

RESOLUTION NO. 19-010

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DIXON ACCEPTING AND CLOSING THE PROPOSITION 218 PUBLIC NOTIFICATION AND PROTEST PROCESS AS IT RELATES TO THE PROPOSED WATER RATE INCREASES WITH RECEIPT OF LESS THAN A MAJORITY PROTEST

WHEREAS, Water service to properties within the City of Dixon ("City") is provided by two entities. California Water Service Company owns and operates the older, downtown core area water system; and

WHEREAS, as of August 11, 2014, the City of Dixon assumed ownership, operation, and maintenance of the water system servicing the balance of the City limits, which was formally operated by Dixon-Solano Water Authority ("DSWA"); and

WHEREAS, the City's current adopted water rates and fees are the same rates and fees established by DSWA in 2012 and 2013, prior to the transfer of ownership; and

WHEREAS, on September 15, 2014, the State Water Resources Control Board, Division of Drinking Water ("DDW") issued the City a Permit to Operate that required the City to complete, and implement the recommendations of: (1) a Strategic Asset Management Plan ("SAM Plan"), and (2) a Water Rate and Fee Study ("Rate Study"); and

WHEREAS, on April 10, 2018, the City accepted the Water System Master Plan and Strategic Asset Management Plan; and

WHEREAS, the City of Dixon Rate Study, Final Report, dated November 8, 2018 (the "Report"), prepared by Raftelis Financial Consultants, Inc. ("Raftelis") identifies water rate and fee increases necessary to finance infrastructure, operating, and maintenance needs of the City's water system; and

WHEREAS, on November 13, 2018 via Resolution 18-183 (a copy of which is attached hereto as Exhibit A), the City Council approved the Report prepared by Raftelis and directed staff to proceed with the Proposition 218 process for rate adoption; and

WHEREAS, the City of Dixon is required by law to comply with Proposition 218 requirements in the event it wishes to increase water rates; and

WHEREAS, Proposition 218 Notices (a copy of which is attached hereto as Exhibit B) were mailed, pursuant to Government Code section 53755, to the customer billing addresses, property owners and "occupants" of parcels within the City of Dixon water service area on December 4, 2013 (49 days prior to the Public Hearing), which complies with the minimum 45 day notice requirement; and

WHEREAS, a majority protest per the Proposition 218 process and the City of Dixon Guidelines for the Submission, Tabulation and Appeal of Protests Pursuant to Proposition 218

requires receipt of protests from 50% plus one of City water service area ratepayers, or property owners or "occupants" of parcels within the City of Dixon water service area, or 1,364 protests; and

WHEREAS, the City Clerk has performed a raw count of the protests and determined that the total protests received did not exceed the protest threshold of 1,364 protests.

NOW, THEREFORE, BE IT RESOLVED THAT THE COUNCIL OF THE CITY OF DIXON, does hereby accept and close the Proposition 218 public notification and protest process with receipt of less than a majority protest vote as declared by the City Clerk of the City of Dixon.

NOW, THEREFORE, BE IT FURTHER RESOLVED THAT THE COUNCIL OF THE CITY OF DIXON, that the rate increases in the Report approved by Council on November 13, 2018, which are summarized below, are hereby adopted and effective April 1, 2019:

Meter Size	Current FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
3/4"	\$28.68	\$50.51	\$75.77	\$90.93	\$97.30	\$97.30
1"	\$47.80	\$79.98	\$119.97	\$143.97	\$154.05	\$154.05
1 1/2"	\$95.58	\$153.67	\$230.51	\$276.62	\$295.99	\$295.99
2"	\$152.93	\$242.09	\$363.14	\$435.77	\$466.28	\$466.28
3"	\$320.20	\$522.10	\$783.15	\$939.78	\$1,005.57	\$1,005.57
4"	\$540.03	\$934.75	\$1,402.13	\$1,682.56	\$1,800.34	\$1,800.34
6"	\$1,146.98	\$1,922.15	\$2,883.23	\$3,459.88	\$3,702.08	\$3,702.08
8"	\$1,911.64	\$4,132.75	\$6,199.13	\$7,438.96	\$7,959.69	\$7,959.69

Bi-Monthly Water Usage Rates (\$/ccf)

Customer Class/Tier	Current FY 2018	Proposed FY 2019	Proposed FY 2020	Proposed FY 2021	Proposed FY 2022	Proposed FY 2023
Tiered Water Usage Rates						
SFR Tier 1 (0-20 ccf)	\$1.23	N/A	N/A	N/A	N/A	N/A
SFR Tier 2 (21-80 ccf)	\$1.54	N/A	N/A	N/A	N/A	N/A
SFR Tier 3 (81+ ccf)	\$2.32	N/A	N/A	N/A	N/A	N/A
Uniform Water Usage Rates	\$1.40	\$2.69	\$4.04	\$4.85	\$5.19	\$5.19

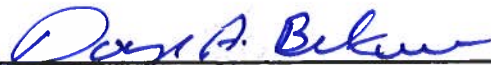
¹ The base fee for 1" residential meters with fire sprinklers are charged at the 3/4" meter rate.

RESOLUTION NO.: 19-010
DATE: JAN 22 2019

PASSED AND ADOPTED AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF DIXON THIS 22nd DAY OF JANUARY 2019 BY THE FOLLOWING VOTE:

AYES: Bird, Ernest, Minnema, Pederson, & Bogue
NOES: None
ABSENT: None
ABSTAIN: None

ATTEST:



Daryl Betancur, MMC
Interim City Clerk



Thom Bogue
Mayor