

ORDINANCE NO. 116

**AN ORDINANCE AMENDING ATTACHMENT "A" REGARDING RATES AND CHARGES
TO THE WATER SERVICE ORDINANCE
FOR THE MID-PENINSULA WATER DISTRICT**

* * *

MID-PENINSULA WATER DISTRICT

WHEREAS, the Board of Directors of the Mid-Peninsula Water District is authorized to establish and modify, as necessary, the rates and charges imposed for the provision of water service to its customers; and

WHEREAS, these rates and charges are set forth in Attachment "A" to the Water Service Ordinance, which was most recently updated and adopted as Ordinance No. 114 on June 25, 2015; and

WHEREAS, since the last adjustment in the rates and charges for water service to District customers as set forth in Attachment "A," the District continues to experience and anticipates further increases in operating and capital improvement costs, including the need to replace aging and substandard water distribution pipelines, and projections of additional increases to the wholesale water rates charged by the San Francisco Public Utilities Commission (SFPUC); and

WHEREAS, in order for the District to maintain its operations, address existing system deficiencies, improve fire flow and service reliability, adequately fund a long-term capital improvement program in light of these substantial increases in the costs of doing business, and respond to the California drought and the State-mandated water use reductions, the recommended increases, effective July 1, 2016, within the District's adopted 5-year water rates plan included a minimal increase in the monthly fixed system charges and implementation of small modifications to the single family residential tier breakpoints for Tiers 2, 3, and 4, which increases are compliant with the District's methodology that reasonably and equitably apportions costs in each of the District's water rate components and aligns the tier breakpoints with current single family residential consumption patterns; and

WHEREAS, as permitted by Government Code Section 53756, a pass-through of the SFPUC additional increase in projected wholesale water rates from \$3.78CCF to \$4.10 CCF, was recommended to cover the increased cost of treated water purchases from the SFPUC, effective July 1, 2016; and

WHEREAS, the District will provide no less than a 30-day notice of the approved rate increases by mailing a notice to each of its ratepayers by May 31, 2016; and

WHEREAS, having considered the entire record, including all the financial analyses and budget projections, the Board of Directors has determined that the proposed changes in the District's monthly fixed system charges and commodity charges, including the pass-through of the SFPUC's additional increase in wholesale water rates (from \$3.78CCF to \$4.10CCF), for its residential and non-residential customers are necessary and appropriate so as to allow the District to continue its operations and service at the same level and quality, to continue its critical capital improvement program, and to respond to the California drought.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the Mid-Peninsula Water District as follows:

Section 1: Attachment "A" to the Water Service Ordinance of the Mid-Peninsula Water District is amended and restated in its entirety as set forth on Attachment "A" attached hereto.


Section 2 – Effective Date: This Ordinance shall take effect and be in full force as of the date of its enactment, with the new rates reflected in bills to be sent to District customers commencing July 1, 2016. All prior ordinances or parts of ordinances that may be inconsistent with this Ordinance No. 116 hereby are repealed.

REGULARLY PASSED AND ADOPTED at a meeting of the Board of Directors of the Mid-Peninsula Water District duly held on the April 28, 2016, by the following vote:

AYES: Directors Stuebing, Vella, Warden, Zucca

NOES: 0

ABSENT: Director Linvill



President of the Board of Directors
Mid-Peninsula Water District

ATTEST:



Secretary of the Board



THE UNIVERSITY OF CHICAGO
LIBRARY
540 EAST 57TH STREET
CHICAGO, ILL. 60637
TEL: 773-936-3700
WWW.CHICAGO.EDU



WATER SERVICE ORDINANCE 103

ATTACHMENT A

SCHEDULE OF RATES AND FEES

I. ACCOUNT OPENING CHARGES

- A. Application for Regular or Temporary Water Service \$10

II. SERVICE CONNECTION CHARGES

Service connections to the Mid-Peninsula Water District (MPWD) system require payment of a Meter Charge, Service Line and Installation Charge, Water Capacity Charge, and Water Demand Offset Charge. Charges are based upon the size of the service connection.

- A. Meter Charge – CURRENT ACTUAL COST

- B. Service Line and Installation Charge – CURRENT ACTUAL COST

An advance deposit will be required for service connections in the amount of the MPWD's estimate of the total cost to install. Any excess of actual installed costs shall be refunded to applicant. Any shortfall between the MPWD's estimate and actual installed costs shall be paid by the applicant prior to water service being activated.

C. Water System Capacity Charge

WATER SYSTEM CAPACITY CHARGES				
RESIDENTIAL		<u>Water Demand^{1,2}</u>		<u>Capacity Charge</u>
<i>Charge applies per residential dwelling unit</i>				
Single Family Detached Dwelling Unit	200	gpd		\$9,375
<i>Charge applies to residential dwelling units served by meters up to 1-inch</i>				
Multi-Family Dwelling Unit	120	gpd		\$5,625
<i>Includes: apartments, townhouses, condominiums, and other developments with multiple residential units and separate irrigation meters as designated by the District</i>				
OTHER CONNECTIONS				
<i>Charge applies based on meter size</i>				
<u>Meter Size</u>	<u>Meter Capacity Ratio³</u>	<u>Water Demand⁴</u>		<u>Capacity Charge</u>
Up to 3/4"	1.00	200	gpd	\$9,375
1"	1.67	333	gpd	15,625
1-1/2"	3.33	667	gpd	31,250
2"	5.33	1,067	gpd	50,000
3"	10.00	2,000	gpd	93,750
4"	16.67	3,333	gpd	156,250
6"	33.33	6,667	gpd	312,500
8"	53.33	10,667	gpd	500,000
<p>1 Single family residential demand based on average water use in 2013/14 reduced to account for 10% additional conservation.</p> <p>2 Multi-family demand estimated at 60% of single family detached water demand accounting for minimal to no outdoor irrigation and reduced average occupancy per dwelling unit.</p> <p>3 Based on standard American Water Works Association meter capacities.</p> <p>4 Demand conservatively estimated based on 200 gpd multiplied by meter capacity ratio.</p>				

Note: Standard charges shown. The District reserves the right to calculate alternative charges on a case-by-case basis to ensure charges reflect estimated water demand and/or recover the full costs of facilities benefiting new or expanded water service connections.

D. Water Demand Offset Charge

WATER DEMAND OFFSET CHARGES				
	UWMP Water Shortage Response Stages			
	Stage 1	Stage 2	Stage 3	Stage 4
Water Supply Reduction	Up to 11%	12% - 18%	19% - 32%	33% - 50%
Required Water Demand Offset	25%	50%	75%	100%
RESIDENTIAL				
<i>Charge applies per residential dwelling unit</i>				
Single Family Detached Dwelling Unit	\$633	\$1,217	\$1,800	\$2,383
<i>Applies to residential dwelling units served by meters up to 1-inch.</i>				
Multi-Family Dwelling Unit	\$380	\$730	\$1,080	\$1,430
<i>Includes: apartments, townhouses, condominiums, and other developments with multiple residential units and separate irrigation meters as designated by the District</i>				
OTHER CONNECTIONS				
<i>Charge based on meter size</i>				
Meter Size				
Up to 3/4"	\$633	\$1,217	\$1,800	\$2,383
1"	1,055	2,028	3,000	3,972
1-1/2"	2,110	4,057	6,000	7,943
2"	3,376	6,491	9,600	12,709
3"	6,330	12,170	18,000	23,830
4"	10,550	20,283	30,000	39,717
6"	21,100	40,567	60,000	79,433
8"	33,760	64,907	96,000	127,093

E. Temporary Water Service Connection for Construction \$1,610

III. MONTHLY SERVICE AND COMMODITY CHARGES

Rates Effective July 1, 2016 with SFPUC Wholesale Pass-Through				
Proposed Rates Effective July 1, 2016				
		Previously Adopted Rates	SFPUC Wholesale Rate Pass Through*	Total With SFPUC Rate Pass Through
Fixed Monthly Charges				
<i>Billed based on meter size</i>				
Meter	Meter Ratio			
5/8"	1.00	\$24.00		\$24.00
1"	1.50	36.00		36.00
1 1/2"	2.50	60.00		60.00
2"	4.00	96.00		96.00
3"	6.00	144.00		144.00
4"	10.00	240.00		240.00
6"	25.00	600.00		600.00
Water Consumption Charges				
<i>Billed based on monthly metered water use (\$/hcf)</i>				
<u>Residential Rate Tiers</u>				
Tier 1	0 - 2 hcf	\$5.30	\$0.32	\$5.62
Tier 2	3 - 8 hcf	7.90	0.32	8.22
Tier 3	9 - 20 hcf	9.50	0.32	9.82
Tier 4	Over 20 hcf	11.10	0.32	11.42
<u>Commercial Rate Tiers</u>				
Tier 1	0 - 5 hcf	\$7.25	\$0.32	\$7.57
Tier 2	Over 5 hcf	8.35	0.32	8.67
Note: 1 hcf = one hundred cubic feet or approximately 748 gallons.				

* The SFPUC wholesale water rate pass through effective July 1, 2016 equals \$0.32 per hcf based on the incremental difference between the baseline rate of \$3.78 per hcf referenced in the MPWD's Proposition 218 Notice and SFPUC's wholesale rate of \$4.10 per hcf adopted on May 10, 2016.

Pursuant to the Government Code, the MPWD reserves the right to increase its water consumption charges to recover any additional unanticipated SFPUC water rate increases.

IV. WATER SHORTAGE EMERGENCY RATES

Water Shortage Emergency Rates may be implemented by authorization of MPWD's Board of Directors up to the maximum levels shown on the table below, which correspond with a 50% cutback in water demand from usage in 2013.

Maximum Water Shortage Emergency Rates					
Maximum rates effective on or after:					
	July 1 2015	July 1 2016	July 1 2017	July 1 2018	July 1 2019
WATER SHORTAGE EMERGENCY RATES (CONSUMPTION CHARGES)					
<i>Billed based on monthly metered water use (\$/hcf)*</i>					
<u>Single Family Residential Rate Tiers</u>					
Tier 1	\$5.00	\$5.30	\$5.60	\$5.90	\$6.25
Tier 2	9.90	10.57	11.15	11.72	12.14
Tier 3	11.88	12.71	13.43	14.23	14.83
Tier 4	13.86	14.85	15.72	16.74	17.53
<u>All Other Rate Tiers</u>					
Tier 1	\$9.24	\$9.70	\$10.07	\$10.50	\$10.79
Tier 2	10.56	11.17	11.69	12.33	12.81

* 1 hcf = one hundred cubic feet or approximately 748 gallons.

Based on same levels of water use per tier as shown in MPWD Water Rates table.

V. PRIVATE FIRE PROTECTION SERVICE CHARGES

- A. Residential \$1.25/Month
- B. Non-Residential \$6.25/Month

VI. MISCELLANEOUS CHARGES

- A. Returned Check \$25 per returned check
- B. Reconnection/Reinstatement of Service \$40 per reconnection
- C. Unauthorized Connection to Fire Hydrant \$1,000 per connection
- D. Unauthorized Hydrant Valve Operation \$500 per operation
- E. Meter Test Deposit \$200 per test
- F. Copy Fee \$0.10 per page
- G. After-Hours Service Call \$40 per service call

