

RESOLUTION NO. 09-118

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, ADOPTING A RECYCLED WATER RATE SCHEDULE FOR USERS OF CITY OF LANCASTER RECYCLED WATER SYSTEM

WHEREAS, the City Council adopted Ordinance No. 841 on March 8, 2005, establishing a recycled water master plan and implementation of procedures for a City owned and operated recycled water distribution and direct reuse system in the City of Lancaster; and

WHEREAS, the City is constructing a recycled water system in accordance with the approved Recycled Water Master Facilities Plan (January 2006) for the distribution of recycled water to future users within the City of Lancaster and County of Los Angeles; and

WHEREAS, Ordinance No. 841 provides for the establishment of a recycled water rate by resolution for the operation, maintenance and servicing of the recycled water system; and

WHEREAS, the City Council desires to collect a Recycled Water Rate sufficient to cover costs associated with operation, maintenance and servicing, including reserves for system maintenance and replacement; and

WHEREAS, in order to promote the use of recycled water the City Council desires to provide recycled water at a cost less than the cost of purchasing potable water from Los Angeles County Waterworks District 40 Antelope Valley; and

WHEREAS, at times developers are required to incur additional costs for water related improvements to serve their site(s) other than recycled water improvements, and such additional costs may make the use of recycled water uneconomical; and

WHEREAS, the Public Works Director is in a position of authority to determine such additional developer incurred costs and make appropriate judgment of the costs and project benefits and reduce the connection charges based on specific criteria identified in Exhibit "A" attached hereto; and

WHEREAS, the attached Proposed Recycled Water Rate Schedule (Exhibit "A") shall apply to all users of recycled water distributed by the City of Lancaster Recycled Water System; and

WHEREAS, a public hearing was properly noticed in accordance with State Law.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, STATE OF CALIFORNIA, THAT:

Section 1. The City Council finds and determines the Proposed Recycled Water Rate Schedule, attached as Exhibit "A" hereto is appropriate and approved.

Section 2. The City Council directs that the Recycled Water Rate Schedule be reviewed periodically and appropriately adjusted to ensure that rates adequately cover the cost of operation, maintenance and servicing, including reserves for system maintenance and replacement.

Section 3. Any adjustments to the Recycled Water Rate Schedule shall be brought before the City Council for adoption prior to implementation.

Section 4. All fees collected pursuant to the Recycled Water Rate Schedule shall be deposited into the Recycled Water Fund and be used to provide recycled water operation, maintenance and servicing, including reserves for system maintenance and replacement.

Section 5. The Public Works Director of the City of Lancaster shall have the authority to reduce (up to a maximum of 50%) the connection charge based on criteria in attached Exhibit "A".

PASSED, APPROVED, and ADOPTED this _____ day of _____, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

GERI K. BRYAN, CMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF LANCASTER)

CERTIFICATION OF RESOLUTION
CITY COUNCIL

I, _____, _____ City of Lancaster, CA,
do hereby certify that this is a true and correct copy of the original Resolution No. 09-118, for
which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this
_____ day of _____, _____.

(seal)

Exhibit “A”

City of Lancaster
Recycled Water Rate Structure
Schedule
December 2009

Table of Contents

General Requirements:

Purpose
Authority of Public Works Director
Fee Resolution
Backup Water

Schedule of Rates

Rate RW-1, Metered, Recycled Water Service - Non LACWW 40 Customers
Rate RW-2, Metered, Recycled Water Service - Existing LACWW 40 Customers
Rate RW-3 Bulk, Metered, Recycled Water
Rate RW-4 Bulk, Unmetered, Recycled Water

Schedule of Charges

Minimum Monthly Meter Charge
Monthly Quantity Charge
Connection Charge
Construction Meter Charge
Determination
Adjustment(s)
Schedule

Payment

Meter Reading
Billing Units
Invoice
Delinquent Accounts

Minimum Meter Sizing Table

Tables

General

Purpose: The purpose of this document is to set forth the requirements for use of recycled water in the City of Lancaster and to establish the charges and rate structure for recycled water users. It is the intent of the City of Lancaster to maintain the charges and rates at a level less than those for potable water.

Authority of Public Works Director: The Public Works Director (Director) has the authority to determine which new developments or existing developments will be required or allowed to use recycled water provided by the City of Lancaster in accordance with Ordinance No. 841 of the City of Lancaster. The Director shall also have the authority to determine adjustments to the connection charge for the applicable developments. The adjustments are discussed below and include reductions based on allowable water related improvements costs incurred that are associated with the development.

Fee Resolution: The charges and rates associated with recycled water use shall be as approved by Resolution of the City Council. Rates shall be adjusted for inflationary factors annually using the Los Angeles Area Consumer Price Index (CPI) as published by the U.S Department of Labor.

Backup Water: Each site is to have a backup source of water connection or storage for their site for occasions when there is a disruption in the recycled water supply. Such connections will require backflow prevention devices to protect potable water supplies and shall be made at the developer's expense.

Schedule of Rates

Rate RW-1, Metered, Recycled Water Service - Non LACWW 40 Customers

Applicability - Applicable to all new users of recycled water that are **not**, at time of application for recycled water, being served potable water by Los Angeles County Waterworks District 40, Antelope Valley. This rate consists of three charges: a Monthly Quantity Charge, a Minimum Monthly Meter Charge, and a Connection Charge as shown in Table RW-1 below.

Rate RW-2, Metered, Recycled Water Service - Existing LACWW 40 Customers

Applicability - Applicable to all new users of recycled water that are at time of application for recycled water, being served potable water by Los Angeles County Waterworks District 40, Antelope Valley. This rate consists of two charges: a Monthly Quantity Charge and a Minimum Monthly Meter Charge as shown below. There is no Connection Charge for RW-2 Customers. See Table RW-1 below.

Rate RW-3 Bulk, Metered, Recycled Water

Applicability - Applicable to all recycled water delivered to tank trucks, or other water carrying vessels or pipes where a portable meter is used and consists of a Monthly Temporary/Portable Meter Charge and a Monthly Quantity Charge as shown in Table RW-3 below. Also, a Meter Relocation Charge, as shown in Table RW-3 below, shall be charged when applicable. Other than portable meters assigned to users for trucks, City staff shall install the meter once all applicable arrangements are made. Contractor or developer is responsible for piping, fittings, etc. not necessary for meter installation.

Rate RW-4 Bulk, Unmetered, Recycled Water

Applicability - Applicable to all recycled water delivered to tank trucks, or other water carrying vessels where a portable meter is not required, as determined by the Director, and consists of a Monthly Quantity Charge as shown below. Generally, Rate RW-4 applies only to municipal uses or uses by others associated with a municipal project such as dust control during construction of a City improvement project. Other uses include: City street sweeping, sewer or storm drain cleaning and shoulder grading operations.

Schedule of Charges

Minimum Monthly Meter Charge - The Minimum Monthly Meter Charge (MMMC) entitles the customer to the quantity of water shown in Table RW-1 or RW-3 below for the size meter in use during the month. Water use over the Base Allowance will be charged at the Monthly Quantity Charge below. Meter sizes shall be in accordance with the Minimum Meter Sizing Table below.

Monthly Quantity Charge - The Monthly Quantity Charge (MQC) is the charge for the volume of recycled water used by any user in excess of the Base Allowance per meter size. It is applicable to all users. The charge is per one-hundred (100) cubic feet or any portion thereof of recycled water used.

Connection Charge - The Connection Charge is to assist the City in recouping its capital outlay for the construction of the Division Street Corridor Improvements and a future extension of the system to the Lancaster Wastewater Reclamation Plant.

Construction Meter Charge - A City of Lancaster construction meter shall be used by all contractors using recycled water for construction or dust control purposes. The meter shall be purchased by the City of Lancaster. The contractor shall fill out the application to use recycled water and request a meter. The City shall install all non-portable construction meters. Contractor shall pay the required fee(s) and fulfill all requirements of the User Agreement including site supervisor training and submitting other necessary forms prior to the use of recycled water. Contractor shall pay the Construction Meter Charge and the Monthly Quantity Charges when invoiced. Construction meters shall be brought in to the City as designated on the application each month to be read and inspected. The meter shall be returned to the City at the completion of the project or at any time the City requests. Correction of any damage to the meter shall be paid for by the Contractor. Contractor shall pay the charge for relocation of non-portable meters. Charges shall be per Table RW-3.

Determination

Determination of connection charges shall be made by the Public Works Director including any applicable adjustments identified below.

Adjustment(s) - As indicated above the Public Works Director has the authority to reduce the Connection Charge in accordance with specific criteria. The specific criteria are as follows:

1. A new customer may have other water related costs such as: constructing a well to provide potable water or as a source of back up water in the event recycled water is not available for a period of time. In this case a reduction to the amount of the fee to offset some of the additional water costs borne by the developer may be in order. The reduction may not be more than fifty percent (50%) of the initially calculated

- connection fee as determined by the Director. Payment of fees to any agency is not an eligible cost when determining reductions.
2. In the event a developer is required to design and install recycled water facility improvements to serve its site an additional reduction may be provided as determined by the Director. In such cases a credit may be given to reduce the connection charge to less than fifty percent (50%) of the initial connection charge.
 3. The Director shall review the information presented by the developer regarding design and construction costs etc and determine the amount of the connection charge reduction.
 4. In no case shall the allowed connection charge reduction be greater than one-hundred percent (100%) of the initially calculated connection charge.

Payment

Meter Reading - Meters will be read each month and data recorded in appropriate units and filed and maintained by City Staff.

Billing Units – Billing units are in increments of one-hundred (100) cubic feet (ccf).

Invoice – Invoices will be prepared and mailed out as needed, on or about the 15th of the month after the reading of the meter. Payment is due as shown on the invoice.

Delinquent Accounts – If payment is not received as indicated on the invoice the account shall be considered delinquent and shall be collected as allowed by Municipal Code.

Minimum Meter Sizing Table

Meters shall be sized as shown below for the estimated Maximum Rated Flow. Multiple smaller meters to serve a single property are not normally allowed. All meters shall be in appropriately sized meter boxes or vaults. All meters are the property of the City of Lancaster.

<u>Meter Size (inches)</u>	<u>Maximum Rated Flow of Meter (gpm)</u>
1	50
1-1/2	100
2	160
2-1/2	200
3	315
4	500
6	1,000
8	1,600
10	2,300
12	3,000

Tables

Monthly Quantity Charge- The Monthly Quantity Charge shall be \$0.77 per one-hundred (100) cubic feet used over the Base Allowance for the meter size shown in Table RW-1.

Table RW-1 Minimum Monthly Meter Charge (MMMC)

Meter Size inches	Base Allowance in ccf	MMMC	Quantity Charge per ccf
1	10	\$26.50	\$0.77
1 1/2	15	\$39.74	\$0.77
2	25	\$66.24	\$0.77
2 1/2	35	\$92.74	\$0.77
3	55	\$145.73	\$0.77
4	85	\$225.22	\$0.77
6	165	\$437.18	\$0.77
8	265	\$702.14	\$0.77
10	385	\$1,020.10	\$0.77
12	500	\$1,324.80	\$0.77

Connection Charge- The initial Connection Charge shall be \$1,428.76 per acre-foot of estimated annual recycled water use. The Connection Charge may be reduced as allowed in Adjustment(s) above.

Construction Meter Charge – The Construction Meter Charge shall be as shown in Table RW-3 below.

Table RW-3 Bulk, Metered, Recycled Water

Meter Size (inches)	Base Allowance (ccf)	Construction Meter Charge	Meter Relocation Charge	Quantity Charge per ccf
1	10	\$136.33	\$58.82	\$0.77
1 1/2	15	\$136.33	\$58.82	\$0.77
2	25	\$136.33	\$58.82	\$0.77
2.5 FH Meter	35	\$154.07	\$72.83	\$0.77
3	55	\$232.51	\$135.40	\$0.77
4	85	\$384.71	\$224.10	\$0.77