

RESOLUTION NO. 2017-61

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, ESTABLISHING SEWER CHARGES EFFECTIVE JANUARY 1, 2018 AND FOUR YEARS OF PHASED IN INCREASES THERETO

WHEREAS, on March 20, 2017, the City of Newport Beach ("City") retained the services of HF&H Consultants, LLC ("HF&H") to update HF&H's prior sewer rate study from 2013-14 in order to analyze the current cost of sewer services and to provide recommendations regarding an appropriate rate structure;

WHEREAS, the resulting HF&H study recommended establishing a rate structure that includes a both a fixed charge and a use charge for sewer customers who also receive water service from the City, and a fixed charge for sewer customers who do not receive water service from the City, plus four years of phased in increases thereto;

WHEREAS, following a public hearing held on September 12, 2017, in conformity with Proposition 218, the City Council determined that no majority protest against the recommended rate structure had occurred;

WHEREAS, the City's current sewer charges are codified in Newport Beach Municipal Code ("NBMC") Section 14.24.065. On September 12, 2017, the City Council for the City of Newport Beach ("City Council") introduced Ordinance No. 2017-15 to amend NBMC Section 14.24.065 to have the sewer charges and any changes thereto be adopted and charged pursuant to a resolution adopted by the City Council and passed Ordinance No. 2017-15 to second reading and adoption on September 26, 2017;

WHEREAS, by adopting this resolution, the City Council intends to establish sewer charges effective January 1, 2018 and phased in increases thereto over a period through January 1, 2022, pursuant to the schedule attached hereto as Exhibit "A" and incorporated herein by this reference.

NOW, THEREFORE, the City Council of the City of Newport Beach resolves as follows:

Section 1: The City Council does hereby establish the sewer charges effective January 1, 2018 and phased in increases thereto through January 1, 2022, as identified in Exhibit "A." The sewer charges shall become effective according to the schedule in Exhibit "A." The City Council directs staff to include the newly established sewer charges and phased in increases thereto, as adopted by this resolution, in the City's Schedule of Rents, Fines and Fees, or other successor document thereto as amended from time to time.

Section 2: The recitals provided in this resolution are true and correct and are incorporated into the operative part of this resolution.

Section 3: If any section, subsection, sentence, clause or phrase of this resolution is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this resolution. The City Council

hereby declares that it would have passed this resolution, and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 4: The City Council finds the adoption of this resolution is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

Section 5: This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting the resolution.

ADOPTED this 26th day of September, 2017.

Kevin Muldoon
Mayor

ATTEST:

Leilani I. Brown
City Clerk

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE



Aaron C. Harp
City Attorney

new
9.14.17

Attachments:

A – Current and Newly Adopted Sewer Charges

Current and Newly Adopted Sewer Charges

(Per Resolution 2017-XX)

Newport Beach Water and Sewer Customers						
Monthly Sewer Service Charge						
Meter Size	Current	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022
5/8"	\$ 4.50	\$ 6.46	\$ 7.07	\$ 7.74	\$ 8.39	\$ 8.55
3/4"	\$ 4.50	\$ 6.46	\$ 7.07	\$ 7.74	\$ 8.39	\$ 8.55
1"	\$ 4.50	\$ 6.46	\$ 7.07	\$ 7.74	\$ 8.39	\$ 8.55
1.5"	\$ 4.50	\$ 7.11	\$ 7.78	\$ 8.51	\$ 9.23	\$ 9.41
2"	\$ 14.50	\$ 9.70	\$ 10.61	\$ 11.61	\$ 12.58	\$ 12.83
3"	\$ 14.50	\$ 10.99	\$ 12.02	\$ 13.15	\$ 14.26	\$ 14.54
4"	\$ 14.50	\$ 12.93	\$ 14.14	\$ 15.47	\$ 16.77	\$ 17.11
6"	\$ 14.50	\$ 14.55	\$ 15.91	\$ 17.41	\$ 18.87	\$ 19.25
8"	\$ 14.50	\$ 16.16	\$ 17.68	\$ 19.34	\$ 20.97	\$ 21.39
10"	\$ 14.50	\$ 20.69	\$ 22.63	\$ 24.76	\$ 26.84	\$ 27.37
12"	\$ 14.50	\$ 25.86	\$ 28.29	\$ 30.95	\$ 33.55	\$ 34.22
Sewer Use Charge (HCF)						
	Current	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022
	\$ 0.35	\$ 0.38	\$ 0.42	\$ 0.46	\$ 0.50	\$ 0.51

Newport Beach Sewer Customers Only						
Monthly Sewer Service - No Water Charge						
Meter Size	Current	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022
5/8"	\$ 6.25	\$ 9.90	\$ 10.83	\$ 11.85	\$ 12.84	\$ 13.10
3/4"	\$ 6.25	\$ 9.90	\$ 10.83	\$ 11.85	\$ 12.84	\$ 13.10
1"	\$ 6.25	\$ 11.59	\$ 12.68	\$ 13.87	\$ 15.04	\$ 15.34
1.5"	\$ 6.25	\$ 34.87	\$ 38.15	\$ 41.73	\$ 45.24	\$ 46.14
2"	\$ 6.25	\$ 35.92	\$ 39.30	\$ 42.99	\$ 46.60	\$ 47.54
3"	\$ 6.25	\$ 92.27	\$ 100.94	\$ 110.43	\$ 119.70	\$ 122.10
4"	\$ 6.25	\$ 163.41	\$ 178.78	\$ 195.58	\$ 212.01	\$ 216.25
6"	\$ 6.25	\$ 287.97	\$ 315.04	\$ 344.65	\$ 373.60	\$ 381.07
8"	\$ 6.25	\$ 289.58	\$ 316.80	\$ 346.58	\$ 375.70	\$ 383.21
10"	\$ 6.25	\$ 294.11	\$ 321.75	\$ 352.00	\$ 381.57	\$ 389.20

Note: Surcharge and Per Dwelling Unit charges have been removed from proposed rates