenses of the City's water utility operations and provide for repair, improvement, and replacement of water system works and facilities; and
- c. The adjusted water rates are reasonably related to, and do not exceed, the City's cost of providing the particular utility service; and
- d. The revenues derived from the rates do not exceed the funds required to provide the water utility service and shall not be used for any general fund purpose or purpose other than the water utility enterprise; and
- e. The amount of water rates imposed on each user does not exceed the proportional cost of the user's service; and
- f. The City Council has conducted a duly noticed public hearing on the proposed rate adjustment in accordance with California Constitution Article XIII D, and the City Council did not receive a majority protest against the proposed adjustment.
- g. The City Council reaffirms its approval of the Approved Water Rate Study and the findings set forth therein.

**2. WATER SERVICE RATES AND CHARGES.** The City Council hereby approves and levies the rates for City water service as shown below:

### Approved Water Service Rates

	Current Rates	PROPOSED WATER RATES				
		Jan 1, 2020	Jan 1, 2021	Jan 1, 2022	Jan 1, 2023	Jan 1, 2024
<b>FIXED METER CHARGES</b>						
<u>Meter Size</u>						
5/8" and 3/4"	\$37.37	\$40.11	\$42.11	\$47.96	\$51.80	\$55.94
1"	\$63.93	\$83.53	\$90.24	\$97.45	\$105.25	\$113.66
1-1/2"	\$108.20	\$154.23	\$166.61	\$179.92	\$194.32	\$209.86
2"	\$161.32	\$239.07	\$258.26	\$278.89	\$301.21	\$325.30
3"	\$302.99	\$465.31	\$502.66	\$542.81	\$586.25	\$633.14
4"	\$462.37	\$719.83	\$777.61	\$839.72	\$906.92	\$979.46
6"	\$905.07	\$1,426.83	\$1,541.36	\$1,664.47	\$1,797.67	\$1,941.46
<b>COMMODITY CHARGES<sup>1</sup> (per HCF<sup>2</sup>)</b>						
<b>Single &amp; Multi-Family Residential</b>						
Tier 1: 0 - 18 hcf	\$1.31	\$2.10	\$2.40	\$2.66	\$2.87	\$3.10
Tier 2: 19 - 36 hcf	\$2.67	\$2.10	\$2.40	\$2.66	\$2.87	\$3.10
Tier 3: Over 36 hcf	\$3.56	\$2.10	\$2.40	\$2.66	\$2.87	\$3.10
<b>Non-Residential</b>	\$2.38	\$2.10	\$2.40	\$2.66	\$2.87	\$3.10

1. One hundred cubic feet (HCF) equals 748 gallons.

3. **SUBSEQUENT ADJUSTMENTS.** The new billing rates will commence the first billing period after January 1, 2020. The water service rates shall be adjusted, as shown above, annually over the next four years on January 1<sup>st</sup>.
4. **SUPERSED EARLIER RATES.** This resolution shall amend and supersede the water service rates and charges of all previous resolutions.
5. This Resolution shall take effect immediately upon its approval by the City Council, however, the rate increase contemplated under this Resolution shall go into effect until January 1, 2020. The City Clerk shall certify the approval of this Resolution.

**PASSED, APPROVED, AND ADOPTED** this 26<sup>th</sup> day of November, 2019.

\_\_\_\_\_  
Joel Fajardo, Mayor

**ATTEST:**

\_\_\_\_\_  
Elena G. Chávez, City Clerk

**STATE OF CALIFORNIA                    )**  
**COUNTY OF LOS ANGELES        ) ss**  
**CITY OF SAN FERNANDO        )**

**I HEREBY CERTIFY** that the foregoing Resolution was approved and adopted at a regular meeting of the City Council held on the 26<sup>th</sup> day of November, 2019, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

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Elena G. Chávez, City Clerk



**ATTACHMENT “B”****RESOLUTION NO. 7964****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
SAN FERNANDO, CALIFORNIA, ESTABLISHING NEW SEWER  
SERVICE RATES**

**WHEREAS**, the City Council of the City of San Fernando (“City Council”) at its Regular Meeting of September 16, 2019 approved the findings of that certain water rate study for the proposed increase of water rates in the City of San Fernando (“City”) entitled “City of San Fernando Water and Sewer Rate Study” and dated September 9, 2019 (hereinafter, the “Approved Rate Study”); and

**WHEREAS**, the City Council at the same Regular Meeting of November 18, 2019 also authorized the conduct of a majority-protest public hearing in accordance with Article XIID of the California Constitution for the consideration and approval of property-related fees and charges; and

**WHEREAS**, based on the findings of the water and sewer rate study recently completed, a sewer rate adjustment is necessary to ensure sufficient operation of and maintenance, repairs and improvements to the City’s sewer infrastructure; and

**WHEREAS**, the approved rate adjustments will help ensure the health and safety of the community while protecting the City’s financial stability as well as being sensitive to the impacts on the rate payers; and

**WHEREAS**, San Fernando’s Municipal Code authorizes the City Council to amend sewer service rates by resolution; and

**WHEREAS**, the City Council conducted a duly noticed majority-protest public hearing on November 18, 2019 as required by Article XIID of the California Constitution and has received written protests from ratepayers and property owners and has also considered comments and input from interested parties; and

**WHEREAS**, forty-five days prior to the public hearing, the proposed rates were noticed to all sewer customers; and

**WHEREAS**, under the majority-protest public hearing process, if written protests in opposition to a rate increase are submitted on behalf of more than 50% of the real property parcels that are eligible to have a written protest submitted on their behalf by or before the end of the public comment/protest portion of the majority protest public hearing, the rate increase cannot be approved; and

**WHEREAS**, of the 6044 customer accounts in the City for which written protests in opposition to the rate increase, the City received 9 protests by the close of the public comment/protest portion of the majority-protest proceedings of November 18, 2019; and

**WHEREAS**, the City received written protests in opposition to the proposed rate increase by less than 50% of the total number of real property parcels in the City for which written protests could be submitted; and

**WHEREAS**, the City Council deems it to be in the best public interest to establish new rates for 2020 through 2025; and

**WHEREAS**, Section (a) of Government Code Section 53759 allows the City to adopt the schedule of rates and inflationary adjustments for a period of up to five years; and

**WHEREAS**, Section (d) of Government Code Section 53759 requires notice of any adjustment pursuant to the rate schedule shall be given no less than 30 days before the effective date of the adjustment; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO DOES HEREBY RESOLVE, FIND, DETERMINE, AND ORDER AS FOLLOWS:**

**1. FINDINGS:**

- a. The foregoing recitals are true and correct; and
- b. The adjusted sewer rates implemented by this resolution have been fixed in an amount sufficient to pay the operating expenses of the City's sewer utility operations and provide for repair, improvement, and replacement of sewer system works and facilities; and
- c. The adjusted sewer rates are reasonably related to, and do not exceed, the City's cost of providing the particular utility service; and
- d. The revenues derived from the rates do not exceed the funds required to provide the sewer utility service and shall not be used for any general fund purpose or purpose other than the sewer utility enterprise; and
- e. The amount of sewer rates imposed on each user does not exceed the proportional cost of the user's service; and
- f. The City Council has conducted a duly noticed public hearing on the proposed rate adjustment in accordance with California Constitution Article XIII D, and the City Council did not receive a majority protest against the proposed adjustment.
- g. The City Council reaffirms its approval of the Approved Water Rate Study and the findings set forth therein.

**2. SEWER SERVICE RATES AND CHARGES.** The City Council hereby approves and levies the rates for City sewer service as shown below:

### Approved Sewer Service Rates

	Current Rates	PROPOSED BI-MONTHLY SEWER RATES				
		Jan 1, 2020	Jan 1, 2021	Jan 1, 2022	Jan 1, 2023	Jan 1, 2024
<b>FIXED CHARGES</b>						
<u>Customer Class</u>						
Single Family Residential	\$65.40	\$72.59	\$79.93	\$81.53	\$83.16	\$84.82
Multi-Family Residential	\$65.40	\$57.37	\$58.52	\$59.69	\$60.89	\$62.11
Group II Commercial (1)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Group III Commercial (2)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Group IV Commercial (3)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
City Property	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Industrial	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Schools (4)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Higher Education (4)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
<b>VOLUME CHARGES (per HCF)</b>						
<u>Customer Class</u>						
Group II Commercial (1)	\$1.89	\$2.67	\$2.72	\$2.78	\$2.83	\$2.89
Group III Commercial (2)	\$3.04	\$4.43	\$4.52	\$4.61	\$4.70	\$4.79
Group IV Commercial (3)	\$4.57	\$6.54	\$6.67	\$6.80	\$6.94	\$7.08
City Property	\$1.44	\$2.32	\$2.36	\$2.41	\$2.46	\$2.51
Industrial	\$1.44	\$2.38	\$2.43	\$2.48	\$2.53	\$2.58
Schools (4)	\$1.28	\$1.71	\$1.75	\$1.78	\$1.82	\$1.86
Higher Education (4)	\$1.28	\$1.71	\$1.75	\$1.78	\$1.82	\$1.86

Note: One hundred cubic feet (HCF) equals 748 gallons.

1 - Group II Commercial: auto parking, barber shop, car wash, church, commercial use, dental office/clinic, department & retail stores, film processing, food processing plant (industrial), health club/spa, hospitals, indoor theatre, laundromats, library: public ares, lumber yards, membership organizations, motion picture (studios), professional offices, social services, soft water service, theatre (cinema), and warehouse

2 - Group III Commercial: gas station (4 bays max), hotels/motels w/o restaurants, manufacturing, manufacturing (industrial), repair & service stations

3 - Group IV Commercial: bakeries (wholesale)/donut shop, banquet room/ball room, cafeteria, hotels/motels with restaurants, mortuary - embalming area, restaurants, supermarkets

4 - Charge per student

3. **SUBSEQUENT ADJUSTMENTS.** The new billing rates will commence the first billing period after January 1, 2020. The sewer service rates shall be adjusted, as shown above, annually over the next four years on January 1<sup>st</sup>.
4. **SUPERSED EARLIER RATES.** This resolution shall amend and supersede the sewer service rates and charges of all previous resolutions.
5. This Resolution shall take effect immediately upon its approval by the City Council, however, the rate increase contemplated under this Resolution shall go into effect until January 1, 2020. The City Clerk shall certify the approval of this Resolution.

**PASSED, APPROVED, AND ADOPTED** this 26<sup>th</sup> day of November, 2019.

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Joel Fajardo, Mayor

**ATTEST:**

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Elena G. Chávez, City Clerk

**STATE OF CALIFORNIA )**  
**COUNTY OF LOS ANGELES ) ss**  
**CITY OF SAN FERNANDO )**

**I HEREBY CERTIFY** that the foregoing Resolution was approved and adopted at a regular meeting of the City Council held on the 26<sup>th</sup> day of November, 2019, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

---

Elena G. Chávez, City Clerk

## NOTICE OF PUBLIC HEARING ON PROPOSED WATER AND SEWER RATE ADJUSTMENTS

**Monday, November 18, 2019 at 6:00 pm**  
**at San Fernando City Hall, Council Chambers, 117 Macneil Street, San Fernando**

The City of San Fernando (City) is proposing increases in water and sewer rates, effective January 1, 2020. You are receiving this notice because you are either a City utility customer or you own property receiving City utility services. The City Council will hold a public majority protest hearing on **Monday, November 18, 2019, at 6:00pm** to consider water and sewer rate changes for the next five years. The proposed water and sewer rates, which may be adopted at the public hearing, will not exceed the rates presented in this notice.

The water and sewer utilities rely entirely on rate revenues to fund the costs of providing service. The proposed water and sewer rates are based on a comprehensive cost of service study to ensure that water and sewer rates pay for the increasing operating and maintenance expenses, debt service payments, capital projects, and emergency reserves. Water and sewer operations are not funded by property tax or any other tax revenue. The City's last water rate increase was in 2017 and the last sewer rate increase was in 2014. **The proposed rate increases are necessary to maintain a healthy drinking water supply and adequate sewage treatment.**



117 Macneil Street  
San Fernando, CA 91340  
(818) 898-1200

**NAME**  
**ADDRESS**  
**CITY, STATE, ZIP**

## WATER RATES

### ***Water System***

The City provides water service to over 5,000 residential and commercial accounts. San Fernando residents are fortunate to have three sources of water: (1) Local groundwater wells that draw water from the Sylmar basin; (2) Imported water from the Metropolitan Water District (MWD) emergency connection, which delivers surface water from the Joseph Jensen Plant; and (3) A connection from the City of Los Angeles distribution system that is used only in extreme emergencies. Since 2015, the City has received 100% of its water supply from local groundwater.

### ***Why is a water rate increase needed?***

The last water rate increase went into effect over 3 years ago on July 1, 2016. The proposed water rate increases are needed to pay for the cost of ongoing maintenance and water quality testing, to replace aging water mains, and to improve system reliability. Over the next five years, the water system needs about \$8.9 million in improvements. By conducting this work, the City will avoid water leaks and costly emergency repairs.

### ***Proposed Water Rate Structure Changes***

The current water rate structure is comprised of two components: 1) a Fixed Meter Charge and 2) a Commodity Charge based on metered water usage. All customers, residential and non-residential, are charged the same fixed charges based on their meter size. The Commodity Charge is billed per unit of water (\$/hcf). One hundred cubic feet (hcf) is equal to approximately 748 gallons of water. Residential customers are currently billed for water consumption according to a three-tiered structure in which higher levels of use are charged a higher rate per unit. Non-residential customers are charged as single rate for all water use.

The City is proposing to eliminate the tiered water rate structure for residential customers so that all customers are charged the same cost per unit of water. This recommendation charges all customers equally and reallocates cost more fairly among customer classes. The City is also proposing to add a program to assist low-income customers (see "Bill Assistance" below).

### ***Proposed Water Rates***

The proposed water rates are shown on the table below. The City bills on a bi-monthly (every 2 months) basis. After the initial increase on January 1, 2020, rates are proposed to increase by 8% per year.

	Current Rates	PROPOSED WATER RATES				
		Jan 1, 2020	Jan 1, 2021	Jan 1, 2022	Jan 1, 2023	Jan 1, 2024
<b>FIXED METER CHARGES</b>						
<u>Meter Size</u>						
5/8" and 3/4"	\$37.37	\$41.11	\$44.41	\$47.96	\$51.80	\$55.94
1"	\$63.93	\$83.53	\$90.24	\$97.45	\$105.25	\$113.66
1-1/2"	\$108.20	\$154.23	\$166.61	\$179.92	\$194.32	\$209.86
2"	\$161.32	\$239.07	\$258.26	\$278.89	\$301.21	\$325.30
3"	\$302.99	\$465.31	\$502.66	\$542.81	\$586.25	\$633.14
4"	\$462.37	\$719.83	\$777.61	\$839.72	\$906.92	\$979.46
6"	\$905.07	\$1,426.83	\$1,541.36	\$1,664.47	\$1,797.67	\$1,941.46
<b>COMMODITY CHARGES<sup>1</sup> (per HCF<sup>2</sup>)</b>						
<b>Single &amp; Multi-Family Residential</b>						
Tier 1: 0 - 18 hcf	\$1.31	\$2.27	\$2.46	\$2.66	\$2.87	\$3.10
Tier 2: 19 - 36 hcf	\$2.67	\$2.27	\$2.46	\$2.66	\$2.87	\$3.10
Tier 3: Over 36 hcf	\$3.56	\$2.27	\$2.46	\$2.66	\$2.87	\$3.10
<b>Non-Residential</b>	\$2.38	\$2.27	\$2.46	\$2.66	\$2.87	\$3.10

1. Plus wholesale cost pass-through charges if applicable. See information below.

2. One hundred cubic feet (HCF) equals 748 gallons.

### ***Wholesale Cost Pass-Through***

The City last purchased water from MWD in 2015. Since then, all of the City's water supply has been provided via four groundwater wells. Over the next five years, the City does not anticipate having to import water unless there is an emergency or unforeseen circumstance, such as a drought. If an emergency situation arises, the City is proposing to pass-through the cost of purchasing wholesale water from MWD. Pursuant to California Government Code 53756, this pass-through provision applies to wholesale rates, standby charges, and other fees that the City is required to pay MWD.

The pass-through will be implemented as a separate commodity charge billed per unit of water (\$/hcf). The formula to be used to calculate the pass-through adjustments, if needed, is as follows: Total cost for wholesale water purchases through the fiscal year end divided by the total volume of water purchased through the fiscal year end. Prior to initiating a pass-through, the City will notify all customers at least 30 days before implementation.

## SEWER RATES

### ***Sewer System***

The City contracts with the City of Los Angeles (LA) Hyperion Treatment Plant to treat and dispose of the City's wastewater while the City maintains the sewer collection system which includes over 40 miles of sewer mains and 800 manholes. Roughly 50 percent of the total sewer budget is comprised of treatment charges from the City of LA, of which the City has no control over.

### ***Why is a sewer rate increase needed?***

The last sewer rate increase went into effect over 5 years ago on July 1, 2014. The proposed sewer rate increases are needed to cover sewage treatment and disposal costs passed through from the City of LA, to pay for the cost of ongoing maintenance for the collection system, and to replace deficient sewer mains. Over the next five years, the sewer system needs about \$1.1 million in improvements. The infrastructure improvements are necessary to avoid sewer leaks and expensive emergency repairs.

### ***Proposed Sewer Rate Structure Changes***

The City has a separate schedule of charges for residential and commercial sewer customers. All single family and multi-family residential customers are billed a fixed charge on a per dwelling unit basis. Commercial customers are charged a fixed charge plus a volume rate based on metered water consumption. There are six sub-categories of commercial sewer customers. The volume rates correspond to the cost to convey and treat the wastewater pollutants of each group. Higher strength wastewater discharge is billed at a higher rate because its costlier to treat.

The City is proposing to implement a separate sewer rate for multi-family residential customers. Because sewer flow is not metered, water consumption is used as an estimate for sewer flow. The cost of service study analyzed consumption patterns of each customer class and determined that the multi-family customer class typically uses less water than the single family customer class. The proposed sewer rates reflect each customer class' proportional impact on the overall sewer system. The City is also proposing to add a program to assist low-income customers (see "Bill Assistance" below).

### ***Public Notice and Majority Protest Process***

In 1996, California voters adopted Proposition 218. The provisions of Proposition 218 provide that certain types of "Property Related Fees" are subject to a "majority protest" process. Under the majority protest process, any property owner or customer of record may submit a written protest for the proposed increases; provided, however, that only one protest will be counted per identified parcel.

You have the right to file written protests by mail addressed to the City Clerk, 117 Macneil Street, San Fernando, CA 91340 **or** in person or at the public majority protest hearing on November 18, 2019 at 6:00 pm so long as they are received before the end of the hearing. A protest submitted via e-mail, fax, or other electronic means will not be accepted. Please identify on the front of the envelope for any protest, whether mailed or submitted in person, that the enclosed letter is for the Public Hearing on the Proposed Water and Sewer Rate Adjustments. A written protest must: 1) state that the identified property owner or customer is in opposition to the proposed water and/or sewer rate change; 2) provide the location of the identified parcel (by assessor's parcel number or street address); and 3) include the name and signature of the property owner or customer submitting the protest. Only one written protest may be counted for each affected parcel.

If protests are filed on behalf of a majority of the parcels subject to the rates before the end of the public hearing, the City cannot adopt the proposed rates. If a majority of the parcels do not protest (i.e., object to) the proposed increase, the City has the authority to adopt the proposed rates. Any rate changes, if enacted, will go into effect on January 1, 2020.

### Proposed Sewer Rates

The proposed sewer rates are shown on the table below. The City bills on a bi-monthly (every 2 months) basis. After the initial increase on January 1, 2020, rates are proposed to increase by 2% per year.

	Current Rates	PROPOSED BI-MONTHLY SEWER RATES				
		Jan 1, 2020	Jan 1, 2021	Jan 1, 2022	Jan 1, 2023	Jan 1, 2024
<b>FIXED CHARGES</b>						
<u>Customer Class</u>						
Single Family Residential	\$65.40	\$78.35	\$79.93	\$81.53	\$83.16	\$84.82
Multi-Family Residential	\$65.40	\$57.37	\$58.52	\$59.69	\$60.89	\$62.11
Group II Commercial (1)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Group III Commercial (2)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Group IV Commercial (3)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
City Property	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Industrial	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Schools (4)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Higher Education (4)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
<b>VOLUME CHARGES (per HCF)</b>						
<u>Customer Class</u>						
Group II Commercial (1)	\$1.89	\$2.67	\$2.72	\$2.78	\$2.83	\$2.89
Group III Commercial (2)	\$3.04	\$4.43	\$4.52	\$4.61	\$4.70	\$4.79
Group IV Commercial (3)	\$4.57	\$6.54	\$6.67	\$6.80	\$6.94	\$7.08
City Property	\$1.44	\$2.32	\$2.36	\$2.41	\$2.46	\$2.51
Industrial	\$1.44	\$2.38	\$2.43	\$2.48	\$2.53	\$2.58
Schools (4)	\$1.28	\$1.71	\$1.75	\$1.78	\$1.82	\$1.86
Higher Education (4)	\$1.28	\$1.71	\$1.75	\$1.78	\$1.82	\$1.86

Note: One hundred cubic feet (HCF) equals 748 gallons.

1 - Group II Commercial: auto parking, barber shop, car wash, church, commercial use, dental office/clinic, department & retail stores, film processing, food processing plant (industrial), health club/spa, hospitals, indoor theatre, laundromats, library: public ares, lumber yards, membership organizations, motion picture (studios), professional offices, social services, soft water service, theatre (cinema), and warehouse

2 - Group III Commercial: gas station (4 bays max), hotels/motels w/o restaurants, manufacturing, manufacturing (industrial), repair & service stations

3 - Group IV Commercial: bakeries (wholesale)/donut shop, banquet room/ball room, cafeteria, hotels/motels with restaurants, mortuary - embalming area, restaurants, supermarkets

4 - Charge per student

### BILL ASSISTANCE

The City will offer a utility bill assistance program for low-income residents. Qualifying customers will receive a \$16 bimonthly discount on their total utility bill. The bill assistance program will be evaluated annually to determine whether funding is available for the program. Additional information is provided on the City's website or call (818) 898-1200.

### Notice of a Public Hearing on Proposed Water and Sewer Rate Adjustments

The City of San Fernando will hold a Public Hearing on the proposed water and sewer rates on **Monday, November 18, 2019 beginning at 6:00 p.m.** at 117 Macneil Street, San Fernando, CA 91340.





117 Macneil Street  
San Fernando, CA 91340  
(818) 898-1200

## **AVISO DE AUDIENCIA PÚBLICA SOBRE LOS AJUSTES PROPUESTOS EN LAS TARIFAS DE AGUA Y ALCANTARILLADO**

**Lunes, 18 de noviembre de 2019 a las 6:00 p.m.**

**en el Salón del Concejo (Council Chambers) Municipal de San Fernando, 117 Macneil Street, San Fernando**

La Ciudad de San Fernando (la Ciudad) está proponiendo aumentos en las tarifas de agua y alcantarillado, con vigencia a partir del 1 de enero de 2020. Usted ha recibido este aviso porque es cliente de servicios públicos de la Ciudad o porque es dueño de una propiedad que recibe servicios públicos de la Ciudad. El Concejo Municipal celebrará una audiencia pública de protesta mayoritaria el **lunes, 18 de noviembre de 2019 a las 6:00 p.m.** para poner en consideración los cambios en las tarifas de agua y alcantarillado para los próximos cinco años. Las tarifas propuestas de agua y alcantarillado, que pueden ser adoptadas en la audiencia pública, no excederán las tarifas presentadas en esta notificación.

Los servicios públicos de agua y alcantarillado dependen en su totalidad de los ingresos tarifarios para financiar los costos de la prestación del servicio. Las tarifas de agua y alcantarillado propuestas se basan en un estudio integral del costo del servicio para asegurar que las tarifas de agua y alcantarillado paguen los crecientes gastos de operación y mantenimiento, los pagos de servicio de deuda, los proyectos de capital y las reservas de emergencia. Las operaciones de agua y alcantarillado no son financiadas por el impuesto sobre la propiedad ni por ningún otro impuesto. El último aumento de las tarifas de agua de la Ciudad tuvo lugar en 2017 y el último aumento de las tarifas de alcantarillado fue en 2014. **Los aumentos de tarifas propuestos son necesarios para mantener un suministro de agua potable saludable y un tratamiento adecuado de las aguas residuales.**

### **TARIFAS DE AGUA**

#### ***Sistema de agua***

La Ciudad suministra servicio de agua a más de 5,000 cuentas residenciales y comerciales. Los residentes de San Fernando tienen la suerte de contar con tres fuentes de agua: (1) pozos locales de agua subterránea que extraen agua de la cuenca de Sylmar; (2) agua importada de la conexión de emergencia del Distrito Metropolitano de Agua (Metropolitan Water District o MWD), que suministra agua superficial de la Planta Joseph Jensen; y (3) una conexión del sistema de distribución de la Ciudad de Los Ángeles que se utiliza únicamente en emergencias extremas. Desde 2015, la Ciudad ha recibido el 100% de su suministro de agua de las aguas del subsuelo locales.

#### ***¿Por qué es necesario un aumento en las tarifas de agua?***

El último aumento de las tarifas de agua entró en vigor hace más de 3 años, el 1 de julio de 2016. Los aumentos propuestos en las tarifas de agua son necesarios para pagar el costo del mantenimiento continuo y las pruebas de calidad del agua, reemplazar las tuberías de agua envejecidas y mejorar la confiabilidad del sistema. Durante los próximos cinco años, el sistema de agua necesitará aproximadamente \$8.9 millones para realizar mejoras. Con la realización de estas obras, la Ciudad evitará fugas en el sistema hídrico y costosas reparaciones de emergencia.

#### ***Cambios propuestos en la estructura de tarifas de agua***

La estructura actual de tarifas de agua consta de dos componentes: 1) un cargo fijo por medidor y 2) un cargo por producto básico con base en el uso medido de agua. A todos los clientes, residenciales y no residenciales, se les cobran los mismos cargos fijos según el tamaño de su medidor. El cargo por producto básico se factura por unidad de agua (\$/hcf). Cien pies cúbicos (hcf) equivalen a aproximadamente 748 galones de agua. Los clientes residenciales son facturados actualmente por el consumo de agua de acuerdo con una estructura de tres niveles en la que a los niveles de

consumo más altos se les cobra una tarifa más alta por unidad. A los clientes no residenciales se les cobra una tarifa única por todo el consumo de agua.

La Ciudad está proponiendo eliminar la estructura de tarifas de agua por niveles para los clientes residenciales, de manera que a todos los clientes se les cobre el mismo cargo por unidad de agua. Esta recomendación significa cobrar a todos los clientes lo mismo y reasignar los costos de manera más justa entre las clases de clientes. La Ciudad también está proponiendo añadir un programa para ayudar a los clientes de bajos ingresos (ver “Asistencia en el pago de facturas” más adelante).

### ***Tarifas de agua propuestas***

Las tarifas de agua propuestas se muestran en el cuadro siguiente. La Ciudad factura de manera bimensual (cada dos meses). Después del aumento inicial del 1 de enero de 2020, se propone un aumento del 8% anual en las tarifas.

	Tarifas actuales	TARIFAS DE AGUA PROPUESTAS				
		1 de enero 2020	1 de enero 2021	1 de enero 2022	1 de enero 2023	1 de enero 2024
<b>CARGOS FIJOS POR MEDIDOR</b>						
<u>Tamaño del medidor</u>						
5/8" y 3/4"	\$37.37	\$41.11	\$44.41	\$47.96	\$51.80	\$55.94
1"	\$63.93	\$83.53	\$90.24	\$97.45	\$105.25	\$113.66
1-1/2"	\$108.20	\$154.23	\$166.61	\$179.92	\$194.32	\$209.86
2"	\$161.32	\$239.07	\$258.26	\$278.89	\$301.21	\$325.30
3"	\$302.99	\$465.31	\$502.66	\$542.81	\$586.25	\$633.14
4"	\$462.37	\$719.83	\$777.61	\$839.72	\$906.92	\$979.46
6"	\$905.07	\$1,426.83	\$1,541.36	\$1,664.47	\$1,797.67	\$1,941.46
<b>CARGOS POR PRODUCTO BÁSICO<sup>1</sup> (por HCF<sup>2</sup>)</b>						
<b>Residencial, unifamiliar y multifamiliar</b>						
Nivel 1: 0 - 18 hcf	\$1.31	\$2.27	\$2.46	\$2.66	\$2.87	\$3.10
Nivel 2: 19 - 36 hcf	\$2.67	\$2.27	\$2.46	\$2.66	\$2.87	\$3.10
Nivel 3: Más de 36 hcf	\$3.56	\$2.27	\$2.46	\$2.66	\$2.87	\$3.10
<b>No residencial</b>	\$2.38	\$2.27	\$2.46	\$2.66	\$2.87	\$3.10

1. Más cargos por traspaso de costos al por mayor, si corresponde. Consulte la información a continuación.

2. Cien pies cúbicos (HCF) equivalen a 748 galones.

### ***Transmisión de costos al por mayor***

La última vez que la Ciudad compró agua del distrito MWD fue en 2015. Desde entonces, todo el suministro de agua de la Ciudad se ha surtido a través de cuatro pozos de agua subterránea. Durante los próximos cinco años, la Ciudad no prevé tener que importar agua a menos que se presente una emergencia o circunstancia imprevista, como una sequía. Si surge una situación de emergencia, la Ciudad está proponiendo transferir el costo de la compra al por mayor de agua de MWD. De conformidad con el Código de Gobierno de California 53756, esta disposición de transferencia se aplica a las tarifas al por mayor, los cargos de reserva y otros cargos que la Ciudad está obligada a pagar a MWD.

El traspaso se implementará como un cargo por producto básico por separado facturado por unidad de agua (\$/hcf). La fórmula que se utilizará para calcular los ajustes de la transferencia, si es necesario, es la siguiente: El costo total de las compras de agua al por mayor hasta el final del año fiscal se divide entre el volumen total de agua comprada hasta el final del año fiscal. Antes de iniciar una transferencia, la Ciudad notificará a todos los clientes por lo menos 30 días antes de la implementación.

## **TARIFAS DE ALCANTARILLADO**

### ***Sistema de alcantarillado***

La Ciudad mantiene contrato con la Planta de Tratamiento Hyperion de la Ciudad de Los Ángeles (LA) para tratar y desechar las aguas residuales de la Ciudad, mientras que la Ciudad mantiene el sistema de recolección de aguas residuales, que incluye más de 40 millas de tuberías de alcantarillado y 800 pozos de registro. Aproximadamente el 50 por ciento del presupuesto total de alcantarillado está compuesto por los cargos de tratamiento de la Ciudad de Los Ángeles, sobre los cuales la Ciudad no tiene control.

#### ***¿Por qué es necesario un aumento en las tarifas de alcantarillado?***

El último aumento de las tarifas de alcantarillado entró en vigor hace más de 5 años, el 1 de julio de 2014. Los aumentos propuestos en las tarifas de alcantarillado son necesarios para cubrir los costos de tratamiento de aguas residuales y eliminación de desechos que pasan por la Ciudad de Los Ángeles, para pagar el costo de mantenimiento continuo del sistema de recolección y para reemplazar las tuberías de alcantarillado deficientes. Durante los próximos cinco años, el sistema de alcantarillado necesitará aproximadamente \$1.1 millones para realizar mejoras. Las mejoras en la infraestructura son necesarias para evitar fugas en el sistema de alcantarillado y costosas reparaciones de emergencia.

#### ***Cambios propuestos en la estructura de tarifas de alcantarillado***

La Ciudad tiene programas separados de cargos para clientes de alcantarillado residenciales y comerciales. A todos los clientes residenciales unifamiliares y multifamiliares se les factura un cargo fijo por unidad de vivienda. A los clientes comerciales se les cobra un cargo fijo más una tarifa por volumen basada en el consumo medido de agua. Hay seis subcategorías de clientes comerciales de alcantarillado. Las tarifas por volumen corresponden al costo de transporte y tratamiento de los contaminantes de las aguas residuales de cada grupo. La descarga de aguas residuales de mayor resistencia se factura a una tasa más alta porque su tratamiento es más costoso.

La Ciudad está proponiendo implementar una tarifa de alcantarillado separada para los clientes de residenciales multifamiliares. Debido a que el flujo del alcantarillado no es medido, el consumo de agua se utiliza como estimación del flujo del alcantarillado. El estudio de costo del servicio analizó los patrones de consumo de cada clase de cliente y determinó que la clase de cliente de residencias multifamiliares típicamente usa menos agua que la clase de cliente unifamiliar. Las tarifas de alcantarillado propuestas reflejan el impacto proporcional de cada clase de cliente en el

#### ***Aviso público y proceso de protestas mayoritarias***

En 1996, los electores de California adoptaron la Propuesta 218. Las disposiciones de la Propuesta 218 indican que algunos tipos de “cargos relacionados con la propiedad” están sujetos a un proceso de “protesta mayoritaria”. De conformidad con el proceso de protesta mayoritaria, cualquier dueño de propiedad o cliente registrado puede presentar por escrito una protesta a los aumentos propuestos; sin embargo, siempre y cuando solo una protesta sea contada por cada parcela identificada.

Usted tiene derecho a presentar protestas por escrito por correo dirigidas a City Clerk, 117 Macneil Street, San Fernando, CA 91340 o en persona en ese lugar, o bien en la audiencia pública de protesta mayoritaria del 18 de noviembre de 2019 a las 6:00 p.m. siempre y cuando sea recibida antes de la conclusión de la audiencia. No se aceptarán protestas enviadas por correo electrónico, fax u otro medio electrónico. Por favor indique en el frente del sobre, ya sea que lo envíe por correo o lo entregue personalmente, que la carta con su protesta es para la audiencia pública sobre los ajustes propuestos a las tarifas de agua y alcantarillado (Public Hearing on the Proposed Water and Sewer Rate Adjustments). Toda protesta por escrito debe: 1) afirmar que el dueño de la propiedad o cliente identificado se opone al aumento propuesto en las tarifas de agua y/o alcantarillado; 2) proporcionar la ubicación de la parcela identificada (número de parcela según el tasador o dirección postal); y 3) incluir el nombre y la firma del dueño de la propiedad o cliente que presenta la protesta. Únicamente se puede contar una protesta por escrito por cada parcela afectada.

Si se presentan protestas en nombre de una mayoría de las parcelas sujetas a las tarifas antes de la conclusión de la audiencia pública, la Ciudad no podrá adoptar las tarifas propuestas. Si una mayoría de las parcelas no presenta protestas (es decir, objeciones), la Ciudad posee la autoridad de adoptar las tarifas propuestas. Cualquier cambio en las tarifas, si se promulga, entrará en vigor el 1 de enero de 2020.

sistema general de alcantarillado. La Ciudad también está proponiendo añadir un programa para ayudar a los clientes de bajos ingresos (ver “Asistencia en el pago de facturas” más adelante).

### ***Tarifas de alcantarillado propuestas***

Las tarifas de alcantarillado propuestas se muestran en el cuadro siguiente. La Ciudad factura de manera bimensual (cada dos meses). Después del aumento inicial del 1 de enero de 2020, se propone un aumento del 2% anual en las tarifas.

	Tarifas actuales	TARIFAS BIMENSUALES DE ALCANTARILLADO PROPUESTAS				
		1 de enero 2020	1 de enero 2021	1 de enero 2022	1 de enero 2023	1 de enero 2024
<b>CARGOS FIJOS</b>						
<u>Tipo de cliente</u>						
Residencial, unifamiliar	\$65.40	\$78.35	\$79.93	\$81.53	\$83.16	\$84.82
Residencial, multifamiliar	\$65.40	\$57.37	\$58.52	\$59.69	\$60.89	\$62.11
Comercial Grupo II (1)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Comercial Grupo III (2)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Comercial Grupo IV (3)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Propiedad de la Ciudad	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Industrial	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Escuelas (4)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Educación superior (4)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
<b>CARGOS POR VOLUMEN (por HCF)</b>						
<u>Tipo de cliente</u>						
Comercial Grupo II (1)	\$1.89	\$2.67	\$2.72	\$2.78	\$2.83	\$2.89
Comercial Grupo III (2)	\$3.04	\$4.43	\$4.52	\$4.61	\$4.70	\$4.79
Comercial Grupo IV (3)	\$4.57	\$6.54	\$6.67	\$6.80	\$6.94	\$7.08
Propiedad de la Ciudad	\$1.44	\$2.32	\$2.36	\$2.41	\$2.46	\$2.51
Industrial	\$1.44	\$2.38	\$2.43	\$2.48	\$2.53	\$2.58
Escuelas (4)	\$1.28	\$1.71	\$1.75	\$1.78	\$1.82	\$1.86
Educación superior (4)	\$1.28	\$1.71	\$1.75	\$1.78	\$1.82	\$1.86

Nota: Cien pies cúbicos (HCF) equivalen a 748 galones.

1 - Comercial Grupo II: estacionamiento de automóviles, peluquería, lavado de autos, iglesia, uso comercial, consultorio/clínica dental, tiendas departamentales y minoristas, procesamiento de películas, planta de procesamiento de alimentos (industrial), gimnasio/balneario, hospitales, teatro/cine en interiores, lavanderías, biblioteca: áreas públicas, aserraderos, organizaciones de membresía, cine (estudios), oficinas profesionales, servicios sociales,

2 - Comercial Grupo III: gasolinera (4 bombas como máximo), hoteles/moteles sin restaurantes, manufactura, manufactura (industrial), reparación y estaciones de servicio

3 - Comercial Grupo IV: panaderías (mayoristas)/tienda de donas, sala de banquetes/sala de baile, cafetería, hoteles/moteles con restaurantes, funeraria - área de embalsamamiento, restaurantes, supermercados

4 - Cargo por estudiante

## **ASISTENCIA EN EL PAGO DE FACTURAS**

La Ciudad ofrecerá un programa de asistencia para pagar la factura de servicios públicos para residentes de bajos ingresos. Los clientes que reúnen los requisitos recibirán un descuento de \$16 cada dos meses en el total de su factura de servicios públicos. El programa de asistencia en el pago de facturas se evaluará anualmente para determinar si hay fondos disponibles para el programa. Se proporciona información adicional en el sitio web de la Ciudad o llamando al (818) 898-1200.

### **Aviso de audiencia pública sobre los ajustes propuestos en las tarifas de agua y alcantarillado**

La Ciudad de San Fernando llevará a cabo una audiencia pública sobre las tarifas propuestas de agua y alcantarillado el ***lunes, 18 de noviembre de 2019 comenzando a las 6:00 p.m.***

en 117 Macneil Street, San Fernando, CA 91340.

