

RESOLUTION NO. 24-48

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FIREBAUGH ESTABLISHING RATE INCREASES FOR WATER SERVICES

WHEREAS, according to analysis of equipment, facilities, staffing, financial records and future capital needs of the City, a report was presented to the City Council December 4, 2023, prepared by Tuckfield & Associates “Firebaugh Water & Wastewater Rate Study Report December 2023” ("Rate Study") and independent analysis by City staff, increases in the rates charged for water supply/delivery, wastewater collection, and treatment are required to provide adequate revenue in the City’s Water Enterprise Fund and City's Sewer Enterprise Fund in order to avoid future operating deficits in the Funds and to :

- A. Generate sufficient revenue for water and wastewater operations;
- B. Maintain operating and capital reserves at or greater than target levels. Capital projects need to provide adequate water and wastewater service to City customers, to provide for future growth in and around the City, and to comply with State and Federal agency mandates. Water capital improvements relating to water quality, including but not limited to water main replacement and installation, installation of a telemetry system, water storage tank improvements, and installation of replacement wells. Wastewater capital improvements relating to wastewater quality and treatment, including but not limited to replacement and repair of components of the City wastewater treatment plant and various sewer lift stations installation , and installation of sewer mains and other sewer system enhancements;
- C. Maintain debt service coverage ratios at or greater than the minimum required. Meet prudent water, wastewater utilities, and financial planning criteria, including maintaining a working capital reserve of at least 180 days' operation and maintenance expense, adjusting revenue to keep the current Funds balance at existing levels, and maintaining a debt service coverage ratio of at least 125 percent to insure that debt service coverage required by existing water and wastewater revenue bond covenants will be met;
- D. Meet annual capital replacement spending from annual revenue and reserves; and

WHEREAS, the City duly provided notice of the proposed water services rate increases of a scheduled public hearing thereon on August 16, 2024, by first class mail to each City customer and property owner at least 45 days prior to the date of the public hearing. by city website firebaugh.org on August 16, 2024, at least 45 days before the public hearing; and

WHEREAS, prior to adopting this resolution, on October 7, 2024, the City Council duly conducted the public hearing on the proposed water services increases and heard oral and written testimony submitted in connection with the proposed increase; and

WHEREAS, the City Council has independently considered the Rate Study, other analysis and reports of City staff and the written and oral testimony presented at the public hearing, both for and against the proposed water services rate increase; and

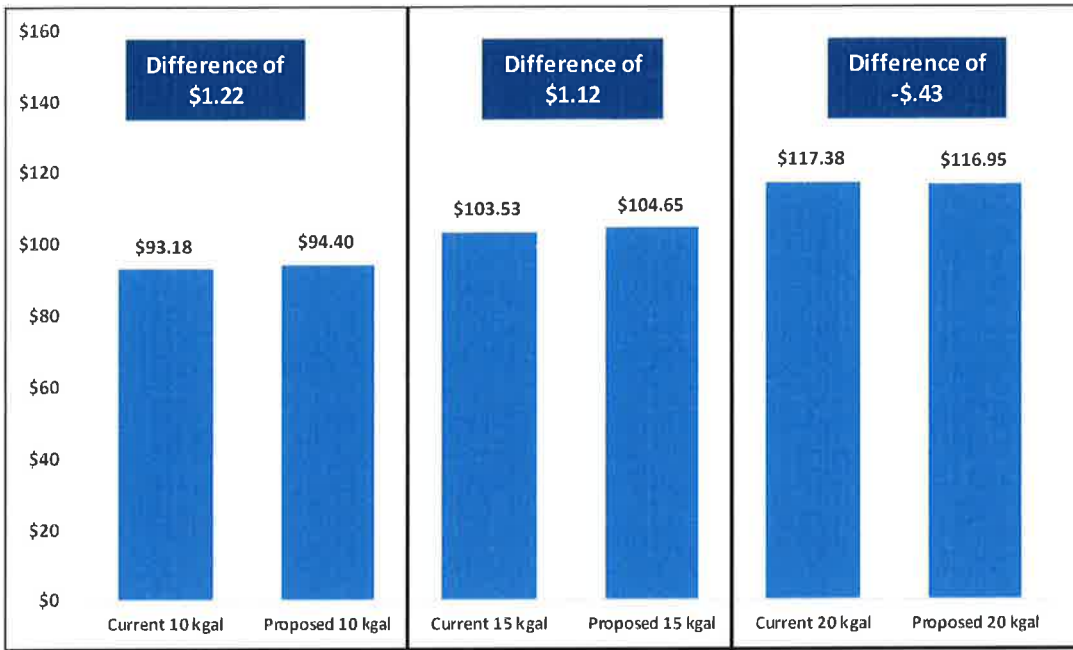
WHEREAS, the City Council has determined that written protests against the proposed water services rate increases have not been presented by a majority of the record owners of the parcels that would be subject to the increased water services rates;

Proposed Water Rate Structure and Rates

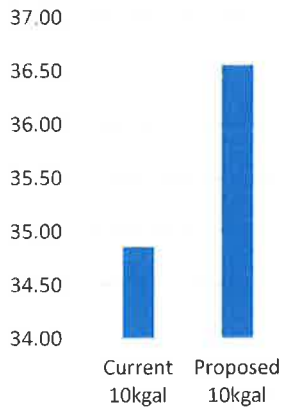
Exhibit A

Classification		Current Rate	January 1, FY 24-25	January 1, FY 25-26	January 1, FY 26-27	January 1, FY 27-28
All Customers Except Industrial		Fixed Charge (\$ per month)				
	<u>Meter Size</u>					
	<= 1 inch and smaller	\$16.96	\$17.86	\$18.11	\$18.36	\$18.62
	1-1/2 inch	\$25.80	\$27.08	\$27.46	\$27.84	\$28.23
	2 inch	\$38.81	\$40.45	\$41.02	\$41.59	\$42.17
	3 inch	\$93.66	\$95.31	\$96.64	\$97.99	\$99.36
	4 inch	\$131.53	\$134.30	\$136.18	\$138.09	\$140.02
	6 inch	\$260.62	\$268.63	\$272.39	\$276.20	\$280.07
Industrial						
	<u>Included Volume</u>					
	2 inch 75	\$253.81	\$267.84	\$271.59	\$275.39	\$279.25
	3 inch 100	\$338.41	\$357.12	\$362.12	\$367.19	\$372.33
	4 inch 175	\$592.22	\$624.97	\$633.72	\$642.59	\$651.59
	6 inch 325	\$1,099.83	\$1,160.66	\$1,176.91	\$1,193.39	\$1,210.10
	14 inch 500	\$1,692.04	\$1,785.62	\$1,810.62	\$1,835.97	\$1,861.67
Public Housing Authority		\$39.04	\$40.11	\$40.67	\$41.24	\$41.82

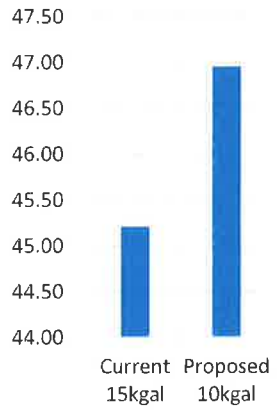
Classification	Current Rate	January 1, FY 24-25	January 1, FY 25-26	January 1, FY 26-27	January 1, FY 27-28
Variable Charge (\$ per 1,000 gal)					
Single-family Residential					
Tier 1 - 0 to 7 units	\$1.67	\$1.78	\$1.80	\$1.83	\$1.86
Tier 2 - 8 to 15 units	\$2.07	\$2.08	\$2.11	\$2.14	\$2.17
Tier 3 - Over 15	\$2.77	\$2.49	\$2.52	\$2.56	\$2.60
Multifamily Residential	\$1.86	\$2.05	\$2.08	\$2.11	\$2.14
Commercial	\$1.86	\$2.05	\$2.08	\$2.11	\$2.14
Industrial (Charge Over Included Volume)	\$3.33	\$3.54	\$3.59	\$3.64	\$3.69
Public Authority/Schools	\$1.86	\$2.05	\$2.08	\$2.11	\$2.14
Landscape Irrigation	\$2.54	\$2.66	\$2.70	\$2.74	\$2.78
Las Deltas [1]					
Tier 1 - 0 to 5000 units	\$3.17	\$3.25	\$3.30	\$3.35	\$3.40
Tier 2 - 5001 and Over	\$3.49	\$3.59	\$3.64	\$3.69	\$3.74



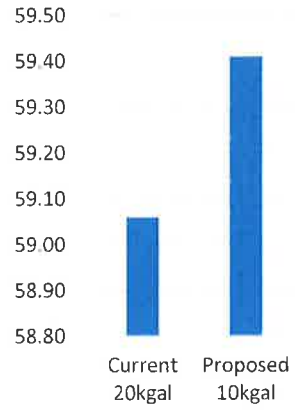
Difference of \$1.70



Difference of \$1.75



Difference of \$.35



WHEREAS, the City Council desires to move forward with adoption of the water rates.

THEREFORE, the City Council of the City of Firebaugh resolves finds and determines as follows:

Section 1. The recitals set forth above are true and correct as of the date this resolution is adopted.

Section 2. The rates for water service provided by the City of Firebaugh are hereby established as shown on Exhibit A, which is attached to and incorporated in this resolution.

Section 3. All previously established rates for such City water services are abolished.

Section 4. The rates in Exhibits "A" Water shall become effective January 1, 2025 and subsequently adjusted January 1, 2026, January 1, 2027, and January 1, 2028 as so noted in Exhibit A.

Section 5. The Water Rates and Wastewater Rates are independent of one another. If any provision of either the Water Rates or the Wastewater Rates is held illegal or unenforceable in a judicial proceeding, such provision shall be severed and shall be inoperative, and, the remainder of the rate structure shall remain operative and binding.

The foregoing resolution was adopted by the City Council of the City of Firebaugh at a regular meeting held on October 7, 2024, by the following vote:

AYES: Valdez, Perez, Renteria, Jenkins, Lopez

NOES:

ABSTAIN:

ABSENT:

APPROVED:



Elsa Lopez, Mayor

ATTEST:

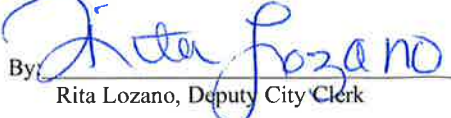


Rita Lozano, Deputy City Clerk

CLERK'S CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF FRESNO) SS.
CITY OF FIREBAUGH)

I, Rita Lozano, Deputy City Clerk of the City of Firebaugh, certify that the foregoing resolution was adopted by the City Council of the City of Firebaugh at a regular meeting held on October 7, 2024.

By: 

Rita Lozano, Deputy City Clerk