

ORDINANCE NUMBER 1432

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA,
APPROVING A 5-YEAR SCHEDULE OF INCREASES IN
WATER SERVICE RATES AND CHARGES**

WHEREAS, the City of Perris (“City”) owns and operates two water systems known as the North Perris Water System and the Downtown Water System (collectively, the “System”); and

WHEREAS, the water service rates and Monthly Service Charges previously set by the City Council have not been adjusted since at least 2013 and do not reflect the actual and necessary costs of operating the System; and

WHEREAS, Article XIIIID of the California Constitution (“Proposition 218”) sets forth the procedures for a City to follow with respect to adopting increases in water service rates and charges; and

WHEREAS, the City, through its consultant Stetson Engineers, Inc., conducted a water rate and charge study (the “Study”) in accordance with Proposition 218 that confirmed the existing rates and Monthly Service Charges charged by the City for water services are not adequate to cover the fully burdened costs of the System; and

WHEREAS, the ongoing operation, maintenance and capital improvement of the System are critical to the preservation of public health and safety in that the System provides essential water services to certain of the City residents, and the Study demonstrates that the lack of funds resulting from years of inadequate water rates and charges jeopardizes the City's ability to provide such services; and

WHEREAS, on May 9, 2023, the City Council reviewed the Study and related material presented at the City Council meeting, and directed staff to issue the Proposition 218 notice required for the adoption of new water service rates and charges as recommended by the Study; and

WHEREAS, Proposition 218 requires that prior to the public hearing to increase water rates and charges, the City shall mail to each customer, property owner or renter subject to the fee or charge, at least 45 days prior to such public hearing, a notice describing (a) the amount of the fee or charge to be imposed upon each parcel, (b) the basis upon which the amount of the proposed fee or charge was calculated, (c) the reason for the fee or charge, (d) the date, time, and location of a public hearing on the proposed fee or charge, and (e) the opportunity and procedure to submit a written protest; and

WHEREAS, on June 14, 2023, the City's Finance Department mailed the Proposition 218 notice of the public hearing to be held on July 25, 2023; and

WHEREAS, the City Council held such public hearing on July 25, 2023, pursuant to Proposition 218 procedures and received and considered all written protests and oral testimony related to the proposed increases in the water service rates and charges.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PERRIS HEREBY ORDAINS AS FOLLOWS:

Section 1. Recitals Incorporated. The foregoing recitals are true and correct and incorporated herein by reference as if set forth in full.

Section 2. Proposition 218 Requirements. The Council determines that the proposed rates for water consumption and proposed Monthly Service Charges, as provided in this Ordinance, are consistent with the requirements of Proposition 218, as described and analyzed in detail in the Study, which is incorporated herein by this reference. Therefore, based on the foregoing, the facts and circumstances presented (including, without limitation, the Study) during the public hearing, and the information received during the public hearing, the Council finds as follows:

A. The Council has reviewed all facts and circumstances presented (including, without limitation, the Study) and the information received during the public hearing regarding the proposed rate and charge increases as described in this Ordinance, and the reasons and basis for the increases thereof.

B. Notice has been provided of the proposed rate and charge increases as described in this Ordinance to the property owners and renters subject to the System's rates and charges for all parcels to which the proposed rate and charge increases would apply in accordance with Proposition 218.

C. The Council has heard and received all eligible written protests to the rate and charge increases described by this Ordinance.

D. The Council has taken and received oral and documentary evidence pertaining to the proposed rate and charge increases described in this Ordinance.

E. The Council has been fully informed of this matter.

F. The Council finds that written protests have not been received from property owners or renters subject to the System's rates and charges representing a majority of the parcels subject to the proposed rate and charge increases described in this Ordinance.

G. As set forth in the Study, the revenues derived from the rates and charges will not exceed the revenues required to provide water service pursuant to the System.

H. As set forth in the Study, the revenues derived from the rates and charges described by this Ordinance will not be used for any purpose other than for which such rates and charges are imposed.

I. As set forth in the Study, the amount of the rates and charges imposed upon any parcel or person as described by this Ordinance does not exceed the proportional cost of the service attributed thereto.

J. As set forth in the Study, the rates and charges described by this Ordinance will not be imposed for service unless the service is actually used by, or immediately available to, the System's customers.

Section 3. Approval of Rate and Charge Increases. Based on the forgoing, the facts and circumstances presented (including, without limitation, the Study) during the public hearing, and the information received during the public hearing, the City Council finds that the increases in water consumption rates and Monthly Service Charges as described by this Ordinance are necessary and are hereby approved.

Section 4. Water Consumption Rate and Monthly Service Charge Increases. The water consumption rates and Monthly Service Charges that are charged to customers of the System, as said rates and charges may have been adjusted pursuant to prior resolutions and/or ordinances, shall be increased by ten percent (10%) commencing on October 1, 2023, and by ten percent (10%) on October 1 of each subsequent year until the final increase on October 1, 2027.

Section 5. Chapter 14.08. All other provisions related to rates included in Chapter 14.08 of the Perris Municipal Code, as may have been adjusted by prior resolution or ordinance, shall remain in full force and effect.

Section 6. Severability. If any section, subsection, subdivision, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portions thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases or portions thereof be declared invalid or unconstitutional.

Section 7. Effective Date. This Ordinance shall take effect thirty (30) days after its adoption.

Section 8. Certification. The City Clerk shall certify as to the passage and adoption of this Ordinance and shall cause the same to be posted at the designated locations in the City of Perris.

ADOPTED, SIGNED and **APPROVED** this 29th day of August, 2023.

Michael M. Vargas. Mayor

ATTEST:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE)
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, DO HEREBY CERTIFY that the foregoing Ordinance Number 1432 was duly introduced by the City Council of the City of Perris at a regular meeting of said Council on the 25th day of July, 2023 and duly adopted by the City Council of the City of Perris at a regular meeting of said Council on the 29th day of August, 2023, and that it was so adopted by the following vote:

AYES: RABB, ROGERS, NAVA, CORONA, VARGAS

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

City Clerk, Nancy Salazar