



## City Council Staff Report

DATE: July 16, 2014

AGENDA ITEM NO: Consent Calendar  
Agenda Item 3-N.

**TO:** The Honorable Mayor and City Council  
**FROM:** Chu Thai, Management Services Director  
**SUBJECT:** Second reading and adoption of ordinances increasing the amount of water, wastewater and solid waste rates and charges.

### **RECOMMENDATION:**

It is recommended that the City Council:

1. Waive second reading and adopt the proposed Ordinance No. ##### – Increasing the amount of Water Rates and Charges;
2. Waive second reading and adopt the proposed Ordinance No. ##### – Increasing the amount of Wastewater Rates and Charges;
3. Waive second reading and adopt the proposed Ordinance No. ##### – Increasing the amount of Solid Waste Rates and Charges; and
4. Take such additional, related, action that may be desirable.

### **EXECUTIVE SUMMARY:**

The first reading and public hearing occurred on July 2, 2014. The ordinances are now ready for second reading and adoption by the City Council.

### **BACKGROUND:**

At the meeting on July 2, 2014, the City Council reviewed options for setting/increasing water, and wastewater rates for a five year period commencing on September 1, 2014. Additionally, the Council reviewed options for setting/increasing rates for solid waste (trash) service that is provided by Athens Disposal pursuant to a franchise agreement with the City. The proposed solid waste rates would take effect September 1, 2014 and would only be increased during the term of the Contract with Athens which expires in June 2017.

Before the July 2, 2014 Council Meeting, the City sent out public notices and protest ballots to all property owners in the City as well as rate payers for water, wastewater and solid waste services. As is detailed in March 19, April 2, April 16, June 18, and July 2 staff reports, unless the City received a majority protest the City could proceed to increase the rates for these services. On June 18, 2014, the City Council determined that the City received, at most (since the envelopes were not opened), 1,349 protest ballots which represented (at most) an 8% protest. This is well below the majority threshold requirement. This procedure was approved by the California electorate as part of Proposition 218 which amended the California Constitution to include this

majority protest process for increasing (or adding) water, wastewater and solid waste services.

At the July 2<sup>nd</sup> Meeting the Council introduced Ordinances that sets a “cap rate” on water and wastewater increases at 15% per year for the five year period. However, the Council also suspended the rate increases for the second through fifth year of the water and wastewater rate schedules from 15% annual increases to 10% annual increases, and retained the right to increase the rates during this four year period up to the 15% cap amount. Should the City Council seek to allow rates to revert up to the cap rate, the City Council would need to hold a public hearing and adopt an ordinance allowing for such reversion. The ordinance would need to be adopted by four affirmative votes. Additionally, on September 1, 2019, the water and wastewater rates will automatically revert back to the rate in existence as of August 31, 2017 absent additional City Council action at that time.

For solid waste, the Council introduced an Ordinance for a first year rate increase of 15% and years 2-5 at 3%. The solid waste rate increases simply pass through the rate increases that are charged by Athens Disposal which provides the City’s solid waste services.

For illustrative purposes, the two charts below shows what a typical single family home may pay per month at the cap, as well as the reduced rates established by City Council.

**Council Adopted "Capped Rates" Monthly Bill and CIP Potential**

<b>Utility Bill</b>	<b>Current Bill</b>	<b>Sept 14 Year 1</b>	<b>Sept 15 Year 2</b>	<b>Sept 16 Year 3</b>	<b>Sept 17 Year 4</b>	<b>Sept 18 Year 5</b>	<b>CIP (Million)</b>
<b>Water</b>	\$28.82	\$47.33	\$54.48	\$62.62	\$72.05	\$82.78	\$17.7
<b>Wastewater</b>	\$0.97	\$7.69	\$10.00	\$12.50	\$14.00	\$15.68	\$12.8
<b>Solid Waste</b>	\$22.68	\$26.08	\$26.86	\$27.66	\$28.50	\$29.35	-
<b>TOTAL</b>	<b>\$52.47</b>	<b>\$81.10</b>	<b>\$91.34</b>	<b>\$102.78</b>	<b>\$114.55</b>	<b>\$127.81</b>	<b>\$30.5</b>

*(1) Typical single family residential customer has 5/8" or 3/4" water meter and consumes 12 units (1 unit = 748 gallons) of water per month. Customer has one 96 gallon trash and one 96 gallon recycle container.*

**Council Adopted "Suspended Reduced Rates of 10% for Monthly Bill and CIP Potential for the 2<sup>nd</sup> through 5<sup>th</sup> Years of the Rate Program**

<b>Utility Bill</b>	<b>Current Bill</b>	<b>Sept 14 Year 1</b>	<b>Sept 15 Year 2</b>	<b>Sept 16 Year 3</b>	<b>Sept 17 Year 4</b>	<b>Sept 18 Year 5</b>	<b>CIP (Million)</b>
<b>Water</b>	\$28.82	\$47.33	\$52.04	\$57.30	\$63.00	\$69.31	\$10.1
<b>Wastewater</b>	\$0.97	\$7.69	\$8.46	\$9.31	\$10.24	\$11.26	\$8.8
<b>Solid Waste</b>	\$22.68	\$26.08	\$26.86	\$27.66	\$28.50	\$29.35	-
<b>TOTAL</b>	<b>\$52.47</b>	<b>\$81.10</b>	<b>\$87.36</b>	<b>\$94.27</b>	<b>\$101.74</b>	<b>\$109.92</b>	<b>\$18.8</b>

*(1) Typical single family residential customer has 5/8" or 3/4" water meter and consumes 12 units (1 unit = 748 gallons) of water per month. Customer has one 96 gallon trash and one 96 gallon recycle container.*

The ordinances introduced at the last City Council meeting must be adopted by four affirmative votes. California law requires that the City Council re-introduce any ordinance that is substantively changed from the time it was introduced.

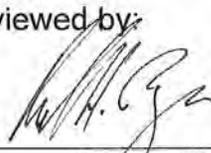
Respectfully submitted by:

  
\_\_\_\_\_  
Chu Thai  
Director of Management Services

Approved by:

  
\_\_\_\_\_  
Paul L. Talbot  
City Manager

Reviewed by:

  
\_\_\_\_\_  
Karl H. Berger  
Assistant City Attorney

**ATTACHMENTS:**

1. Ordinance No. ##### – Setting the amount of Water Rates and Charges
2. Ordinance No. ##### – Setting the amount of Wastewater Rates and Charges
3. Ordinance No. ##### – Setting the amount of Solid Waste Rates and Charges
4. Reduced Water and Wastewater Rates to be Charged

**ATTACHMENT 1**

Ordinance No. ##### – Setting the amount of  
Water Rates and Charges

**ORDINANCE NO. \_\_\_\_**

**AN ORDINANCE SETTING THE AMOUNT OF WATER RATES AND CHARGES PURSUANT TO HEALTH AND SAFETY CODE § 5471 AND MONTEREY PARK MUNICIPAL CODE CHAPTER 14.12.**

The City Council of the City of Monterey Park does ordain as follows:

SECTION 1. The City Council finds and declares as follows:

A. The City of Monterey Park requires a reliable supply of water meeting current and anticipated water quality standards to protect the public general welfare, health and safety.

B. The purpose of water rates and charges is to protect the public health, safety and general welfare by providing a reliable and adequate supply of water meeting current and anticipated water quality standards for the residents of the City of Monterey Park and to pay for the cost of providing such service.

C. There is a reasonable relationship between the amount of the rates and charges and the cost of services and facilities necessary to deliver water service to the residents and non-residential development of the City.

D. Notice regarding the water rates included in this ordinance was provided in accordance with California Constitution Article XIID, § 6(c) and Government Code § 54354.5.

E. On June 18, 2014, the City Council held a public hearing to consider the results of the protest proceeding and to consider whether to increase the water rates as proposed.

F. This Ordinance is exempt from review under the California Environmental Quality Act (Cal. Pub. Res. Code §§ 21000, *et seq.*; "CEQA") and CEQA regulations (Cal. Code Regs. tit. 14, §§ 15000, *et seq.*) because it establishes, modifies, structures, restructures, and approves rates and charges for meeting operating expenses; purchasing supplies, equipment, and materials; meeting financial requirements; and obtaining funds for capital projects needed to maintain service within existing service areas. This Ordinance, therefore, is categorically exempt from further CEQA review under Cal. Code Regs. tit. 14, § 15273.

G. This ordinance is adopted in accordance with Health and Safety Code § 5471 and Monterey Park Municipal Code ("MPMC") Chapter 14.12 to establish the City's current water rates.

H. The City Council has considered the evidence and testimony presented at the public hearing. Based in part upon that evidence, and the staff reports presented to the Council regarding this issue, the City Council believes that it is in the public interest to adopt this Ordinance.

## SECTION 2. AMOUNT OF RATES AND CHARGES.

A. Pursuant to MPMC Chapter 14.12, the City Council establishes amount of water rates as set forth in attached Exhibit "A," which is incorporated by reference ("Water Charges").

B. The Water Charges include an annual fifteen percent (15%) increase for the next five years commencing on September 1, 2014. The Water Charges are as set forth on Exhibit A except that the Council hereby suspends the Water Charges increase for the second through fifth year of the Water Charge schedule from fifteen percent (15%) annual increases to ten percent (10%) annual increases, but reserves the right to increase the Water Charges back up to the fifteen percent (15%) levels set forth on Exhibit A by amending this Ordinance. Additionally, as of September 1, 2019, the Water Charges will automatically revert back to the Water Charges existing on August 31, 2017.

C. The City Council must meet at least thirty days in advance of each annual Water Charges increase to receive a detailed presentation from the City Manager, or designee, regarding the expenditures made from the Water Enterprise Fund for the previous year and the projected expenditures for the next twelve month period. The Council must discuss whether the Water Charges should be increased, remain the same or decreased during this annual meeting.

SECTION 3. COST ESTIMATES. The City Manager, or designee, will periodically, but not less than annually, review the Water Charges to determine whether revenues from such charges are meeting actual cost of services and facilities needed to deliver water service to the residents and non-residential developments within the City. If the City Manager determines that revenues do not adequately meet costs, the City Manager will recommend to the City Council a revised rate and charge schedule to be adopted by this City Council by ordinance.

SECTION 4. This Ordinance was adopted to comply with the California Supreme Court decision in *Bighorn-Desert View Water Agency v. Verjil* (2006) 39 Cal.4<sup>th</sup> 205. To the extent any provision of this Ordinance repeals or supersedes Ordinance No. 1403, such repeal or replacement will not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before, this Ordinance's effective date. Any

such repealed or superseded part of Ordinance No. 1403 will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

SECTION 5. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

SECTION 6. The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of Monterey Park's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 7. This Ordinance will become effective on the thirty-first (31st) day following its passage and adoption.

PASSED AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Anthony Wong, Mayor

**ATTEST:**

STATE OF CALIFORNIA        )  
COUNTY OF LOS ANGELES    )     SS  
CITY OF MONTEREY PARK     )

I, Vincent D. Chang, City Clerk of the City of Monterey Park, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Ordinance No. \_\_\_\_\_ was duly introduced by said City Council at a regular meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2014, and was duly passed and adopted by said City Council, approved and signed by the Mayor, and attested to by the City Clerk, all at a regular meeting of said Council held on the \_\_\_\_\_ day of \_\_\_\_\_, 2014, and the same was so passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Vincent D. Chang, City Clerk

APPROVED AS TO FORM:  
Mark D. Hensley, City Attorney

By: \_\_\_\_\_  
Karl H. Berger, Assistant City Attorney

Exhibit A  
Water Charges

City of Monterey Park						
<b>Monthly Water Rate Schedule</b>						
<b>Monthly Water Meter Charge</b>						
<i>Meter Size</i>	Existing Rate	Sept 2014	Sept 2015	Sept 2016	Sept 2017	Sept 2018
5/8 or 3/4"	\$12.63	\$14.50	\$16.70	\$19.20	\$22.10	\$25.40
1"	\$13.67	\$15.70	\$18.05	\$20.75	\$23.85	\$27.45
1 1/2"	\$21.53	\$24.75	\$28.45	\$32.70	\$37.60	\$43.25
2"	\$27.71	\$31.85	\$36.65	\$42.15	\$48.45	\$55.70
3"	\$55.48	\$63.80	\$73.35	\$84.35	\$97.00	\$111.55
4"	\$91.72	\$105.50	\$121.35	\$139.55	\$160.50	\$184.60
6"	\$280.07	\$322.10	\$370.40	\$425.95	\$489.85	\$563.35
8"	\$700.44	\$805.50	\$926.35	\$1,065.30	\$1,225.10	\$1,408.85
<b>Monthly Water Consumption Charge (per unit)</b>						
	Existing Rate	Sept 2014	Sept 2015	Sept 2016	Sept 2017	Sept 2018
<b>Current (All Users)</b>						
Tier 1 5/8" or 3/4" (units 6-20)	\$1.38					
Tier 1 All other (units 0-20)	\$1.38					
Tier 2 (above 20 units)	\$1.81					
<b>Proposed Single Family Residential</b>						
Tier 1 (units 0-6)		\$1.59	\$1.83	\$2.10	\$2.42	\$2.78
Tier 2 (units 7-12)		\$1.73	\$1.99	\$2.29	\$2.63	\$3.02
Tier 3 (above 12 units)		\$1.85	\$2.13	\$2.45	\$2.82	\$3.24
<b>Proposed All Other</b>						
All Units of Consumption		\$1.81	\$2.08	\$2.39	\$2.75	\$3.16
<b>Water Treatment Charge</b>						
% (meter + consumption)	37.5%	37.5%	37.5%	37.5%	37.5%	37.5%

One Unit = 748 gallons of water

**ATTACHMENT 2**

Ordinance No. ##### – Setting the amount of  
Wastewater Rates and Charges

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE SETTING THE AMOUNT OF WASTEWATER RATES AND CHARGES PURSUANT TO HEALTH AND SAFETY CODE § 5471.**

The City Council of the City of Monterey Park does ordain as follows:

SECTION 1. The City Council finds and declares as follows:

A. The City of Monterey Park requires a reliable wastewater discharge system meeting current and anticipated water quality standards to protect the public general welfare, health and safety.

B. The purpose of wastewater rates and charges is to protect the public health, safety and general welfare by providing a reliable and safe wastewater discharge system that meets current and anticipated wastewater quality standards for the residents of the City of Monterey Park and to pay for the cost of providing such service.

C. Based upon the record, there is a reasonable relationship between the amount of the rates and charges and the cost of services and facilities necessary to deliver wastewater service to the residents and non-residential development of the City.

D. Notice regarding the wastewater rates included in this ordinance was provided in accordance with California Constitution Article XIID, § 6(c) and Government Code § 54354.5.

E. On June 18, 2014, the City Council held a public hearing to consider the results of the protest proceeding and to consider whether to adjust the wastewater rates as proposed.

F. This Ordinance is exempt from review under the California Environmental Quality Act (Cal. Pub. Res. Code §§ 21000, *et seq.*; "CEQA") and CEQA regulations (Cal. Code Regs. tit. 14, §§ 15000, *et seq.*) because it establishes, modifies, structures, restructures, and approves rates and charges for meeting operating expenses; purchasing supplies, equipment, and materials; meeting financial requirements; and obtaining funds for capital projects needed to maintain service within existing service areas. This Ordinance, therefore, is categorically exempt from further CEQA review under Cal. Code Regs. Tit. 14, § 15273.

G. This Ordinance is adopted in accordance with Health and Safety Code § 5471 to establish the City's current wastewater rates and charges.

H. The City Council has considered the evidence and testimony presented at the public hearing. Based in part upon that evidence, and the agenda reports presented to the Council regarding this issue, the City Council believes that it is in the public interest to adopt this Ordinance.

## SECTION 2. AMOUNT OF RATES AND CHARGES.

A. The City Council establishes amount of wastewater rates as set forth in attached Exhibit "A," which is incorporated by reference ("Wastewater Charges.")

B. The Wastewater Charges include an annual fifteen percent (15%) increase for the next five years commencing on September 1, 2014. The Wastewater Charges are as set forth on Exhibit A except that the Council hereby suspends the Wastewater Charges increase for the second through fifth year of the Water Charge schedule from fifteen percent (15%) annual increases to ten percent (10%) annual increases, but reserves the right to increase the Wastewater Charges back up to the fifteen percent (15%) levels set forth on Exhibit A by amending this Ordinance. Additionally, as of September 1, 2019, the Wastewater Charges will automatically revert back to the Wastewater Charges existing on August 31, 2017.

C. The City Council must meet at least thirty days in advance of each annual Wastewater Charges increase to receive a detailed presentation from the City Manager, or designee, regarding the expenditures made from the Water Enterprise Fund for the previous year and the projected expenditures for the next twelve month period. The Council must discuss whether the Wastewater Charges should be increased, remain the same or decreased during this annual meeting.

SECTION 3. COST ESTIMATES. The City Manager, or designee, will periodically, but not less than annually, review the Wastewater Charges to determine whether revenues from such charges are meeting actual cost of services and facilities needed for wastewater discharge services to the residents and non-residential developments within the City. If the City Manager determines that revenues do not adequately meet costs, the City Manager will recommend to the City Council a revised rate and charge schedule to be adopted by this City Council by ordinance.

SECTION 4. This Ordinance was adopted to comply with the California Supreme Court decision in *Bighorn-Desert View Water Agency v. Verjil* (2006) 39 Cal.4<sup>th</sup> 205. To the extent any provision of this Ordinance repeals or supersedes any previous approvals, such repeal or replacement will not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of

penalties for any violation occurring before, this Ordinance's effective date. Any such repealed or superseded part of previous approvals will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

SECTION 5. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

SECTION 6. The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of Monterey Park's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 7. This Ordinance will take effect on the 31st day following its final passage and adoption.

PASSED AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Anthony Wong, Mayor

**ATTEST:**

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    )    SS  
CITY OF MONTEREY PARK        )

I, Vincent D. Chang, City Clerk of the City of Monterey Park, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Ordinance No. \_\_\_\_\_ was duly introduced by said City Council at a regular meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2014, and was duly passed and adopted by said City Council, approved and signed by the Mayor, and attested to by the City Clerk, all at a regular meeting of said Council held on the \_\_\_\_\_ day of \_\_\_\_\_, 2014, and the same was so passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Vincent D. Chang, City Clerk

APPROVED AS TO FORM:  
Mark D. Hensley, City Attorney

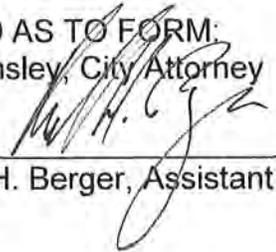
By:   
\_\_\_\_\_  
Karl H. Berger, Assistant City Attorney

Exhibit A  
Wastewater Charges

City of Monterey Park						
<b>Monthly Wastewater Rate Schedule</b>						
	Existing Rate	Sept 2014	Sept 2015	Sept 2016	Sept 2017	Sept 2018
<b><i>Existing Rate - Based on Units of Water</i></b>						
All Customers	\$0.081/unit of water					
<b><i>Proposed Rate - Based on Meter Size &amp; Customer Type (flat fee)</i></b>						
Single Family						
5/8" & 3/4"		\$7.69	\$8.84	\$10.17	\$11.70	\$13.46
1"		\$9.39	\$10.80	\$12.42	\$14.28	\$16.42
1 1/2" & 2"		\$9.72	\$11.18	\$12.86	\$14.79	\$17.01
Multi-Family						
3/4"		\$21.94	\$25.23	\$29.01	\$33.36	\$38.36
1"		\$26.29	\$30.23	\$34.76	\$39.97	\$45.97
1 1/4"		\$43.29	\$49.78	\$57.25	\$65.84	\$75.72
1 1/2"		\$63.63	\$73.17	\$84.15	\$96.77	\$111.29
2"		\$121.90	\$140.19	\$161.22	\$185.40	\$213.21
3"		\$312.30	\$359.15	\$413.02	\$474.97	\$546.22
4"		\$404.01	\$464.61	\$534.30	\$614.45	\$706.62
Commercial						
3/4"		\$20.49	\$23.56	\$27.09	\$31.15	\$35.82
1"		\$30.76	\$35.37	\$40.68	\$46.78	\$53.80
1 1/4"		\$30.76	\$35.37	\$40.68	\$46.78	\$53.80
1 1/2"		\$59.29	\$68.18	\$78.41	\$90.17	\$103.70
2"		\$150.45	\$173.02	\$198.97	\$228.82	\$263.14
3"		\$204.67	\$235.37	\$270.68	\$311.28	\$357.97
4"		\$292.39	\$336.25	\$386.69	\$444.69	\$511.39
6"		\$795.62	\$914.96	\$1,052.20	\$1,210.03	\$1,391.53
Institutional						
3/4"		\$35.00	\$40.25	\$46.29	\$53.23	\$61.21
2"		\$51.78	\$59.55	\$68.48	\$78.75	\$90.56
3"		\$55.42	\$63.73	\$73.29	\$84.28	\$96.92
4"		\$127.24	\$146.33	\$168.28	\$193.52	\$222.55

**ATTACHMENT 3**

Ordinance No. ##### – Setting the amount of  
Solid Waste Rates and Charges

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE SETTING THE AMOUNT OF SOLID WASTE RATES PURSUANT TO HEALTH AND SAFETY CODE § 5471.**

The City Council of the city of Monterey Park does ordain as follows:

SECTION 1. The City Council finds and declares as follows:

A. The purpose of solid waste rates and charges is to protect the public health, safety and general welfare by providing a reliable and safe solid waste disposal system that meets current and anticipated solid waste removal quality standards for the residents of the city of Monterey Park and to pay for the cost of providing such service.

B. Based upon the record, there is a reasonable relationship between the amount of the rates and charges and the cost of services and facilities necessary to deliver solid waste service to the residents and non-residential development of the City.

C. This ordinance is adopted in accordance with Health and Safety Code § 5471 to establish the City's current solid waste rates and charges.

D. Notice regarding the solid waste rates included in this ordinance was provided in accordance with Government Code § 54354.5 and a public hearing was held by the City Council on June 18, 2014.

E. This Ordinance was adopted to comply with the California Supreme Court decision in *Bighorn-Desert View Water Agency v. Verjil* (2006) 39 Cal.4<sup>th</sup> 205.

F. This Ordinance is exempt from review under the California Environmental Quality Act (Cal. Pub. Res. Code §§ 21000, *et seq.*; "CEQA") and CEQA regulations (Cal. Code Regs. tit. 14, §§ 15000, *et seq.*) because it establishes, modifies, structures, restructures, and approves rates and charges for meeting operating expenses; purchasing supplies, equipment, and materials; meeting financial requirements; and obtaining funds for capital projects needed to maintain service within existing service areas. This Ordinance, therefore, is categorically exempt from further CEQA review under Cal. Code Regs. tit. 14, § 15273.

G. The City Council has considered the evidence and testimony presented at the public hearing. Based in part upon that evidence, and the agenda reports presented to the Council regarding this issue, the City Council believes that it is in the public interest to adopt this Ordinance.

SECTION 2. AMOUNT OF RATES AND CHARGES. The City Council establishes amount of solid waste rates as set forth in attached Exhibit "A," which is incorporated by reference ("Rates.")

SECTION 3. SUSPENSION OR REDUCTION OF RATES. The City Council may adopt a resolution to suspend or reduce Rates established by this Ordinance.

SECTION 4. COST ESTIMATES. The City Manager, or designee, will periodically, but not less than annually, review the Rates to determine whether revenues from such Rates are meeting actual cost of services and facilities needed to deliver solid waste service to the residents and non-residential developments within the City. If the City Manager determines that revenues do not adequately meet costs, the City Manager will recommend to the City Council a revised rate schedule to be adopted by this City Council by ordinance.

SECTION 5. PREVIOUS RATES. This Ordinance establishes the Rates only; it does not affect any previously established charges or other administrative fees. To the extent any provision of this Ordinance supersedes previously established Rates, such replacement does not affect any other charge, fee, penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before, this Ordinance's effective date. Any such part of previous approvals remain in full force and effect.

SECTION 6. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

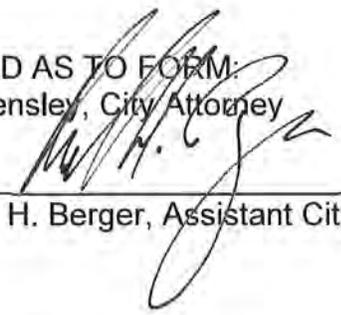
SECTION 7. The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the city of Monterey Park's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 8. This Ordinance will take effect on the 31st day following its final passage and adoption.

PASSED AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Anthony Wong, Mayor

APPROVED AS TO FORM:  
Mark D. Hensley, City Attorney

By:   
Karl H. Berger, Assistant City Attorney

STATE OF CALIFORNIA        }  
COUNTY OF LOS ANGELES    } ss  
CITY OF MONTEREY PARK       }

I, Vincent D. Chang, City Clerk of the City of Monterey Park, do hereby certify that the above and foregoing Ordinance No. \_\_\_\_\_ was duly passed and adopted by the City Council of the City of Monterey Park at a regular meeting thereof held on \_\_\_\_\_, 2014, by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City this \_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Vincent D. Chang,  
City Clerk

EXHIBIT A

City of Monterey Park						
<b>Proposed Solid Waste Rate Schedule</b>						
	Existing Rate	Sept 2014	Sept 2015	Sept 2016	Sept 2017	Sept 2018
<u>Residential</u>						
96 black / 96 green	21.81	25.08	25.83	26.60	27.40	28.22
96 black / 64 green	21.12	24.29	25.02	25.77	26.54	27.34
64 black / 96 green	20.35	23.40	24.10	24.82	25.56	26.33
64 black / 64 green	19.78	22.75	23.43	24.13	24.85	25.60
Extra Black	5.53	6.36	6.55	6.75	6.95	7.16
extra Green	3.72	4.28	4.41	4.54	4.68	4.82
Roll-out	17.35	19.95	20.55	21.17	21.81	22.46
Extra Exchange	28.83	33.15	34.14	35.16	36.21	37.30
<u>Multi-Family Bins</u>						
1 X per Week	181.83	209.10	215.37	221.83	228.48	235.33
2 X per Week	260.84	299.97	308.97	318.24	327.79	337.62
3 X per Week	368.58	423.87	436.59	449.69	463.18	477.08
4 X per Week	467.88	538.06	554.20	570.83	587.95	605.59
5 X per Week	562.01	646.31	665.70	685.67	706.24	727.43
Special Services	80.17	92.20	94.97	97.82	100.75	103.77
Waste Mgmt Fee	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

**ATTACHMENT 4**  
Reduced Water and Wastewater  
Rates to be Charged

**City of Monterey Park**  
**Water Rates (Council Adopted Suspended Reduced Rates)**

<b>Monthly Water Meter Charge</b>						
<i>Meter Size</i>	Existing Rate	Sept 2014	Sept 2015	Sept 2016	Sept 2017	Sept 2018
5/8 or 3/4"	\$12.63	<b>\$14.50</b>	<b>\$15.95</b>	<b>\$17.55</b>	<b>\$19.30</b>	<b>\$21.25</b>
1"	\$13.67	<b>\$15.70</b>	<b>\$17.25</b>	<b>\$19.00</b>	<b>\$20.90</b>	<b>\$23.00</b>
1 1/2"	\$21.53	<b>\$24.75</b>	<b>\$27.25</b>	<b>\$30.00</b>	<b>\$33.00</b>	<b>\$36.30</b>
2"	\$27.71	<b>\$31.85</b>	<b>\$35.05</b>	<b>\$38.55</b>	<b>\$42.40</b>	<b>\$46.65</b>
3"	\$55.48	<b>\$63.80</b>	<b>\$70.20</b>	<b>\$77.20</b>	<b>\$84.90</b>	<b>\$93.40</b>
4"	\$91.72	<b>\$105.50</b>	<b>\$116.05</b>	<b>\$127.65</b>	<b>\$140.40</b>	<b>\$154.45</b>
6"	\$280.07	<b>\$322.10</b>	<b>\$354.30</b>	<b>\$389.75</b>	<b>\$428.75</b>	<b>\$471.65</b>
8"	\$700.44	<b>\$805.50</b>	<b>\$886.05</b>	<b>\$974.65</b>	<b>\$1,072.10</b>	<b>\$1,179.30</b>
<b>Monthly Water Consumption Charge (per unit)</b>						
	Existing Rate	Sept 2014	Sept 2015	Sept 2016	Sept 2017	Sept 2018
<b>Current (All Users)</b>						
Tier 1 5/8" or 3/4" (units 6-20)	\$1.38					
Tier 1 All other (units 0-20)	\$1.38					
Tier 2 (above 20 units)	\$1.81					
<b>Proposed Single Family Residential</b>						
Tier 1 (units 0-6)		<b>\$1.59</b>	<b>\$1.75</b>	<b>\$1.93</b>	<b>\$2.12</b>	<b>\$2.33</b>
Tier 2 (units 7-12)		<b>\$1.73</b>	<b>\$1.90</b>	<b>\$2.09</b>	<b>\$2.30</b>	<b>\$2.53</b>
Tier 3 (above 12 units)		<b>\$1.85</b>	<b>\$2.04</b>	<b>\$2.24</b>	<b>\$2.46</b>	<b>\$2.71</b>
<b>Proposed All Other</b>						
All Units of Consumption		<b>\$1.81</b>	<b>\$1.99</b>	<b>\$2.19</b>	<b>\$2.41</b>	<b>\$2.65</b>
<b>Water Treatment Charge</b>						
% (meter + consumption)	37.5%	<b>37.5%</b>	<b>37.5%</b>	<b>37.5%</b>	<b>37.5%</b>	<b>37.5%</b>

One Unit = 748 gallons of water

City of Monterey Park

Wastewater Rates (Council Adopted Suspended Reduced Rates)

	Existing Rate	Sept 2014	Sept 2015	Sept 2016	Sept 2017	Sept 2018
<b>Existing Rate - Based on Units of Water</b>						
All Customers	\$0.081/unit of water					
<b>Proposed Rate - Based on Meter Size &amp; Customer Type (flat fee)</b>						
<b>Single Family</b>						
5/8" & 3/4"		\$7.69	\$8.46	\$9.31	\$10.24	\$11.26
1"		\$9.39	\$10.33	\$11.36	\$12.50	\$13.75
1 1/2" & 2"		\$9.72	\$10.69	\$11.76	\$12.94	\$14.23
<b>Multi-Family</b>						
3/4"		\$21.94	\$24.13	\$26.54	\$29.19	\$32.11
1"		\$26.29	\$28.92	\$31.81	\$34.99	\$38.49
1 1/4"		\$43.29	\$47.62	\$52.38	\$57.62	\$63.38
1 1/2"		\$63.63	\$69.99	\$76.99	\$84.69	\$93.16
2"		\$121.90	\$134.09	\$147.50	\$162.25	\$178.48
3"		\$312.30	\$343.53	\$377.88	\$415.67	\$457.24
4"		\$404.01	\$444.41	\$488.85	\$537.74	\$591.51
<b>Commercial</b>						
3/4"		\$20.49	\$22.54	\$24.79	\$27.27	\$30.00
1"		\$30.76	\$33.84	\$37.22	\$40.94	\$45.03
1 1/4"		\$30.76	\$33.84	\$37.22	\$40.94	\$45.03
1 1/2"		\$59.29	\$65.22	\$71.74	\$78.91	\$86.80
2"		\$150.45	\$165.50	\$182.05	\$200.26	\$220.29
3"		\$204.67	\$225.14	\$247.65	\$272.42	\$299.66
4"		\$292.39	\$321.63	\$353.79	\$389.17	\$428.09
6"		\$795.62	\$875.18	\$962.70	\$1,058.97	\$1,164.87
<b>Institutional</b>						
3/4"		\$35.00	\$38.50	\$42.35	\$46.59	\$51.25
2"		\$51.78	\$56.96	\$62.66	\$68.93	\$75.82
3"		\$55.42	\$60.96	\$67.06	\$73.77	\$81.15
4"		\$127.24	\$139.96	\$153.96	\$169.36	\$186.30