



AGENDA
NOTICE AND CALL OF SPECIAL MEETING
OF THE LAKEPORT CITY COUNCIL
Tuesday, October 26, 2021 6:00 p.m.
City Council Chambers, 225 Park Street, Lakeport, California 95453
See Teleconferencing Instructions Below

In accordance with updated guidelines from the State of California and revised Cal OSHA Emergency Temporary Standards, persons that are NOT fully vaccinated for COVID-19 are required to wear a face covering at this meeting.

Pursuant to Assembly Bill 361, signed by Governor Newsom on September 16, 2021, the special meeting of the City Council for **October 26, 2021 will be conducted both in person, and telephonically through Zoom.**

If you cannot attend in person, and would like to speak on an agenda item, you can access the **Zoom meeting remotely:**

Join from a PC, Mac, iPad, iPhone or Android device:

Please click this URL to join. <https://zoom.us/j/97368201787?pwd=a2NvVnN6MEFjQ2Exc2pTZkpldU1sQT09>

Passcode: 477973

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 669 900 9128 or +1 346 248 7799 or +1 253 215 8782 or +1 646 558 8656 or +1 301 715 8592 or +1 312 626 6799

Webinar ID: 973 6820 1787

Passcode: 477973

International numbers available: <https://zoom.us/u/abNyiaqY1I>

The City wants you to know that you can also submit your comments by email to virtualhost@cityoflakeport.com.

To give the City Clerk adequate time to print out your comments for consideration at the meeting, please submit your written comments prior to **3:30 p.m. on Tuesday, October 26, 2021.**

Please indicate in the email Subject Line "FOR PUBLIC COMMENT" and list the item number you wish to comment on.

Comments that you want read to the Council will be subject to the three minute time limitation (approximately 350 words).

Written comments that are only to be provided to Council and not read at the meeting will be distributed to the Council prior to the meeting.

The City of Lakeport thanks you in advance for taking all precautions to prevent spreading the COVID-19 virus.



AGENDA
NOTICE AND CALL OF SPECIAL MEETING
OF THE LAKEPORT CITY COUNCIL
Tuesday, October 26, 2021
6:00 p.m.

TO THE MEMBERS OF THE CITY COUNCIL OF THE CITY OF LAKEPORT:

NOTICE IS HEREBY GIVEN that a Special Meeting of the Lakeport City Council is hereby called to be held on Tuesday, **October 26, 2021, at 6:00 p.m.** for the purpose of discussing and acting on the following:

Water Rate Increase: Adopt the Resolution establishing new water rates effective November 1, 2021 as presented

Adjournment:

Dated: 10/25/2021

Hilary Britton, Deputy City Clerk



CITY OF LAKEPORT

- City Council
- City of Lakeport Municipal Sewer District
- Lakeport Redevelopment Successor Agency
- Lakeport Industrial Development Agency
- Municipal Financing Agency of Lakeport

STAFF REPORT	
RE: Adopt Resolution Establishing New Water Rates	MEETING DATE: 10/26/21
SUBMITTED BY: Nicholas Walker, ACM/Finance Director	
PURPOSE OF REPORT: <input type="checkbox"/> Information only <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Action Item	

WHAT IS BEING ASKED OF THE CITY COUNCIL/BOARD:

The City Council is being asked to adopt Resolution establishing new water rates effective November 1, 2021.

BACKGROUND/DISCUSSION:

Under the City’s Water System Ordinance adopted in 1954, resolutions relating to the water enterprise require two readings unlike resolutions generally. (LMC § 13.04.040.) As a result, to ensure proper adoption of the water rates we are holding this special meeting before November 1, 2021. By contrast, the City’s Wastewater Ordinance was recently revised in 2008 and therefore does not contain this restriction on adoption of resolutions.

On October 19, 2021 the City Council voted 5-0 to approve the attached resolution. A vote approving the resolution tonight will effectuate the water rates to be implemented November 1, 2021.

OPTIONS:

1. Adopt proposed resolutions
2. Do not adopt proposed resolutions and provide staff with further direction

FISCAL IMPACT:

None \$ Budgeted Item? Yes No

Budget Adjustment Needed? Yes No If yes, amount of appropriation increase: \$

Affected fund(s): General Fund Water OM Fund Sewer OM Fund Other:

Comments:

SUGGESTED MOTIONS:

Move to adopt the Resolution establishing new water rates effective November 1, 2021 as presented

- Attachments:** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEPORT ESTABLISHING WATER RATES PURSUANT TO CHAPTER 13.20 OF THE LAKEPORT MUNICIPAL CODE

RESOLUTION NO. _____ (2021)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEPORT ESTABLISHING WATER RATES PURSUANT TO CHAPTER 13.04 OF THE LAKEPORT MUNICIPAL CODE

WHEREAS, the City Council has determined that the water rates should reflect the cost of providing water service, including the continued repair, replacement and maintenance of the water system infrastructure; and

WHEREAS, the City Manager has submitted a report prepared by Willdan Financial Services analyzing said operating costs and funding requirements for operating costs and capital improvements of the water system; and

WHEREAS, said report entitled “Water & Sewer Rate Study” recommended an increase in the existing water rates to sustain ongoing operating costs, funding of services, capital improvements and emergency repairs; and

WHEREAS, water revenue fund debt obligations contain, among other things, a rate covenant whereby the City agreed it would establish and collect rates, fees and charges and manage the operation of the Water System such that Water System revenues would be at least sufficient to pay all current operation and maintenance costs, and all payments required under the terms of the obligations, and all payments to meet other obligations of the City which are charges, liens or encumbrances upon Water System revenues, including the payments due under obligations; and

WHEREAS, water revenue fund debt obligations contain, among other things, a rate covenant whereby the City further agreed to establish and collect rates, fees and charges for each fiscal year so as to yield Water System Net revenues equal to at least 120% of the annual debt service during such fiscal year; and

WHEREAS, on August 17, 2021, the City Council designated October 19, 2021, as a Public Hearing date for Proposed Water and Sewer Rates, and approved the Proposition 218 Notice for fiscal years ending 2022 to 2026 water rates to be mailed out at least 45 days prior to the Public Hearing date; and

WHEREAS, in accordance with the Proposition 218 Notice, on October 19, 2021, a Public Hearing was convened, at which time the City Council considered the written and oral protest filed or presented in connection therewith; and

WHEREAS, the City Council finds that the written protests received are less than 50% of the parcels affected thereby.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Lakeport determines that:

SECTION 1

Regarding the revised rates and charges for water rates set forth and adopted by this resolution, the City Council of the City of Lakeport hereby accepts, approves and adopts the Water & Sewer Rate Study and finds that:

- A. Revenue from the increase in water rates and charges will not exceed the cost of providing water service.

- B. The increased rates and charges for water rates and charges will not exceed the proportional cost of water services attributable to the parcel or customer.
- C. Revenues derived from the increased water rates and charges will be used only for the purpose for which the rate, charges or fees are imposed.
- D. The City will impose the increased water rates and charges only if service(s) is/are actually used by, or immediately available to, the customer-of-record or property owner.
- E. The City will not raise water rates and charges for the purpose of generating general governmental service revenues.

SECTION 2

In accordance with Chapter 13.04 of the Lakeport Municipal Code, the City Council does hereby accept and adopt the proposed schedule of water rates for fiscal years 2021–2022 to 2025–2026 attached hereto as Exhibit “A.”

SECTION 3

The increases in the rates set forth in Exhibit “A” shall be made effective on November 1, 2021, and each succeeding increase shall be made effective on July 1 of each succeeding year.

SECTION 4

If any section or any portion thereof of this resolution is held to be unconstitutional, invalid, or unenforceable by any court of competent jurisdiction, said ruling shall negate only the applicable section, or portion thereof, and the balance of this resolution shall stand as written and shall remain in full force and effect.

SECTION 5

All resolutions or parts of resolutions inconsistent with this resolution are hereby repealed to the extent of such inconsistency.

SECTION 6

The City Clerk of the City of Lakeport shall certify to the passage and adoption of this resolution and its approval by the City Council and shall cause the same to be listed in the records of the City.

INTRODUCED and first read after public hearing of the City Council on October 19, 2021, by the following vote:

AYES: Mayor Parlet, Council Members Froio, Green, Mattina, and Turner

NOES: None

ABSTAIN: None

ABSENT: None

FINAL PASSAGE AND ADOPTION by the City Council of Lakeport occurred at a meeting thereof held on the 26th day of October 2021, by the following vote:

AYES:

NOES:
ABSTAIN:
ABSENT:

KENETH PARLET, Mayor

ATTEST:

KELLY BUENDIA, City Clerk

Attachment A

Proposed Water Rates

Fiscal Years 2021-22 through FY 2025-26

Description	Existing Rates ^[1]	Projected For Fiscal Year Ending June 30:				
		2022	2023	2024	2025	2026
Monthly Service Charge by Meter Size:						
5/8 Inch x 3/4 Inch ^[2]	\$ 34.85	\$ 34.52	\$ 37.28	\$ 38.21	\$ 39.17	\$ 40.15
1.0 Inch	\$ 69.70	\$ 72.08	\$ 77.84	\$ 79.78	\$ 81.79	\$ 83.83
1.5 Inch	\$ 145.10	\$ 134.67	\$ 145.43	\$ 149.06	\$ 152.80	\$ 156.63
2.0 Inch	\$ 208.90	\$ 209.78	\$ 226.55	\$ 232.20	\$ 238.04	\$ 243.99
3.0 Inch	\$ 418.10	\$ 385.03	\$ 415.78	\$ 426.16	\$ 436.86	\$ 447.79
4.0 Inch	\$ 696.80	\$ 635.40	\$ 686.18	\$ 703.29	\$ 720.96	\$ 739.00
6.0 Inch	\$ 1,341.20	\$ 1,261.31	\$ 1,362.10	\$ 1,396.08	\$ 1,431.15	\$ 1,466.96
Multi-Family Monthly Service Charge Per Dwelling Unit						
Apartments	\$ 20.90	\$ 34.52	\$ 37.28	\$ 38.21	\$ 39.17	\$ 40.15
Duplex, Triplex and Mobile Home	\$ 26.15	\$ 34.52	\$ 37.28	\$ 38.21	\$ 39.17	\$ 40.15
Motel and Bed & Breakfast w/o Kitchen	\$ 17.45	\$ 34.52	\$ 37.28	\$ 38.21	\$ 39.17	\$ 40.15
Motel and Bed & Breakfast w/Kitchen	\$ 20.90	\$ 34.52	\$ 37.28	\$ 38.21	\$ 39.17	\$ 40.15
Volumetric Rates Per 100 Cubic Feet:						
Single-Family Residential						
0 - 600 Cubic Feet	\$ 1.92	\$ 2.92	\$ 3.16	\$ 3.24	\$ 3.32	\$ 3.40
601 - 1,200 Cubic Feet	\$ 3.36	\$ 4.71	\$ 5.08	\$ 5.21	\$ 5.34	\$ 5.47
Over 1,200 Cubic Feet	\$ 5.94	\$ 7.23	\$ 7.81	\$ 8.01	\$ 8.21	\$ 8.41
Multi-Family						
0 - 400 Cubic Feet	\$ 2.23	\$ 2.72	\$ 2.93	\$ 3.00	\$ 3.08	\$ 3.16
All Flow Over 400 Cubic Feet	\$ 5.54	\$ 4.12	\$ 4.44	\$ 4.55	\$ 4.67	\$ 4.79
All Other Customers						
Tier 1	\$ 2.23	\$ 4.39	\$ 4.75	\$ 4.87	\$ 4.99	\$ 5.11
Tier 2	\$ 5.54	\$ 4.39	\$ 4.75	\$ 4.87	\$ 4.99	\$ 5.11
Notes:						
[1] For Commercial & Irrigation customers, Tier 1 and Tier 2 thresholds are adjusted by meter size. For Apartments, Motels and Bed & Breakfast customers, the first tier is 300 cubic feet per dwelling unit. For Duplex, Triplex and Mobile Home customers, the first tier is 500 cubic feet per dwelling unit.						
[2] All Single-Family Residential customers are billed at the 5/8 x 3/4 Inch Service Charge Rate.						