

ORDINANCE NO. 2013-424

AN ORDINANCE OF THE CITY OF BIG BEAR LAKE, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, APPROVING ADJUSTMENTS TO THE DWP'S RATES, CHARGES AND FEES FOR WATER SERVICE

THE CITY COUNCIL OF THE CITY OF BEAR LAKE, CALIFORNIA DOES ORDAIN AS FOLLOWS:

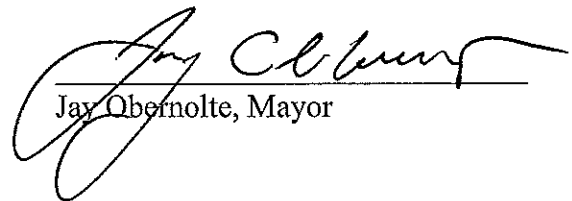
WHEREAS, the Board of Commissioners of the Department of Water and Power of the City of Big Bear Lake has adopted Resolution No. DWP 2013-05 attached hereto as Exhibit "A" revising its rates, fees and charges for water service, following a public hearing on such revisions conducted by the Board of Commissioners as provided by Article 13D of the California Constitution; and

WHEREAS, pursuant to Section 816 of the City Charter for the City of Big Bear Lake and Section 13.24.200 of the Big Bear Lake Municipal Code, such resolution shall become effective only upon approval by an ordinance adopted by the City Council of the City of Big Bear Lake.

NOW, THEREFORE, BE IT ORDAINED that the City of Big Bear Lake does hereby approve Resolution No. 2013-05 of the Board of Commissioners of the Department of Water and Power of the City of Big Bear Lake, effective upon the effective date of this Ordinance.

PASSED, APPROVED AND ADOPTED this 13th day of May, 2013.

AYES: Caretto, Herrick, Jackowski, Jahn, Obermolte
NOES: None
ABSENT: None
ABSTAIN: None

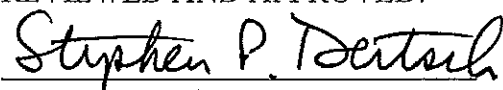

Jay Obermolte, Mayor

ATTEST:

May 14, 2013
Date


Jeff Mathen, City Clerk

REVIEWED AND APPROVED:


Best Best & Krieger, LLP
City Attorney

Introduction & First Reading: April 29, 2013

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) ss
CITY OF BIG BEAR LAKE)

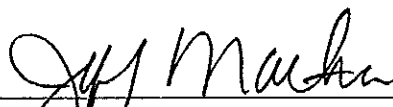
I, Jeff Mathieu, City Clerk of the City of Big Bear Lake do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing ordinance, being Ordinance No. 2013-424 is a full, true and correct original of Ordinance No. 2013-424 of the said City of Big Bear Lake, California, entitled:

AN ORDINANCE OF THE CITY OF BIG BEAR LAKE, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, APPROVING ADJUSTMENTS TO THE DWP'S RATES, CHARGES AND FEES FOR WATER SERVICE

was duly passed and adopted by the said City Council, approved and signed by the Mayor of said City, and attested by the City Clerk of said City, all at a regular meeting of the said Council on the 13th day of May, 2013, and that the same was so passed and adopted by the following vote:

AYES:	Caretto, Herrick, Jackowski, Jahn, Obernolte
NOES:	None
ABSENT:	None
ABSTAIN:	None

I do hereby further certify that pursuant to the provisions of Section 36933 of the Government Code of the State of California that the foregoing Ordinance No. 2013-424 was duly and regularly published according to law and the order of the City Council and circulated within said City.



Jeff Mathieu
City Clerk

RESOLUTION NO. DWP 2013-05

**A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF THE DEPARTMENT OF WATER & POWER
OF THE CITY OF BIG BEAR LAKE,
COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA
ADOPTING ADJUSTMENTS
TO THE DWP'S RATES, CHARGES AND FEES FOR WATER SERVICE
AND REQUESTING APPROVAL BY THE CITY COUNCIL**

WHEREAS, the staff of the Department of Water and Power of the City of Big Bear Lake ("DWP") have caused the preparation of the "Revenue Requirements Analysis Report – February 2013" (the "Report") which recommended adjustments to the DWP's rates, charges and fees for water service in both the Big Bear Service Area and the Rimforest Service Area; and

WHEREAS, the Report concluded that the proposed adjustments are designed to provide revenue streams which are needed to support the current level of service, repayment of indebtedness and provide for the planned implementation of system rehabilitation programs; and

WHEREAS, based on the conclusions of the Report, the DWP Board of Commissioners finds that it is necessary to adjust rates, charges and fees for water service in both the Big Bear Service Area and the Rimforest Service in the amounts set forth in this Resolution; and

WHEREAS, Section 13.24.200 of the Big Bear Lake Municipal Code authorizes the adjustment rates, charges and fees for water service provided (i) the DWP Board of Commissioners adopts the adjusted rates, charges and fees by resolution following a noticed public hearing; and (ii) such resolution is forwarded to the City Council of the City of Big Bear Lake ("City Council") and subsequently approved by ordinance; and

WHEREAS, pursuant to Article XIID of the California Constitution, at least 45 days prior to the hearing on this Resolution, the DWP mailed to all record owners within the DWP's service area a notice of the public hearing on the proposed adjustments to the rates, charges and fees for water service; and

WHEREAS, pursuant to Article XIID, said notice identified: (1) the amounts of the proposed adjustments to the rates, charges and fees; (2) the basis upon which the charges were calculated; (3) the reason for the proposed adjustments; and (4) the date, time, and location for the public hearing on the proposed rates, charges and fees; and

WHEREAS, the proposed adjustments satisfy the substantive requirements of Article XIID, Section 6(b), because (i) the revenues derived from the proposed rates, charges and fees will not exceed the amount required to provide service to the property; (ii) the revenues derived from the proposed rates, charges and fees will be used only for the purposes stated herein; and (iii) the revenues derived from the proposed rates, charges and fees will not be used for general governmental services; and

WHEREAS, to minimize the need to develop alternative sources of water supply, and to promote water conservation, the DWP Board of Commissioners also desires to continue a tiered rate structure for residential water usage rates in the Big Bear Service Area in accordance with Water Code Sections 375 *et seq.*;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the DWP, City of Big Bear Lake, as follows:

Section 1. Incorporation.

The recitals set forth above are incorporated herein and made an operative part of this Resolution.

Section 2. Defined Terms.

The following capitalized terms are used herein and shall have the meanings ascribed to them below.

Big Bear Service Area – all water service connections with the DWP's water systems except for those users in Rimforest.

CCF – one hundred cubic feet of water or 748 gallons.

Commercial Use – Commercial use includes any use by a business within the Big Bear Service Area, whether for profit or non-profit, whose predominant purpose is to provide goods and/or services to consumers. For purposes of this Resolution, multi-family housing complexes served through a master meter and public entities, including without limitation schools, parks and special districts, are considered commercial users. Commercial users also include hotels, motels, inns, bed and breakfasts or any other transient lodging establishment primarily engaged in providing overnight or otherwise temporary lodging for the general public where meals may be served to transient occupants under applicable laws or regulations.

Commercial Compound Meter Service Charge – the service charge associated with large commercial properties that use water at high rates of flow, requiring compound meters.

Commercial Usage Charges - the rates charged to Commercial customers by the DWP for metered water usage, currently expressed as a rate per CCF and representing the DWP's cost of water actually delivered.

Construction Cost Index (CCI) – the construction cost index published by Engineering News-Record, a McGraw Hill company, incorporating material and labor costs among 20 U.S. cities.

Fire Service Charge – the service charge associated with pipelines designated specifically for fire use, such as those supplying on-site fire sprinklers.

Fire Usage Charge - a metered water usage charge which the DWP charges to all its customers (including Residential, Commercial, and Rimforest customers) for any water usage through designated Fire Service Meters when such usage is not related to fire suppression or prevention.

Irrigation Water – water used outdoors for the purposes of irrigating landscaping.

Minimum Monthly Bill – includes Service Charge plus a credit for up to 4 CCF of usage per month for users in the Big Bear Service Area.

Residential Use -- Residential use includes use primarily for purposes of habitation and not included within the definition of commercial use above. For purposes of this resolution, a private residence that includes a home office is a residential use under this Resolution.

Residential Usage Charges - the rate charged to Residential customers by the DWP for metered water usage, currently expressed as a rate per CCF and representing the DWP's cost of water actually delivered.

Rimforest Service Area -- that area of Rimforest, California included in the DWP's greater service area.

Rimforest Usage Charges - the rate charged to Rimforest customers by the DWP for metered water usage, currently expressed as a rate per CCF and representing the DWP's cost of water actually delivered.

Service Charge -- a readiness to serve charge applicable to every property for which a meter has been installed, regardless of the quantity of water used or whether the service is turned on or off.

Usage Charges -- the rate charged by the DWP, in addition to the Service Charge, for metered water usage, currently expressed as a rate per CCF.

Section 4. Residential Usage Charges.

The Residential Usage Charges within the Big Bear Service Area shall be as follows:

Table 1-Residential Usage Fees (monthly and bi-monthly)

Big Bear Area Residential Customers								
Residential Usage Fees per CCF Effective:								
Tier	Monthly CCFs	Bi-Monthly CCFs	July 1, 2013	July 1, 2014	July 1, 2015	July 1, 2016	July 1, 2017	
Tier One	0-4	0-8	Included in Minimum Bill					
Tier Two	5-12	9-24	\$ 2.54	\$ 2.59	\$ 2.64	\$ 2.70	\$ 2.75	
Tier Three	13-20	25-40	\$ 3.53	\$ 3.60	\$ 3.67	\$ 3.74	\$ 3.82	
Tier Four	21-30	41-60	\$ 5.26	\$ 5.36	\$ 5.47	\$ 5.58	\$ 5.69	
Tier Five	31-50	61-100	\$ 8.95	\$ 9.13	\$ 9.31	\$ 9.50	\$ 9.69	
Tier Six	Over 50	Over 100	\$12.04	\$12.28	\$12.53	\$12.78	\$13.03	

Section 5. Commercial Usage Charges.

Commercial Usage Charges within the Big Bear Service Area shall be as follows:

Table 2- Commercial Usage Fees within the Big Bear Service Area

Big Bear Area Commercial Usage Fee per CCF Effective:						
Usage	Monthly CCFs	July 1, 2013	July 1, 2014	July 1, 2015	July 1, 2016	July 1, 2017
Tier One	0-4	Included in Minimum Bill				
Tier Two	Over 4 CCF	\$ 3.64	\$ 3.71	\$ 3.79	\$ 3.86	\$ 3.94

Section 6. Rimforest Usage Charges

A. Since water delivered to Rimforest customers is purchased from the Crestline Lake Arrowhead Water Agency (CLAWA), Rimforest Usage Charges shall be the cost to purchase water from CLAWA, which is subject to change and will be automatically passed through, or other sources plus the costs incurred by the DWP to operate, and maintain the system and to provide administrative resources to the Rimforest users, as follows:

Table 3-Rimforest Usage Fees

Rimforest Service Area Monthly Water Usage Fee per CCF Effective:					
Usage	July 1, 2013	July 1, 2014	July 1, 2015	July 1, 2016	July 1, 2017
DWP Operations, Maintenance and Administrative Charges	\$2.27	\$2.32	\$2.36	\$2.41	\$2.46
CLAWA Pass-through (variable)	\$2.64	\$2.64	\$2.64	\$2.64	\$2.64
Total Charge per CCF	\$4.91	\$4.96	\$5.00	\$5.05	\$5.10

B. In certain years, CLAWA may have a limited quantity of water to deliver to the Rimforest system, and in such years may allocate only a certain quantity to the DWP for use within that system. If the customers served by that system use more than the allocated amount, CLAWA may impose a surcharge for the excess consumption. Therefore, if any Rimforest customer utilizes more than his or her share of the CLAWA allocation, the CLAWA surcharge will be billed to the customer in proportion to his or her excess consumption. The DWP Board of Commissioners will determine the amount of each customer's share of the CLAWA allocation by resolution.

Section 7. Fire Usage Charges.

Dedicated fire line. The Fire Usage Charges shall be waived so long as the usage is attributable to fire suppression or prevention. If the usage is for any other purpose, the charges will be as set forth in this Resolution for the type or category of use.

Section 8. Service Charges.

A. The Service Charges shall be as Shown in Tables 4 through 6. Subject to the priorities set forth in Article III sections 3.08 through 3.13 of the Trust Indenture Agreement Relating to the City of Big Bear Lake, California Department of Water and Power 1996 Water Revenue Refunding Bonds, the DWP will strive to commit an average of 27.5% of the revenue derived from the service charge toward system rehabilitation projects.

Table 4-Big Bear Service Area Residential Service Charge (monthly)

Big Bear Area Residential Customers					
Minimum Monthly Service Charge (includes up to 4 CCF of water usage) Effective:					
Meter Size	July 1, 2013	July 1, 2014	July 1, 2015	July 1, 2016	July 1, 2017
5/8"	\$ 42.12	\$ 42.97	\$ 43.83	\$ 44.70	\$ 45.60
1"	\$ 75.41	\$ 76.92	\$ 78.46	\$ 80.03	\$ 81.63
1" domestic service with mandatory fire suppression	\$ 47.09	\$ 48.03	\$ 48.99	\$ 49.97	\$ 50.97
1 1/2"	\$ 94.49	\$ 96.38	\$ 98.31	\$ 100.28	\$ 102.28
2"	\$ 120.73	\$ 123.14	\$ 125.61	\$ 128.12	\$ 130.68
3"	\$ 198.50	\$ 202.47	\$ 206.52	\$ 210.65	\$ 214.87
4"	\$ 262.80	\$ 268.05	\$ 273.42	\$ 278.88	\$ 284.46
6"	\$ 431.83	\$ 440.47	\$ 449.27	\$ 458.26	\$ 467.43
4" dedicated fire suppression	\$ 10.09	\$ 10.29	\$ 10.50	\$ 10.71	\$ 10.92
8" dedicated fire suppression	\$ 20.19	\$ 20.59	\$ 21.01	\$ 21.43	\$ 21.85
12" dedicated fire suppression	\$ 30.29	\$ 30.90	\$ 31.51	\$ 32.14	\$ 32.79

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Table 5-Commercial Service Charge (monthly)

Big Bear Service Area Commercial Customers					
*Minimum Monthly Service Charge (includes up to 4 CCF of water usage) Effective:					
Meter Size	July 1, 2013	July 1, 2014	July 1, 2015	July 1, 2016	July 1, 2017
5/8"	\$ 49.90	\$ 50.90	\$ 51.92	\$ 52.95	\$ 54.01
1"	\$ 83.19	\$ 84.85	\$ 86.55	\$ 88.28	\$ 90.05
1" Compound	\$ 186.48	\$ 190.21	\$ 194.02	\$ 197.90	\$ 201.86
1 1/2"	\$ 102.27	\$ 104.31	\$ 106.40	\$ 108.53	\$ 110.70
2"	\$ 128.51	\$ 131.08	\$ 133.70	\$ 136.37	\$ 139.10
2" Compound	\$ 217.99	\$ 222.35	\$ 226.79	\$ 231.33	\$ 235.96
3"	\$ 206.28	\$ 210.41	\$ 214.61	\$ 218.91	\$ 223.28
3" Compound	\$ 222.90	\$ 227.36	\$ 231.91	\$ 236.55	\$ 241.28
4"	\$ 270.57	\$ 275.99	\$ 281.51	\$ 287.14	\$ 292.88
4" Compound	\$ 258.00	\$ 263.16	\$ 268.42	\$ 273.79	\$ 279.26
4" Dedicated fire suppression	\$ 10.09	\$ 10.29	\$ 10.50	\$ 10.71	\$ 10.92
5" Compound	\$ 349.47	\$ 356.46	\$ 363.59	\$ 370.86	\$ 378.28
6"	\$ 439.61	\$ 448.40	\$ 457.37	\$ 466.51	\$ 475.84
6" Compound meter	\$ 477.87	\$ 487.43	\$ 497.18	\$ 507.12	\$ 517.26
6" Dedicated fire suppression	\$ 15.14	\$ 15.44	\$ 15.75	\$ 16.07	\$ 16.39
8" Dedicated fire suppression	\$ 20.19	\$ 20.59	\$ 21.01	\$ 21.43	\$ 21.85
10" Dedicated fire suppression	\$ 25.24	\$ 25.75	\$ 26.26	\$ 26.79	\$ 27.32
12" Dedicated fire suppression	\$ 30.29	\$ 30.90	\$ 31.51	\$ 32.14	\$ 32.79
Big Bear Shores RV Park Water System	\$ 2,218.25	\$ 2,262.61	\$ 2,307.86	\$ 2,354.02	\$ 2,401.10

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Table 6-Rimforest Service Charge

Rimforest Customers					
Minimum Monthly Service Charge Effective:					
Meter Size	July 1, 2013	July 1, 2014	July 1, 2015	July 1, 2016	July 1, 2017
5/8"	\$ 45.94	\$ 46.86	\$ 47.80	\$ 48.75	\$ 49.73
1"	\$ 83.79	\$ 85.47	\$ 87.17	\$ 88.92	\$ 90.70
1 1/2"	\$ 52.37	\$ 53.42	\$ 54.48	\$ 55.57	\$ 56.69
1" (domestic service with mandatory fire suppression)	\$ 105.57	\$ 107.68	\$ 109.83	\$ 112.03	\$ 114.27
2"	\$ 135.43	\$ 138.14	\$ 140.90	\$ 143.72	\$ 146.60
3"	\$ 223.99	\$ 228.47	\$ 233.04	\$ 237.70	\$ 242.46
4"	\$ 297.41	\$ 303.36	\$ 309.43	\$ 315.62	\$ 321.93
6"	\$ 489.98	\$ 499.78	\$ 509.78	\$ 519.97	\$ 530.37
4" dedicated fire suppression	\$ 10.09	\$ 10.29	\$ 10.50	\$ 10.71	\$ 10.92
6" dedicated fire suppression	\$ 15.14	\$ 15.44	\$ 15.75	\$ 16.07	\$ 16.39
8" dedicated fire suppression	\$ 20.19	\$ 20.59	\$ 21.01	\$ 21.43	\$ 21.85

Section 9. Effective Date.

This Resolution shall be effective upon the effective date of the ordinance adopted by the City Council, approving this Resolution.


Section 10. CEQA Findings. The DWP Board of Commissioners hereby finds that in accordance with the California Environmental Quality Act ("CEQA") and the City's CEQA Guidelines the adoption of this Resolution is exempt from CEQA pursuant to Section 15061(b)(3) and Section 15273 of Title 14 of the California Code of Regulations.

Section 11. Invalidation of Resolution. In the event this Resolution is declared invalid in part, the remainder of this Resolution shall remain unaffected.

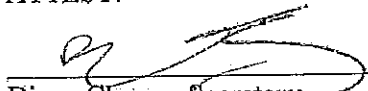
PASSED, APPROVED, AND ADOPTED this 26th day of March 2013.

AYES: Foulkes, Giamarino, Tarras, Miller, Smith
 NOES:
 ABSTAIN:
 ABSENT:

3/26/2013
 Date


 Stephen D. Foulkes, Chair
 DWP Board of Commissioners

ATTEST:


 Diego Chavez, Secretary
 DWP Board of Commissioners

CERTIFICATION

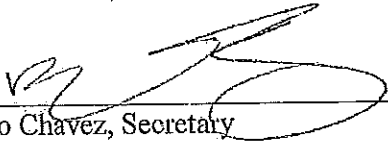
STATE OF CALIFORNIA)

COUNTY OF SAN BERNARDINO)

CITY OF BIG BEAR LAKE)

I, Diego Chavez, Secretary to the Board of Commissioners of the Department of Water & Power, of the City of Big Bear Lake, California, do hereby certify that the whole number of members of said Board is five; that the foregoing Resolution, being Resolution No. DWP 2013-05 was duly passed and adopted by said Board and attested to by the Secretary of said Board, all at a Regular meeting of said Board, held on the 26th day of March 2013.

AYES: Foulkes, Giamarino, Tarras, Miller, Smith
NOES:
ABSTAIN:
ABSENT:



Diego Chavez, Secretary
DWP Board of Commissioners

SEAL