



# CITY OF LODI COUNCIL COMMUNICATION

**AGENDA TITLE:** Set Public Hearing for April 16, 2008, to Consider Adopting Resolution Adjusting CPI-Based Water and Wastewater Rates

**MEETING DATE:** April 2, 2008

**PREPARED BY:** Public Works Director

**RECOMMENDED ACTION:** Set a public hearing for April 16, 2008, to consider adopting a resolution adjusting CPI-based water and wastewater rates.

**BACKGROUND INFORMATION:** In the spring of 2004, following City-wide notification, the Council approved rate increases for water and wastewater services. The public notification and resolution passed at that time included provisions for future rate adjustments based on the Consumer Price Index (CPI).

Resolution No. 2004-77 states that the index to be used shall be the San Francisco-Oakland-San Jose CPI for all items (unadjusted). The City has been using the December index for the past few years. The price index for December 2006 was 210.4 and 218.485 for December 2007, which translates to an increase of 3.84%. The rate increase (as shown on the attached tables) is on all water and wastewater service charges. The increase amount for a three-bedroom home is \$1.49 for water and \$1.03 for wastewater. Note this adjustment applies to the total water rate. Previous adjustments did not include the PCE/TCE charge since when it was initially adopted as a phased-in rate increase, it included an allowance for inflation. The effective date of the increase is July 1, 2008.

**FISCAL IMPACT:** There would be an increase in the annual water and wastewater fund revenue, which is needed to help keep up with cost of service increases and new mandated costs.

**FUNDING AVAILABLE:** Not applicable.

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Richard C. Prima, Jr.  
Public Works Director

Prepared by Rebecca Areida, Management Analyst

RCP/RA/pmf

Attachments

cc: Steve Mann, Information Systems Manager  
Charles Swimley, Water Services Manager

APPROVED: \_\_\_\_\_  
Blair King, City Manager

**City of Lodi Water Utility**  
Proposed Water Rates

Single-Family Residential	Current Rates				Rates Effective 07/01/2008			
	Base	Infr.	PCE/TCE	Monthly Total	Base	Infr.	PCE/TCE	Monthly Total
1 BR - House	\$14.42	\$5.24	\$7.29	\$26.95	\$14.97	\$5.44	\$7.57	\$27.98
2 BR - House	17.31	6.30	8.76	32.37	17.97	6.54	\$9.10	33.61
3 BR - House	20.75	7.54	10.50	38.79	21.55	7.83	\$10.90	40.28
4 BR - House	24.93	9.07	12.61	46.61	25.89	9.42	\$13.09	48.40
5 BR - House	29.90	10.88	15.13	55.91	31.05	11.30	\$15.71	58.06
6 BR - House	35.88	13.05	18.16	67.09	37.26	13.55	\$18.86	69.67
7 BR - House	43.05	15.66	21.78	80.49	44.70	16.26	\$22.62	83.58
<b>Multi-Family Residential</b>								
1 BR - APT	\$12.37	\$4.50	\$6.26	\$23.13	\$12.85	\$4.67	\$6.50	\$24.02
2 BR - APT	14.83	5.40	7.51	27.74	15.40	5.61	\$7.80	28.81
3 BR - APT (1)	17.8	6.48	9.01	33.29	18.48	6.73	\$9.36	34.57
Flat Rate Commercial/Industrial Customers - Varies, Increase all by 3.84%								
<b>Metered Rate (2)</b>	<b>Base</b>	<b>Infr. \$/ccf</b>	<b>PCE/TCE</b>	<b>Total</b>	<b>Base</b>	<b>Infr. \$/ccf</b>	<b>PCE/TCE</b>	<b>Total</b>
Commodity Charge per 100 cu. Ft.	\$0.517	\$0.243		\$0.760	\$0.537	\$0.252		\$0.789
monthly charge								
Comm. 5/8"	\$15.13		\$9.56	\$24.69	\$15.71		\$9.93	\$25.64
Comm. .75"	16.63		10.50	27.13	17.27		\$10.90	28.17
Comm. 1"	24.94		15.76	40.70	25.90		\$16.37	42.27
Comm. 1.5"	33.25		21.01	54.26	34.53		\$21.82	56.35
Comm. 2"	41.57		26.27	67.84	43.17		\$27.28	70.45
Comm. 3"	58.21		36.77	94.98	60.45		\$38.18	98.63
Comm. 4"	74.83		47.28	122.11	77.70		\$49.10	126.80
Comm. 6"	108.09		68.30	176.39	112.24		\$70.92	183.16
Comm. 8"	141.37		89.25	230.62	146.80		\$92.68	239.48
Comm. 10"	174.64		110.25	284.89	181.35		\$114.48	295.83
<b>Construction Water Charges</b>								
per 100 cu. Ft.	\$0.760				\$0.789			

(1) plus 20% for each additional bedroom

(2) Monthly total for metered commercial customers depends on amount of water used

**City of Lodi Wastewater Utility**  
Proposed Wastewater Rates

Residential	Current Rates			Rates Effective 07/01/2008		
	Base	Infr.	Monthly Total	Base	Infr.	Monthly Total
1 BR	\$11.40	\$4.63	\$16.03	\$11.84	\$4.81	\$16.65
2 BR	15.20	6.17	21.37	15.78	6.41	22.19
3 BR	19.00	7.71	26.71	19.73	8.01	27.74
4 BR	22.80	9.26	32.06	23.67	9.62	33.29
5 BR	26.60	10.80	37.40	27.62	11.22	38.84
6 BR	30.40	12.34	42.74	31.56	12.82	44.38
7 BR	34.20	13.88	48.08	35.51	14.42	49.93

Moderate Strength (annual per SSU)	\$256.44	\$266.28
High Strength User:		
Flow (per MG, annual basis)	2,164.00	2,247.10
BOD (per 1,000 lbs., annual basis)	357.12	370.83
SS (per 1,000 lb., annual basis)	223.29	231.86
Grease Inceptor & Septic Holding Tank Waste within City Limits (per 1,000 gal.)	189.09	196.35
Septic (only) Holding Tank Waste Outside City limits (per 1,000 gal.)	401.41	416.82
Disposal to Storm Drain System (per MG)	198.61	206.24
Disposal to Industrial System:		
Flow (per MG, annual basis)	2,992.75	n/a rates adusted annually per LMC § 13.12.210
BOD (per 1,000 lbs., annual basis)	18.82	
Winery Waste (per 1,000 gal.)	191.47	198.82