

**IN THE CITY COUNCIL OF THE CITY OF LIVERMORE, CALIFORNIA**

**A RESOLUTION AMENDING WATER RATES AND CHARGES FOR  
FY 2012-13 AND 2013-14**

The City of Livermore operates the municipal water system as an Enterprise fund, with customer rates and charges providing full funding for all water storage and distribution system costs, including capital improvement projects to renew and replace water system facilities and the cost of purchasing water from the Zone 7 Water Agency.

Water rates and charges must be adjusted to provide renewal/replacement funding and to reflect past increases in the cost of purchased water from Zone 7 as well as a provision to increase rates to pass through annually any future Zone 7 water cost increases beginning in January 2013 and for the next five (5) years upon notice to customers as required by law.

The Water Resources Division staff has completed a Water Rate Study in conjunction with utility management consultants NBS Government Finance Group which identifies the revenue necessary to fund expected expenses of the Livermore Municipal Water Enterprise.

Notices of a public hearing for increasing water rates for FY 2012-13 and 2013-14 were mailed out to all property owners within Livermore Municipal Water's service area on or before March 29, 2012 as required by the provisions of Proposition 218.

A public hearing on proposed increases and adjustments to water rates was held by the City Council on May 14, 2012.

The City Council determined that a majority protest to the increases to water rates does not exist at the conclusion of the public hearing.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Livermore as follows:

Section 1. Deposits, Meter Testing Fees, Service Reconnection Fees, Water Rates and Charges. Pursuant to Chapters 13.08, 13.16 and 13.20 of the Livermore Municipal Code, the City Council establishes the following deposits, meter testing fees, service reconnection fees, water rates and charges for meters and water furnished by the City of Livermore:

DEPOSITS

The amount of deposit required for water service for an applicant who is not the owner of the premises shall be as follows:

If the application is for residential service:

5/8" meter ..... \$ 100.00

1" ..... 100.00

If the application is for service other than residential:

5/8" or 3/4" meter ..... \$ 100.00  
 1" or 1-1/2" meter ..... 100.00  
 2" or 3" meter ..... 200.00  
 4" or larger ..... 400.00

The amount of deposit required for the meter provided by the City in furnishing water for construction work shall be as follows:

5/8", 3/4" and 1" meter ..... \$ 250.00  
 3" and larger ..... 1,000.00

**METER TESTING FEES**

The meter testing fee shall be \$100.00 for meters up to 2 inches in size and \$200.00 for meters larger than 2 inches.

**RECONNECTION FEES**

The service reconnection fee shall be \$40.00 for first-time restoration and \$60.00 for any subsequent restoration in a 12-month period. The reconnection fee will be \$250.00 if the reconnection occurs between the hours of 5:00 pm and 8:00 am. The reconnection fee shall be \$100.00 if the water meter is removed.

**WATER RATES FOR SERVICE WITHIN THE CORPORATE LIMITS OF THE CITY OF LIVERMORE**

**Quantity Rate**

For all water delivered per water meter per month:

**Normal Supply - Voluntary Conservation**

**Residential – Single Family**

Rate Tier	Per 100 Cu ft	Effective July 1, 2012			Effective July 1, 2013		
		Wholesale Water Cost per 100 Cubic Feet	City Distribution Cost per 100 Cubic Feet	Total Cost per 100 Cubic Feet	Wholesale Water Cost <sup>1</sup> Per 100 Cubic Feet	City Distribution Cost Per 100 Cubic Feet	Total Cost Per 100 Cubic Feet
Tier I	0-5	2.170	0.227	2.397	2.322	0.237	2.559
Tier II	5-35	2.170	0.703	2.873	2.322	0.735	3.057
Tier III	Over 35	2.170	2.276	4.446	2.322	2.379	4.700

1. Wholesale Water Costs shown on July 1, 2013 are based on an estimated 7% increase in Zone 7 Water Agency Rates on January 1, 2013.

## Residential – Multi Family

Rate Tier	Per 100 Cu ft	Effective July 1, 2012			Effective July 1, 2013		
		Wholesale Water Cost per 100 Cubic Feet	City Distribution Cost per 100 Cubic Feet	Total Cost per 100 Cubic Feet	Wholesale Water Cost <sup>1</sup> Per 100 Cubic Feet	City Distribution Cost Per 100 Cubic Feet	Total Cost Per 100 Cubic Feet
Tier I	0-50	2.170	0.703	2.873	2.322	0.735	3.057
Tier II	Over 50	2.170	2.276	4.446	2.322	2.379	4.700

## Commercial

Rate Tier	Per 100 Cu ft	Effective July 1, 2012			Effective July 1, 2013		
		Wholesale Water Cost per 100 Cubic Feet	City Distribution Cost per 100 Cubic Feet	Total Cost per 100 Cubic Feet	Wholesale Water Cost <sup>1</sup> Per 100 Cubic Feet	City Distribution Cost Per 100 Cubic Feet	Total Cost Per 100 Cubic Feet
Tier I	0-50	2.170	0.703	2.873	2.322	0.735	3.057
Tier II	Over 50	2.170	2.276	4.446	2.322	2.379	4.700

## Stage I - Voluntary 10% Water Conservation

### Residential – Single Family

Rate Tier	Per 100 Cu ft	Effective July 1, 2012			Effective July 1, 2013		
		Wholesale Water Cost per 100 Cubic Feet	City Distribution Cost per 100 Cubic Feet	Total Cost per 100 Cubic Feet	Wholesale Water Cost <sup>1</sup> Per 100 Cubic Feet	City Distribution Cost Per 100 Cubic Feet	Total Cost Per 100 Cubic Feet
Tier I	0-5	2.170	0.494	2.664	2.322	0.516	2.838
Tier II	5-35	2.170	1.023	3.193	2.322	1.069	3.391
Tier III	Over 35	2.170	2.770	4.940	2.322	2.894	5.216

### Residential – Multi Family

Rate Tier	Per 100 Cu ft	Effective July 1, 2012			Effective July 1, 2013		
		Wholesale Water Cost per 100 Cubic Feet	City Distribution Cost per 100 Cubic Feet	Total Cost per 100 Cubic Feet	Wholesale Water Cost <sup>1</sup> Per 100 Cubic Feet	City Distribution Cost Per 100 Cubic Feet	Total Cost Per 100 Cubic Feet
Tier I	0-50	2.170	1.023	3.193	2.322	1.069	3.391
Tier II	Over 50	2.170	2.770	4.940	2.322	2.894	5.216

## Commercial

Rate Tier	Per 100 Cu ft	Effective July 1, 2012			Effective July 1, 2013		
		Wholesale Water Cost per 100 Cubic Feet	City Distribution Cost per 100 Cubic Feet	Total Cost per 100 Cubic Feet	Wholesale Water Cost <sup>1</sup> Per 100 Cubic Feet	City Distribution Cost Per 100 Cubic Feet	Total Cost Per 100 Cubic Feet
Tier I	0-50	2.170	1.023	3.193	2.322	1.069	3.391
Tier II	Over 50	2.170	2.770	4.940	2.322	2.894	5.216

1. Wholesale Water Costs shown on July 1, 2013 are based on an estimated 7% increase in Zone 7 Water Agency Rates on January 1, 2013.

## Stage II – Voluntary/Mandatory 20% Water Conservation

### Residential – Single Family

Rate Tier	Per 100 Cu ft	Effective July 1, 2012			Effective July 1, 2013		
		Wholesale Water Cost per 100 Cubic Feet	City Distribution Cost per 100 Cubic Feet	Total Cost per 100 Cubic Feet	Wholesale Water Cost <sup>1</sup> Per 100 Cubic Feet	City Distribution Cost Per 100 Cubic Feet	Total Cost Per 100 Cubic Feet
Tier I	0-5	2.170	0.860	3.030	2.322	0.899	3.221
Tier II	5-35	2.170	1.462	3.632	2.322	1.528	3.850
Tier III	Over 35	2.170	3.450	5.620	2.322	3.605	5.927

### Residential – Multi Family

Rate Tier	Per 100 Cu ft	Effective July 1, 2012			Effective July 1, 2013		
		Wholesale Water Cost per 100 Cubic Feet	City Distribution Cost per 100 Cubic Feet	Total Cost per 100 Cubic Feet	Wholesale Water Cost <sup>1</sup> Per 100 Cubic Feet	City Distribution Cost Per 100 Cubic Feet	Total Cost Per 100 Cubic Feet
Tier I	0-50	2.170	1.462	3.632	2.322	1.528	3.850
Tier II	Over 50	2.170	3.450	5.620	2.322	3.605	5.927

### Commercial

Rate Tier	Per 100 Cu ft	Effective July 1, 2012			Effective July 1, 2013		
		Wholesale Water Cost per 100 Cubic Feet	City Distribution Cost per 100 Cubic Feet	Total Cost per 100 Cubic Feet	Wholesale Water Cost <sup>1</sup> Per 100 Cubic Feet	City Distribution Cost Per 100 Cubic Feet	Total Cost Per 100 Cubic Feet
Tier I	0-50	2.170	1.462	3.632	2.322	1.528	3.850
Tier II	Over 50	2.170	3.450	5.620	2.322	3.605	5.927

## Stage III - Mandatory 35% Water Conservation

### Residential – Single Family

Rate Tier	Per 100 Cu ft	Effective July 1, 2012			Effective July 1, 2013		
		Wholesale Water Cost per 100 Cubic Feet	City Distribution Cost per 100 Cubic Feet	Total Cost per 100 Cubic Feet	Wholesale Water Cost <sup>1</sup> Per 100 Cubic Feet	City Distribution Cost Per 100 Cubic Feet	Total Cost Per 100 Cubic Feet
Tier I	0-5	2.170	1.472	3.642	2.322	1.538	3.860
Tier II	5-35	2.170	2.196	4.366	2.322	2.295	4.617
Tier III	Over 35	2.170	4.586	6.756	2.322	4.792	7.114

1. Wholesale Water Costs shown on July 1, 2013 are based on an estimated 7% increase in Zone 7 Water Agency Rates on January 1, 2013.

Residential – Multi Family

Rate Tier	Per 100 Cu ft	Effective July 1, 2012			Effective July 1, 2013		
		Wholesale Water Cost per 100 Cubic Feet	City Distribution Cost per 100 Cubic Feet	Total Cost per 100 Cubic Feet	Wholesale Water Cost <sup>1</sup> Per 100 Cubic Feet	City Distribution Cost Per 100 Cubic Feet	Total Cost Per 100 Cubic Feet
Tier I	0-50	2.170	2.196	4.366	2.322	2.295	4.617
Tier II	Over 50	2.170	4.586	6.756	2.322	4.792	7.114

Commercial

Rate Tier	Per 100 Cu ft	Effective July 1, 2012			Effective July 1, 2013		
		Wholesale Water Cost per 100 Cubic Feet	City Distribution Cost per 100 Cubic Feet	Total Cost per 100 Cubic Feet	Wholesale Water Cost <sup>1</sup> Per 100 Cubic Feet	City Distribution Cost Per 100 Cubic Feet	Total Cost Per 100 Cubic Feet
Tier I	0-50	2.170	2.196	4.366	2.322	2.295	4.617
Tier II	Over 50	2.170	4.586	6.756	2.322	4.792	7.114

**Stage IV - Mandatory 50% Water Conservation**

Residential – Single Family

Rate Tier	Per 100 Cu ft	Effective July 1, 2012			Effective July 1, 2013		
		Wholesale Water Cost per 100 Cubic Feet	City Distribution Cost per 100 Cubic Feet	Total Cost per 100 Cubic Feet	Wholesale Water Cost <sup>1</sup> Per 100 Cubic Feet	City Distribution Cost Per 100 Cubic Feet	Total Cost Per 100 Cubic Feet
Tier I	0-5	2.170	2.624	4.794	2.322	2.742	5.064
Tier II	5-35	2.170	3.576	5.746	2.322	3.737	6.059
Tier III	Over 35	2.170	6.722	8.892	2.322	7.025	9.347

Residential – Multi Family

Rate Tier	Per 100 Cu ft	Effective July 1, 2012			Effective July 1, 2013		
		Wholesale Water Cost per 100 Cubic Feet	City Distribution Cost per 100 Cubic Feet	Total Cost per 100 Cubic Feet	Wholesale Water Cost <sup>1</sup> Per 100 Cubic Feet	City Distribution Cost Per 100 Cubic Feet	Total Cost Per 100 Cubic Feet
Tier I	0-50	2.170	3.576	5.746	2.322	3.737	6.059
Tier II	Over 50	2.170	6.722	8.892	2.322	7.025	9.347

Commercial

Rate Tier	Per 100 Cu ft	Effective July 1, 2012			Effective July 1, 2013		
		Wholesale Water Cost per 100 Cubic Feet	City Distribution Cost per 100 Cubic Feet	Total Cost per 100 Cubic Feet	Wholesale Water Cost <sup>1</sup> Per 100 Cubic Feet	City Distribution Cost Per 100 Cubic Feet	Total Cost Per 100 Cubic Feet
Tier I	0-50	2.170	3.576	5.746	2.322	3.737	6.059
Tier II	Over 50	2.170	6.722	8.892	2.322	7.025	9.347

1. Wholesale Water Costs shown on July 1, 2013 are based on an estimated 7% increase in Zone 7 Water Agency Rates on January 1, 2013.

Meter Service Charges: Per Meter, Per Month

<b>Meter Size</b>	<b>Effective July 1, 2012</b>	<b>Effective July 1, 2013</b>
<i>Meter Service Charges:</i>		
5/8 Inch	\$14.85	\$15.50
3/4 inch	\$20.15	\$21.05
1 inch w/ fire meter	\$18.75	\$19.60
1 inch	\$30.50	\$31.85
1 1/2 inch	\$56.50	\$59.05
2 inch	\$88.00	\$91.95
3 inch	\$186.90	\$195.30
4 inch	\$526.35	\$550.00
6 inch	\$1,044.00	\$1,091.00
8 inch	\$1,812.00	\$1,893.00
10 inch	\$2,869.00	\$2,998.00
<i>Fire-Line Meter Service Charges:</i>		
1 inch	\$3.90	\$4.10
1 1/2 inch	\$6.25	\$6.55
2 inch	\$8.45	\$8.85
3 inch	\$12.60	\$13.15
4 inch	\$16.75	\$17.50
6 inch	\$25.50	\$26.65
8 inch	\$33.60	\$35.10
10 inch	\$42.30	\$44.20

Private fire protection service charges are applicable to all water service furnished for privately-owned fire protection systems.

Public Agency Charges

The Public Agency Rate for all water delivered per water meter per month is equal to the current Residential Tier II water rate. The Public Agency meter service charges and private fire protection service charges are the same as those for residential or commercial listed above.

Recycled Water Rate - Non-demineralized

The recycled water rate as of July 1, 2012 is \$2.299 per 100 cubic feet. Effective July 1, 2013, the recycled water rate will increase to \$2.446 per 100 cubic feet based on the Zone 7 rate on Jan. 1, 2013. The recycled water rate is based on a fixed percentage (80%) of the Residential Tier #2 (Stage I) water rates. Municipal divisions of the City who use recycled water will pay this rate, with the exception of the Las Positas Golf Course, which will gradually increase from the 20% to the 80% level over 10 years due to its large recycled water usage.

Section 2. Definitions. The following definitions and policies shall apply to the water rate increases:

- a) Quantity Rate – Quantity rates are charged per unit volume of water delivered as determined by metering. The total quantity rate will be broken down into a Wholesale Water Cost, based on the rate charged by the Zone 7 Water Agency, and a City Distribution Cost based on the City's operations, maintenance and replacement costs.
- b) Wholesale Water Cost – A quantity rate based on the City's water costs from the Zone 7 Water Agency. Annual rate increases by the Zone 7 Water Agency will be passed through to customers beginning in January 2013 and for the next five (5) years by adjusting the Wholesale Water Cost upon notice to customers required by law. Livermore City Council resolves to pass-through without further Council action, an increase of up to 7% in the Wholesale Water Cost if approved by the Zone 7 Water Agency and scheduled to take effect on January 1, 2013, and an increase of up to 7% in the Wholesale Water Cost if approved by the Zone 7 Water Agency and scheduled to take effect on January 1, 2014. If the Zone 7 Water Agency adopts rate increases of greater than 7% to be effective on January 1, 2013 or January 1, 2014, the Council may still choose pass-through the full increase, but an additional Council action will be required prior to increasing the Wholesale Water Cost.
- c) City Distribution Cost – A quantity rate based on the City's operations, maintenance and replacement costs. The City Distribution Costs will be adjusted by Council Resolution and adjustments will take effect on July 1<sup>st</sup> of each year.
- d) Service Charge – The service or demand charge is a base rate per month representing the fixed costs of providing water service and is charges in addition to the quantity rate.
- e) Private Fire Protection Service – The private fire protection service rate is the amount charged per month for each fire protection service lateral connected to the water system. Water is only delivered through the fire protection system for routine maintenance or fire emergencies. A bypass meter is read at regular intervals to verify that water is not being used through unauthorized connections to the fire system.

Section 3. In accordance with the City's current Water Shortage Contingency Plan, the "Normal Supply" water rates are implemented during this period of voluntary conservation.

Section 4. This resolution is effective July 1, 2012.

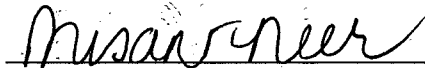
**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Livermore that, commencing July 1, 2012 and July 1, 2013, the Water Rates and Meter Service Charges will be amended as described hereinabove.

On the motion of Councilmember Gary, seconded by Councilmember Turner, the foregoing resolution was passed and adopted on the 14<sup>th</sup> day of May, 2012, by the following vote:

AYES: Councilmembers Gary, Turner, Woerner, Vice Mayor Horner, Mayor Marchand  
NOES: None  
ABSENT: None  
ABSTAIN: None

ATTEST:

APPROVED AS TO FORM:

  
\_\_\_\_\_  
CITY CLERK  
SUSAN NEER

  
\_\_\_\_\_  
ASSISTANT CITY ATTORNEY  
E. KEVIN YOUNG

DATE: May 15, 2012