

RESOLUTION NO. 24-096 C.S.

A RESOLUTION OF THE COUNCIL OF THE CITY OF MONTEREY

SETTING RATES EFFECTIVE JULY 1, 2024 FOR WASTEWATER (SEWER) RATES

WHEREAS, Monterey City Code (MCC) Section 19-103 lists services provided by the City and the percentage of the cost of the services that are to be recovered and adopted as a fee;

WHEREAS, for Fiscal year 2021-22, the Sewer Line Maintenance Fund (279) had \$2,431,727.00 in expenditures and \$2,048,989.00 in revenue, which was a \$382,738.00 shortfall;

WHEREAS, final numbers for fiscal years 2022-23 and 2023-24 are not yet available, but, as of February 2024, the projected shortfall is estimated over \$400,000.00 per year;

WHEREAS, Proposition 218 requires that fees cannot exceed the cost of service, must be fair and equitable, and are based on the actual cost of providing the entire service. Each customer must be charged their proportional cost of service attributable to the customer;

WHEREAS, the California Constitution requires (1) notice; (2) a public hearing; and (3) a protest process before increasing the rate of a property-related fee;

WHEREAS, the City desires to adjust the wastewater rates it charges to recover the cost of service, maintenance and future improvements of the City wastewater collection system;

WHEREAS, Bartle Wells Associates conducted a 2024 Wastewater Rate and Capacity Fee Study to develop proposed rates to recover costs and the proposed rates are based on that fee study;

WHEREAS, revenue derived from the fee will not be used for any purpose other than that for which the fee is imposed;

WHEREAS, the rates imposed upon any parcel or person as an incident of property ownership must not exceed the proportional cost of the service attributable to the parcel;

WHEREAS, the wastewater (sewer) rates are not imposed unless used by, or immediately available to, the owner of the property subject to the fee or charge;

WHEREAS, pursuant to Proposition 218, a notice of the proposed rate increase was mailed on April 19, 2024 to all affected parcels;

WHEREAS, on June 4, 2024, the City held a public hearing to consider all protests against the proposed rate increase;

WHEREAS, the total number of written protests presented by the close of the public hearing was less than 50% plus one of the total number of property owners subject to the rate and fee increases; and

WHEREAS, the City of Monterey determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA)(CCR, Title 14, Chapter 3 (“CEQA Guidelines), Article 20, Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or any reasonably foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MONTEREY that the above recitals are true and correct and are hereby incorporated and adopted as findings of the City Council as if fully set forth herein.

NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF MONTEREY that it hereby adopts the attached Wastewater Collection System Rate Schedule in Exhibit A hereto and that said rates shall become effective on July 1, 2024, and that all previous conflicting resolutions are hereby rescinded.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF MONTEREY this 4th day of June, 2024, by the following vote:

AYES:	5	COUNCILMEMBERS:	Barber, Garcia, Haffa, Smith, Williamson
NOES:	0	COUNCILMEMBERS:	None
ABSENT:	0	COUNCILMEMBERS:	None
ABSTAIN:	0	COUNCILMEMBERS:	None

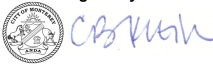
APPROVED:

ATTEST:

DocuSigned by:

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Mayor of said City

DocuSigned by:

ED8463A4F62C4AA

City Clerk thereof

EXHIBIT A

CITY OF MONTEREY – WASTEWATER COLLECTION SYSTEM

RATE SCHEDULE

Single-Family Residential Sewer Charge

The proposed single-family dwelling (SFD) sewer charges are based on the estimated sewage generated by an Equivalent Dwelling Unit (EDU) which is 189 gallons per day (gpd). The following table outlines the monthly single-family residential sewer charge:

MONTHLY SFD SEWER CHARGE						
	Current	2024/25	2025/26	2026/27	2027/28	2028/29
Residential	\$10.77	\$14.11	\$16.93	\$19.47	\$21.42	\$22.92
Monthly Increase		\$3.34	\$2.82	\$2.54	\$1.95	\$1.50

Multi-Family Residential and Condominium Sewer Charge

The proposed multi-family dwelling (MFD) sewer charges, including condominium units, are based on sewerage generated, which has been calculated to be 73.22% of 189 gpd. The following table outlines the monthly multi-residential and condominium sewer charge, per dwelling unit:

PROPOSED MONTHLY MFD SEWER CHARGE						
	Current	2024/25	2025/26	2026/27	2027/28	2028/29
Residential	\$7.88	\$10.32	\$12.38	\$14.24	\$15.66	\$16.76
Monthly Increase		\$2.44	\$2.06	\$1.86	\$1.42	\$1.10

Non-Residential Sewer Charge

The proposed non-residential sewer charges will vary based on sewage generated by customer type. Non-residential sewer charges will be converted to an equivalent dwelling unit (EDU) cost using sewage flow estimates. One residential EDU is equivalent to 189 gallons per day (gpd) of flow. The monthly non-residential sewer charges will be calculated based on the following formula:

- Daily flow / 189 gpd = Total Number of EDUs (to 2 decimal places)
- Total Number of EDUs x Monthly EDU Rate = Monthly Non-Residential Sewer charge

The proposed non-residential sewer charges listed below are per one unit of sewer charge. For special user or categories not listed, call the City for an individual determination.

EXHIBIT A

CITY OF MONTEREY – WASTEWATER COLLECTION SYSTEM

RATE SCHEDULE

PROPOSED MONTHLY SEWER CHARGES							
DESCRIPTION	UNITS	Current	7/1/2024	7/1/2025	7/1/2026	7/1/2027	7/1/2028
Business/Government (1-10 employees)	Location/Each Business	\$8.29	\$10.86	\$13.03	\$14.98	\$16.48	\$17.63
Business/Government (11-20 employees)	Location/Each Business	\$16.59	\$21.73	\$26.08	\$29.99	\$32.99	\$35.30
Business/Government (21-30 employees)	Location/Each Business	\$24.99	\$32.74	\$39.29	\$45.18	\$49.70	\$53.18
Business/Government (31-40 employees)	Location/Each Business	\$33.28	\$43.60	\$52.32	\$60.17	\$66.19	\$70.82
Business/Government (41-50 employees)	Location/Each Business	\$41.57	\$54.46	\$65.35	\$75.15	\$82.67	\$88.46
Business/Government (51-60 employees)	Location/Each Business	\$49.87	\$65.33	\$78.40	\$90.16	\$99.18	\$106.12
Business/Government (61-70 employees)	Location/Each Business	\$58.27	\$76.33	\$91.60	\$105.34	\$115.87	\$123.98
Business/Government (71-80 employees)	Location/Each Business	\$66.56	\$87.19	\$104.63	\$120.32	\$132.35	\$141.61
Business/Government (81-90 employees)	Location/Each Business	\$74.85	\$98.05	\$117.66	\$135.31	\$148.84	\$159.26
Business/Government (91-100 employees)	Location/Each Business	\$83.14	\$108.91	\$130.69	\$150.29	\$165.32	\$176.89
Business/Government (101-110 employees)	Location/Each Business	\$91.55	\$119.93	\$143.92	\$165.51	\$182.06	\$194.80
Business/Government (111-120 employees)	Location/Each Business	\$99.84	\$130.79	\$156.95	\$180.49	\$198.54	\$212.44
Business/Government (141-150 employees)	Location/Each Business	\$124.82	\$163.51	\$196.21	\$225.64	\$248.20	\$265.57
Business/Government (171-180 employees)	Location/Each Business	\$149.70	\$196.11	\$235.33	\$270.63	\$297.69	\$318.53
Business/Government (181-190 employees)	Location/Each Business	\$158.10	\$207.11	\$248.53	\$285.81	\$314.39	\$336.40
Business/Government (210-220 employees)	Location/Each Business	\$182.98	\$239.70	\$287.64	\$330.79	\$363.87	\$389.34
Business/Government (271-280 employees)	Location/Each Business	\$232.52	\$304.60	\$365.52	\$420.35	\$462.39	\$494.76
Business/Government (721-730 employees)	Location/Each Business	\$607.32	\$795.59	\$954.71	\$1,097.92	\$1,207.71	\$1,292.25
Hotel/Motel	Each Room	\$4.63	\$6.07	\$7.28	\$8.37	\$9.21	\$9.85
Supermarket	Each Location	\$45.45	\$59.54	\$71.45	\$82.17	\$90.39	\$96.72
Medical Office	Each Licensed Physician	\$11.09	\$14.53	\$17.44	\$20.06	\$22.07	\$23.61
Dental Office	Each Licensed Dentist	\$15.29	\$20.03	\$24.04	\$27.65	\$30.42	\$32.55
Rest Home/Convalescent	Each Bed of Licensed Capacity	\$3.12	\$4.09	\$4.91	\$5.65	\$6.22	\$6.66
Animal Hospital	Location/Each Licensed Business	\$20.79	\$27.23	\$32.68	\$37.58	\$41.34	\$44.23
Restaurant - 1 Meal/day	Each Restaurant Seat	\$0.43	\$0.56	\$0.67	\$0.77	\$0.85	\$0.91
Restaurant - 2 Meals/day	Each Restaurant Seat	\$0.65	\$0.85	\$1.02	\$1.17	\$1.29	\$1.38
Restaurant - 3 Meals/day	Each Restaurant Seat	\$1.18	\$1.55	\$1.86	\$2.14	\$2.35	\$2.51
Restaurant with Bar	Each Restaurant Seat	\$1.18	\$1.55	\$1.86	\$2.14	\$2.35	\$2.51
Bar	Location/Each Business	\$18.09	\$23.70	\$28.44	\$32.71	\$35.98	\$38.50
Night Club	Location/Each Business	\$54.17	\$70.96	\$85.15	\$97.92	\$107.71	\$115.25
Take-Out Small	Location/Each Business	\$20.14	\$26.38	\$31.66	\$36.41	\$40.05	\$42.85
Take-Out Medium	Location/Each Business	\$49.65	\$65.04	\$78.05	\$89.76	\$98.74	\$105.65
Take-Out Large	Location/Each Business	\$90.47	\$118.52	\$142.22	\$163.55	\$179.91	\$192.50
Bakery	Location/Each Business	\$16.37	\$21.44	\$25.73	\$29.59	\$32.55	\$34.83
Theatre	Per screen @ each Location	\$26.82	\$35.13	\$42.16	\$48.48	\$53.33	\$57.06
Gym - 500 Members	Location/Each Business	\$8.29	\$10.86	\$13.03	\$14.98	\$16.48	\$17.63
Mortuary	Location/Each Business	\$22.08	\$28.92	\$34.70	\$39.91	\$43.90	\$46.97
School - Minimum	Location/Each Business	\$8.29	\$10.86	\$13.03	\$14.98	\$16.48	\$17.63
School - Pre-Grade 6	School Population	\$0.11	\$0.14	\$0.17	\$0.20	\$0.22	\$0.24
School - Grade 7 - College	School Population	\$0.22	\$0.29	\$0.35	\$0.40	\$0.44	\$0.47
School - Boarding	School Population	\$2.26	\$2.96	\$3.55	\$4.08	\$4.49	\$4.80
Instructional Facility	School Population	\$8.29	\$10.86	\$13.03	\$14.98	\$16.48	\$17.63
Church - 1-100 Members	Location/Each Business	\$8.29	\$10.86	\$13.03	\$14.98	\$16.48	\$17.63
Church - Over 100 Members	Location/Each Business	\$16.59	\$21.73	\$26.08	\$29.99	\$32.99	\$35.30
Photo Developer	Location/Each Business	\$8.29	\$10.86	\$13.03	\$14.98	\$16.48	\$17.63
Laboratory - 10 Employees	Location/Each Business	\$8.29	\$10.86	\$13.03	\$14.98	\$16.48	\$17.63
Laboratory - 20 Employees	Location/Each Business	\$16.59	\$21.73	\$26.08	\$29.99	\$32.99	\$35.30
Printer - 10 Employees	Location/Each Business	\$8.29	\$10.86	\$13.03	\$14.98	\$16.48	\$17.63
Printer - 20 Employees	Location/Each Business	\$16.59	\$21.73	\$26.08	\$29.99	\$32.99	\$35.30
Garage/Repair	Location/Each Business	\$7.97	\$10.44	\$12.53	\$14.41	\$15.85	\$16.96
Paint Shop - 10 Employees	Location/Each Business	\$8.29	\$10.86	\$13.03	\$14.98	\$16.48	\$17.63
Paint Shop - 20 Employees	Location/Each Business	\$16.59	\$21.73	\$26.08	\$29.99	\$32.99	\$35.30
Dry Cleaner	Location/Each Business	\$27.57	\$36.12	\$43.34	\$49.84	\$54.82	\$58.66
Laundromat	Each Washing Machine	\$7.22	\$9.46	\$11.35	\$13.05	\$14.36	\$15.37

NOTIFICATION OF STATUTE OF LIMITATIONS

Pursuant to Government Code section 53759, there is a 120-day statute of limitations for challenging any increased fee or charge.