

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO
ADOPTING THE 522nd AMENDMENT TO THE MASTER FEE SCHEDULE
RESOLUTION NO. 80-420 TO ADJUST WATER FEES IN THE PUBLIC
UTILITIES WATER FEE SECTION ACCORDING TO PROPOSITION 218

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FRESNO:

THAT the Master Fee Schedule Resolution No. 80-420 be and is hereby amended to adjust water fees in the Public Utilities Water Fee Section in accordance with Proposition 218 and Resolutions Nos. _____ and _____. The revised pages of the Master Fee Schedule are attached as Exhibit "A" and are hereby incorporated by reference and made a part of this Resolution. Staff shall update the Master Fee Schedule annually to reflect the rates in effect, as adopted in Resolution No. _____.

THAT fees shall become effective March 30, 2015, and the Water Affordability Credit for Income will become effective on July 1, 2015.

CLERK'S CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF FRESNO)ss.
CITY OF FRESNO)

I, YVONNE SPENCE, City Clerk of the City of Fresno, certify that the foregoing Resolution was adopted by the Council of the City of Fresno, California, at a regular meeting thereof, held on the _____ day of _____, 2015.

AYES:
NOES:
ABSENT:
ABSTAIN:

Mayor Approval: _____, 2015
Mayor Approval/No Return: _____, 2015
Mayor Veto: _____, 2015
Council Override Veto: _____, 2015

YVONNE SPENCE
City Clerk

APPROVED AS TO FORM
CITY ATTORNEY'S OFFICE

BY: _____
Amanda B. Freeman, Deputy City Attorney

**DEPARTMENT OF PUBLIC UTILITIES
WATER DIVISION**

Fee Description	Current	New	Justification Page #	MFS Page #
Water Service Charges, Flat Rate (single-family only) For Premises containing only a single-family residence, the total charge shall be the basic rate plus applicable additional charges. Basic rate (per month): —First 6,000 square feet or less of lot size —Each additional 100 square feet	22.87 0.228	Delete Delete	4	12
Senior Citizen (62 years or older) meeting all the conditions listed below: — 1. Single-family residents only; — 2. Service must be in name of senior citizen; — 3. Occupants or residents must be senior citizen or dependants of senior citizen (not to exceed three occupants per residence); — 4. Benefitting senior citizen must notify the City when they no longer qualify.				
Basic Rate (per month): —First 6,000 square feet or less of lot size —Each additional 100 square feet —Additional charges will be added to the basic rate for the following: —Additional living unit, same premises (until metered)/ per month —Air conditioning/refrigerator unit (not equipped with water-saving devices) / ton per month —Discharge water into dry well / ton per month —Air conditioning/refrigeration unit (installed and equipped with water-saving devices) / ton per month	20.56 0.204 11.78 11.99 5.99 3.08	Delete Delete Delete Delete Delete Delete	4	12

CITY OF FRESNO MASTER FEE SCHEDULE AMENDMENT SUMMARY

Water, Metered Service Rate			4	13
Total charge shall be monthly meter service standby charge plus quantity charge based on usage				
Water Meter Service-Standby Charge (meter size per month)				
Domestic			4	13
3/4-inch or smaller	10.03	8.50		
1-inch	13.51	11.20		
1-1/2-inch	18.89	13.00		
2-inch	27.09	22.10		
3-inch	45.07	33.00		
4-inch	63.02	50.00		
6-inch	99.01	95.00		
8-inch	152.96	441.00		
10-inch	179.83	696.00		
12-inch	New	914.00		
Irrigation *			4	13
3/4-inch or smaller	New	6.70		
1-inch	New	8.40		
1-1/2-inch	New	9.50		
2-inch	New	15.10		
3-inch	New	21.80		
4-inch	New	32.00		
6-inch	New	60.00		
8-inch	New	273.00		
10-inch	New	429.00		
12-inch	New	564.00		
Water Quantity Charge:			4	13
Customers other Than Single Family Res All Customer Classes				
Each 100 Cubic Feet (HCF)	0.745	0.92		
1,000 gallons	0.995	1.23		
Single Family Residential				
Each 100 Cubic Feet (HCF)	0.610	Delete		
1,000 gallons	0.810	Delete		

*These charges were previously charged at the Domestic service rate.

CITY OF FRESNO MASTER FEE SCHEDULE AMENDMENT SUMMARY

Water Affordability Credit for Income - Qualified Single Family Residential Accounts Only, \$/Month	New	Up to \$5.00	4	13
Private Fire Protection Charges, \$/Month				
Fire Hydrant, on private property (per month) Private Hydrants	23.94	28.80	4	14
Fire Service Connections**			4	14
1-inch	New	9.90		
1-1/2-inch	New	9.90		
2-inch	New	9.90		
2-1/2 ad 3-inch	New	9.90		
4-inch	New	9.90		
6-inch	New	28.80		
8-inch	New	62.00		
10-inch	New	111.00		
12-inch	New	178.00		
Fire Protection Automatic Sprinkler Service			4	14
-4-inch diameter or less (per month)	23.94	Delete		
-6-inch diameter or larger (diameter inch per month)	5.99	Delete		
Water Treatment Charge, Flouridation per month	4.52	Delete	4	14
Water, Temporary Service 3-inch meter, turbine Deposit	550.00		4	16
Deposits required shall be refunded upon the return of all equipment. Deductions shall be made for water service charges due and the cost of repair or replacement of damaged equipment. Any additional replacement costs will be billed to the customer. See Water Metered Service Rate section for the quantity and water meter service charges (3-inch Domestic Service).	Text Only change to provide clarification		4	16

** These charges were previously a part of the Fire Protection Automatic Sprinkler Service charges.

**CITY OF FRESNO
MASTER FEE SCHEDULE
AMENDMENT DETAIL
WATER SERVICE CHARGES**

DEPARTMENT OF PUBLIC UTILITIES/WATER DIVISION

Introduction

The Water Division (Division) contracted with Municipal Financial Services in August 2014 to conduct a comprehensive water rate study. The broad objective of the study was to review the revenue requirements of the City of Fresno's Water Enterprise for FY 2015 through FY 2019 and develop rates (water service charges) using cost-of-service methods. The draft of the *Water Utility Financial Plan and Rates Study* (Water Rate Study) was completed in December 2014. It was subsequently revised in February 2015 for the final rate plan proposal to City Council. The Water Rate Study was based upon a comprehensive review of the City of Fresno's financial and budgetary reports; water system plans; billing information, such as customer classes and current usage data; future planned capital improvements projects; bond covenants; projected system operations and maintenance and any other information deemed applicable.

There are a number of assumptions in the Water Rate Study related to future water sales, the annual number of new connections, interest rates, cost inflation and other items. The unifying theme underlying all assumptions is that water rates based on the assumptions should have a very high probability of recovering annual revenue requirements.

In addition, in a separate action from the rate plan, the Water Affordable Credit Program (Water ACP) is being added as a financial assistance program for qualified low-income water utility accountholders. It is described at the end of this detail.

Following is a summary of how the recommended changes to water service charges were developed. See Attachment 1 for a table showing the proposed water service charges.

Rate Setting Process

The study was conducted using the following steps of analysis:

1. Revenue Requirements - The amount of revenue required from water rates is dependent upon producing sufficient revenue to meet the following three funding requirements:
 - Cover all operational and maintenance (O&M), capital and debt service expenditures (net of non-rate revenue)
 - Maintain a prudent level of fund balances
 - Satisfaction of debt service coverage covenants
2. Cost-of-Service - Allocates the revenue requirements to the various customer classes of service in a fair and equitable manner

3. Rate Design - Considers both the level and structure of the rate design to collect the distributed revenue requirements from each class of service

Revenue Requirements

The water system revenue requirements are comprised of five basic categories:

Operational and Maintenance Expenses - In FY 2015, the City's O&M expenditures are budgeted at \$49.4 million. O&M expenditures include costs, such as labor, chemicals, power, water purchases, parts, equipment, contract repair, etc. These costs continue to rise due to negotiated labor contract increases; inflationary increases for goods and services; maintaining compliance with more stringent state and federal water treatment regulations; operation and maintenance of new facilities and water system components; and repair and maintenance of old, failing infrastructure.

The Water Rate Study also considered the projection of O&M expenditure increases beyond FY 2015 as a factor in developing future rate increases. These expenditures increased to \$61.1 million per year in FY 2019, and include a 3% annual inflation factor. The total for the five year period is \$271.4 million.

Capital Improvements Funded From Rates - The City has developed a comprehensive Water Capital Improvement Program (CIP) to address current and future water system needs. These projected costs include a three percent annual inflation factor due to anticipated increases in construction costs. This inflation rate helps ensure that the City has adequate resources to complete the necessary projects. These projects are required to reverse the declining water table, replace aging infrastructure, meet regulatory requirements and meet operational demands.

CIP project expenditures planned for FY 2015 through FY 2019 as recommended in the Metro Plan total approximately \$429 million and are summarized in the following categories along with the total expenditures for each category:

- Intentional Groundwater Recharge - \$6.4 million
- Raw Water Supply Facilities – \$98.4 million
- Surface Water Treatment - \$186.4 million
- Finished Water Distribution - \$55.4 million
- Rehab/Replacement & System Upgrades - \$82.5 million

The CIP is to be funded through a combination of system revenues and bond financing. Approximately 80% (\$343 million) of the \$429 million is projected to be funded by debt financing. Bond issuances are scheduled for each year from 2016 through 2019 and an assumption of a \$186.4 million low interest loan from the State. The remaining expenditures of \$86 million (20%) are funded from “pay-as-you-go” revenues from water rates. Also, the Division will continue to pursue grant and low-interest loan opportunities, but for purposes of the Water Rate Study, no additional revenues were assumed from these sources.

Debt Service - The City's existing annual debt service principal and interest payments are approximately \$16.7 million for three bonds, three low-interest state loans, one no-

interest state loan and one loan through the Fresno Irrigation District. New debt service principal and interest payments are projected to increase in FY 2016 to a total of \$18.1 million. Additional debt service by FY 2019 is projected to be approximately \$14.9 million per year if the two additional bond issuances are made in FY 2017 and FY 2018 and the state low-interest loan is awarded. The total debt service is estimated to be approximately \$31.5 million by FY 2019.

Debt Service Coverage Ratio Requirements - As a condition of bond issuances and state loans, the City must make rate covenants to fix, prescribe and collect rates, fees and charges for the Water System each fiscal year, which will at least yield Net Revenues equal to at least 125% of the estimated Debt Service. The proposed rate increases are designed to meet this requirement. Projected ratios during the study period vary from 1.67 in FY 2015 to 1.65 in FY 2019.

Enterprise Fund Target Balance - A target fund balance (reserves) was developed for the enterprise fund to provide for levels of working capital that will enable the City to adjust to unexpected changes in accounts receivable from ratepayers and pay for unexpected increases in O&M expenses and emergency capital costs. Most bond rating agencies and financial advisors have recommended at least a minimum of 180 days of cash to help improve the Water Enterprise's bond rating. The days of cash in FY 2015 is 287 days (\$38.8 million) and decreases to 237 days (\$39.7 million) in FY 2019.

Cost of Service Methodology

The key steps in the process of determining cost-of-service water rates include:

1. Determining, as part of the 5-year financial planning process, the annual system revenue requirement from water rates;
2. Forecasting annual water demand for the system, and for each customer rate class;
3. Assigning the revenue requirement from water rates to functional cost categories such as supply, treatment, pumping, transmission, distribution, and administration;
4. Classifying the revenue requirement from water rates based on the engineering design and/or operational purpose for which a cost was incurred. Costs are generally incurred to meet customer base (average) or peak water demands, provide customer service functions such as meter reading or billing, or provide fire protection services;
5. Determining the revenue requirement from water rates for specific customer rate classes by assigning them the costs commensurate with their level of service.;
6. The final step in the ratemaking process is rate design. This is the process of developing a combination of fixed charges and consumption charges that will recover the revenue requirement from water rates for each specific customer rate class.

Recommended Rate Structure

The total amount of revenue required from charges is allocated between amounts to be recovered from meter service charges, private fire protection service charges and quantity charges. This is accomplished by first allocating costs to functional cost categories – those that are independent of the amount of water use (for example, billing, collection, meter reading, fire protection) and those that are dependent on the amount of water use (source of supply, treatment, storage, distribution, etc.).

Monthly Meter Service Charges and Private Fire Protection Charges – The development of recommended monthly meter service and private fire protection charges based on cost of service principles involves allocating revenue requirements that are independent of water use among three categories of costs and dividing those dollar amounts by the projected number of meters, equivalent meters or equivalent connections. The total percent for the monthly meter service and private fire protection charges is recommended at 29% and is allocated among the following three cost components:

- Billing and collecting: 8.9% - costs that include, but are not limited to, meter reading, billing, customer accounting, customer service and collecting expenses.
- Meters and service laterals: 11.4% - costs that include, but are not limited to, the maintenance and capital costs related to meters and services that provide water for domestic use (potable water and irrigation water).
- Fire protection: 8.7% - costs that includes, but is not limited to, public fire hydrants and related branch mains and valves.

Quantity Charges - The development of recommended quantity charges based on cost of service principles is based on allocating revenue requirements related to the source of supply and production of water and dividing that dollar amount by the projected amount of water use. The percent of revenue required from rates to be recovered from quantity charges is 71%. Note that these percentages are completely dependent on assumptions of projected water use for each customer class (see revenue projection section). A major change in the proposed revised rate structure is to replace the current two different quantity charges (SFR and Customers Other than SFR) with a single quantity charge applicable to all customers.

Other Major Changes in Rate Structure - It is recommended that the City adopt the following additional changes in the rate structure:

1. Create a separate set of meter charges for irrigation meters. The proposed meter charges for irrigation meters now exclude fire protection costs.
2. Eliminate the allowance for senior citizens. Previously, SFR customers were charged a flat rate for water service and qualifying senior citizens were offered a 10% discount based on a determination that they used less water. With the conversion of all SFR accounts to water meters, customers are now charged based on what they use and the senior citizen discount has become moot. Therefore, the allowance for senior citizen customers based on flat rates can be deleted from the MFS as it is no longer being charged.

3. Restructure the private fire protection service charges. These charges will now include only the account and fire service components and exclude the domestic component.
4. Adjust private fire protection service charges for private hydrants and for meter sizes 4 inch and smaller. The charges for these services will now be rated at the same capacity.
5. Delete all other miscellaneous residential flat rate charges. Currently, there are other miscellaneous charges that are applicable to residential customers with flat charges. These are for Charges for Additional Living Units and Air Conditioning / Refrigeration Units and Discharge Water into a Dry Well. These charges will be eliminated as they became obsolete due to the implementation of utility bills based on metered water use.
6. Eliminate the water treatment charge for fluoridation. This program was provided to approximately 4,950 customers and was projected to recover approximately \$271,000 in charges. As of July 1, 2013, the program was ended and therefore, this charge will be eliminated and the associated revenue not included in the rate plan.

Revenue Projections

In FY 2015, the proposed 7% increase in revenue from rates at current rates for FY 2014 is projected to generate an estimated additional \$4.4 million for a total of \$66.9 million in annual customer user charges (not including revenue of \$5.2 million collected in FY 2015 from the now rescinded 2013 rate plan). This is based upon a projection of water usage by customers and the projected growth in the number and type of service connections and any proposed rate increases. Water sales and account growth projections in this study are intended to be slightly lower than what would be expected under usual weather conditions and realistic development scenarios to help insure that sufficient revenues are generated. This estimate is divided between the following two categories of water service accounts:

- Single-Family Residential -The conversion of SFR accounts from unmetered to metered connections was mostly completed in FY 2013. Without a history of metered usage for a fully metered system and the impacts of projected water conservation, certain estimates had to be made. For purposes of this Water Rate Study, in FY 2015, it is projected that SFR accounts with metered connections will use 21 hundred cubic feet (HCF)/month (on an average annual basis). For the remaining four fiscal years of the rate plan, the projections are as follows:
 - FY 2016 - 19.0 HCF
 - FY 2017 - 17.5 HCF
 - FY 2018 – 17.0 HCF
 - FY 2019 - 16.5 HCF

These are conservative estimates that attempt to account for future annual conservation by customers. The number of residential accounts is approximately 110,000 and projected to grow by an average of less than one percent per year during the study period.

Nonresidential Accounts – These accounts are categorized as either commercial, irrigation, private fire protection or travel meters with subcategories for commercial, schools, industrial, municipal and multi-family. The current number of active domestic, irrigation, and travel meter accounts is approximately 19,400. Approximately 83% are domestic accounts with the remainder irrigation (17%). Travel meters number about 130. The total number of domestic and irrigation services is projected to increase by about 15 per year for the study period. The estimated water usage for these accounts is based on prior year experience as these customers have been metered for many years. For the rate study, water use is projected to decrease by 2% per year.

- Private Fire Protection Accounts – These accounts are for private fire hydrants and private fire protection connections. Fire protection charges for services are determined by connection size. The current number of private fire hydrant services is approximately 720 and 3,200 for fire protection services. The projected annual growth rates for private fire hydrants and private fire services are five and six respectively.

Rate Recommendation

To accomplish the objectives established by the evaluation criteria it is recommended that the following increases for revenue from rates be adopted in the MFS:

Fiscal Year	% Increase in Revenue From Rates	Effective Date
2015	7% ¹	March 30, 2015
2016	11%	July 1, 2015
2017	12%	July 1, 2016
2018	14%	July 1, 2017
2019	13%	July 1, 2018

1. Comparison of 12 months revenue at current rates for FY 2014 versus 12 months revenue at new rates for FY 2015

See also attached rate table. The future rate increases are the maximum amount to be increased and will be reconsidered each fiscal year as part of the budget process.

A copy of the draft *Water Utility Financial Plan And Rates Study* is available upon request and at:

http://www.fresno.gov/NR/ronlyres/1C6E6C60-880B-4F95-A883-066D77BBCEB3/31002/fno_wtr_rpt_d3_22dec2014.pdf

Water Affordability Credit Program

In addition to designing a rate plan that meets the State's water affordability criteria for the entire five-year period, the Water Affordable Credit Program (Water ACP) is being added as a financial assistance program for qualified low-income water utility accountholders.

The objective of this recommended program is to provide financial assistance to accountholders based on demonstrated financial need. The proposed discount for water service is intended to mitigate the first-year impact on accountholders that use an annual monthly average of 18 HCF of water per month. If the proposed rate plan is adopted, the first-year rate increase would result in an average monthly water bill impact of \$3.53 per month (based on annual average monthly usage of 18 HCF). Accordingly, the proposed value of the Water Affordability Credit is \$5 per month, which translates to \$60 for a 12-month period.

The proposed Water ACP will be funded with an annual appropriation of \$1 million to provide financial assistance to approximately 16,700 income-qualified accountholders per year. The source of funding for the Water ACP shall be revenue collected by the City Utility Billing and Collections Division as late payments and delinquency charges.

To qualify for the Water ACP, accountholders can submit documentation that they qualify for PG&E's California Alternate Rates for Energy ("CARE") Program or one of Fresno County's human services program. If an individual qualifies for one of the programs listed above that are administered by PG&E or Fresno County, using the same name and address as on the individual's utility account with the City, then the individual could submit an application to receive the City's Water ACP.

In addition, the Administration will review the water consumption records of Water ACP participants to identify those whose annual average monthly water consumption rate is greater than 18 HCF per month. Assessment surveys and rebates will be offered to assist in reducing this usage.

ATTACHMENTS

1. Schedule of Current and Proposed Schedule of Rates, Fees, and Charges for Public Water Service

ATTACHMENT 1
Schedule of Current and Proposed Schedule of Rates, Fees, and Charges for Public Water Service
City of Fresno

Item	effective dates > Current	3/30/2015 FY15	7/1/2015 FY16	7/1/2016 FY17	7/1/2017 FY18	7/1/2018 FY19
Quantity Rates, \$/HCF						
Single Family	\$0.610	\$0.92	\$1.09	\$1.28	\$1.50	\$1.74
All Others	\$0.745	\$0.92	\$1.09	\$1.28	\$1.50	\$1.74
Meter Charges, \$/month						
Domestic						
¾-inch	\$10.03	\$8.50	\$9.30	\$10.50	\$11.90	\$13.50
1.0-inch	\$13.51	\$11.20	\$12.30	\$13.80	\$15.80	\$17.90
1.5-inch	\$18.89	\$13.00	\$14.40	\$16.10	\$18.40	\$20.80
2.0-inch	\$27.09	\$22.10	\$24.40	\$27.30	\$31.30	\$35.30
3.0-inch	\$45.07	\$33.00	\$36.40	\$40.80	\$46.70	\$52.80
4.0-inch	\$63.03	\$50.00	\$55.00	\$62.00	\$70.00	\$79.00
6.0-inch	\$99.01	\$95.00	\$105.00	\$118.00	\$135.00	\$152.00
8.0-inch	\$152.96	\$441.00	\$487.00	\$545.00	\$624.00	\$705.00
10.0-inch	\$179.83	\$696.00	\$768.00	\$860.00	\$984.00	\$1,113.00
12.0-inch	na	\$914.00	\$1,009.00	\$1,131.00	\$1,293.00	\$1,462.00
Irrigation						
¾-inch	\$10.03	\$6.70	\$7.40	\$8.30	\$9.50	\$10.70
1.0-inch	\$13.51	\$8.40	\$9.30	\$10.40	\$11.80	\$13.40
1.5-inch	\$18.89	\$9.50	\$10.50	\$11.70	\$13.40	\$15.20
2.0-inch	\$27.09	\$15.10	\$16.70	\$18.70	\$21.30	\$24.10
3.0-inch	\$45.07	\$21.80	\$24.10	\$27.00	\$30.80	\$34.90
4.0-inch	\$63.03	\$32.00	\$36.00	\$40.00	\$46.00	\$51.00
6.0-inch	\$99.01	\$60.00	\$66.00	\$74.00	\$85.00	\$96.00
8.0-inch	\$152.96	\$273.00	\$301.00	\$337.00	\$386.00	\$436.00
10.0-inch	\$179.83	\$429.00	\$474.00	\$531.00	\$607.00	\$687.00
12.0-inch	na	\$564.00	\$622.00	\$697.00	\$797.00	\$901.00
Private Fire Protection Service Charges, \$/month						
Fire Hydrants	\$23.94	\$28.80	\$31.70	\$35.40	\$40.40	\$45.60
Fire Service Connections						
1.0-inch	\$23.94	\$9.90	\$10.90	\$12.20	\$13.90	\$15.70
1.5-inch	\$23.94	\$9.90	\$10.90	\$12.20	\$13.90	\$15.70
2.0-inch	\$23.94	\$9.90	\$10.90	\$12.20	\$13.90	\$15.70
2.5-inch	\$23.94	\$9.90	\$10.90	\$12.20	\$13.90	\$15.70
4.0-inch	\$23.94	\$9.90	\$10.90	\$12.20	\$13.90	\$15.70
6.0-inch	\$35.94	\$28.80	\$31.70	\$35.40	\$40.40	\$45.60
8.0-inch	\$47.92	\$62.00	\$68.00	\$76.00	\$87.00	\$98.00
10.0-inch	\$59.90	\$111.00	\$122.00	\$136.00	\$155.00	\$175.00
12.0-inch	\$71.88	\$178.00	\$196.00	\$219.00	\$250.00	\$283.00

CITY OF FRESNO MASTER FEE SCHEDULE

PUBLIC UTILITIES DEPARTMENT

WATER RATES**

<u>Fee Description & Unit/Time *</u>	<u>Current</u>	<u>Amnd</u>
Water Service Charges, Flat Rate*** (single-family only)-		Amend
For premises containing only a single-family residence, the total charge shall be the basic rate plus applicable additional charges.		Effective
Basic rate (per month):		9/1/2008
—First 6,000 square feet or less of lot size	22.87	Delete
—Each additional 100 square feet	0.228	Delete
Senior Citizen (62 years or older) meeting all the conditions listed below:		
1. Single-family residents only;		
2. Service must be in name of senior citizen;		
3. Occupants of residence must be senior citizen or dependants of senior citizen (not to exceed three occupants per residence);		
4. Benefitting senior citizen must notify the City when they no longer qualify.		
Basic Rate (per month):		
—First 6,000 square foot or less of lot size	20.56	Delete
—Each additional 100 square feet	0.204	Delete
Additional charges will be added to the basic rate for the following:		
Additional living unit, same premises (until metered) / per month	11.78	Delete
Air conditioning/refrigeration unit (not equipped with water-saving devices) / ton per month	11.99	Delete
Discharge water into dry well / ton per month	5.99	Delete
Air conditioning/refrigeration unit (installed and equipped with water-saving devices) / ton per month	3.08	Delete
* Rates effective 9/1/08		
** Rates shall be adjusted annually by staff during the budget process to reflect the rates in effect as per Res. No. 2007-79		
*** Flat rate water service charges for single family residential customers shall sunset as of January 1, 2013 or until all single family residences are metered, whichever comes first.		

CITY OF FRESNO MASTER FEE SCHEDULE

PUBLIC UTILITIES DEPARTMENT

WATER RATES**

<u>Fee Description & Unit/Time *</u>	<u>Current</u>	<u>Amnd</u>
Water, Metered Service Rate total charge shall be monthly meter		Amend
service standby charge plus quantity charge based on usage.		Effective
Water Meter Service Standby Charge , (meter size (per month):		9/1/2008
Domestic		522
3/4-inch or smaller	10.03	8.50 Effective
1-inch	13.51	11.20 3/30/2015
1-1/2-inch	18.89	13.00
2-inch	27.09	22.10
3-inch	45.07	33.00
4-inch	63.02	50.00
6-inch	99.01	95.00
8-inch	152.96	441.00
10-inch	179.83	696.00
12-inch	New	914.00
Irrigation***		
3/4-inch or smaller	New	6.70
1-inch	New	8.40
1-1/2-inch	New	9.50
2-inch	New	15.10
3-inch	New	21.80
4-inch	New	32.00
6-inch	New	60.00
8-inch	New	273.00
10-inch	New	429.00
12-inch	New	564.00
Water Quantity Charge:		
Customers Other Than Single Family Residential All Customer Classes		
Each 100 Cubic Feet (HCF)	0.745	0.92
1,000 gallons	0.995	1.23
Single Family Residential		487
Each 100 Cubic Feet (HCF)	0.610	Delete Effective
1,000 gallons	0.810	Delete 3/1/2010
Water Affordability Credit for Income - Qualified		522
Single Family Residential Accounts Only, \$/Month	New	Up to \$5.00 Effective
		7/1/2015

* Rates effective ~~9/1/08~~ 3/30/15

** Rates shall be adjusted annually by staff ~~during the budget process~~ to reflect the rates in effect as per Res. No. ~~2007-79~~ .

***These charges were previously charged at the Domestic service rate.

**CITY OF FRESNO
MASTER FEE SCHEDULE**

PUBLIC UTILITIES DEPARTMENT

WATER RATES**

Fee Description & Unit/Time ***

Current

Amnd

Water Quantity Charge (continued):

Wells, private (used for irrigation or commercial purposes when required to be metered)

Each HCF

0.218

1,000 gallons

0.290

Water drawn from a fire hydrant / Minimum per month

29.97

Backflow Prevention, Program Fee

512

Per assembly/per month

3.00

Effective

1/1/2013

Private Fire Protection Charges, \$/Month

~~Fire Hydrant, on private property (per month)~~ Private Hydrants

~~23.94~~

28.80

Amend

Effective

9/1/2008

522

Effective

Fire Service Connections****

1-inch

New

9.90

3/30/2015

1-1/2-inch

New

9.90

2-inch

New

9.90

2-1/2 and 3-inch

New

9.90

4-inch

New

9.90

6-inch

New

28.80

8-inch

New

62.00

10-inch

New

111.00

12-inch

New

178.00

~~Fire Protection Automatic Sprinkler Service~~

~~—4-inch diameter or less (per month)~~

~~23.94~~

Delete

~~—6-inch diameter or larger (diameter inch per month)~~

~~5.99~~

Delete

Irrigation of City-Owned Property, Not Metered

100 square feet

0.24

~~Water Treatment Charge, Fluoridation~~

~~Per month~~

~~4.52~~

Delete

Penalties

464

Fire hydrant, unauthorized use / first violation

500.00

Each violation after first violation

1,000.00

** Rates shall be adjusted annually by staff ~~during the budget process~~ to reflect the rates in effect as per Res. No. ~~2007-79~~ .

*** Rates effective ~~9/1/08~~ 3/30/15

**** These charges were previously a part of the Fire Protection Automatic Sprinkler Service charges.

All fees effective 03/30/15 unless otherwise noted

MFS Amendment #522 (February 2015) [2/19/2015:57 PM]

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**CITY OF FRESNO
MASTER FEE SCHEDULE**

PUBLIC UTILITIES DEPARTMENT

WATER RATES**

<u>Fee Description & Unit/Time</u>	<u>Current</u>	<u>Amnd</u>
Penalties (continued)		
Fire hydrant damage repair fee		500
Excavation not required	318.00	
Excavation required	100%	
Delinquent notice		
Sewer connection, deferred payment plan, 60 days delinquent	2.00 + accumulated interest & principal installment	
Returning travel meter after permit expiration date per day	10.00	
Conditions of service work (related to Water Wastage Services, FMC 6-520(d))		
First incident (deferred until fourth incident)*	45.00	
Second incident (deferred if conservation class attended)*	45.00	
Third incident (plus fee deferred from second incident if a water conservation class was attended)*	45.00	
Fourth incident (plus fee deferred for first incident)*	45.00	
Each incident after four	45.00	
Illegal connection / per violation	45.00	
(See Service Work for disconnection, damage, and reinstallation of service after first incident.)		
Delinquent Payment		499
Utility billings / per billing for water, sewer, sanitation, and/or solid waste service		
if unpaid balance > \$10.00	2%	
Notification to discontinue services for non-payment of utility charges:		
Customers / per notification	8.00	
Customers with tenants / per tenant notified at a single billing address	2.00	
Minimum	8.00	
Research project fees / per hour	45.00	
Discontinuance of service for non-payment and restoration of service after payment		
Per Discontinuance / Restoration	15.00	

NOTE: The above fees are administered by the Utilities, Billing, and Collection Section of the Department of Public Utilities.

* Within a two-year period.

CITY OF FRESNO MASTER FEE SCHEDULE

PUBLIC UTILITIES DEPARTMENT

WATER RATES**

<u>Fee Description & Unit/Time</u>	<u>Current</u>	<u>Amnd</u>
Service Work (related to remedy of illegal water connection)		510
Blind washer / per service	219.00	
Service disconnection/Restoration / per replacement	368.00	
Padlock on curb stop / per installation	10.00	
Intentional Damage to Meter/Meter Box (Cost & Overhead)		
Intentional Damage Angle Meter Stop/Curb Stop		
Excavation not required	406.00	
After-hours turn on service work:		464
Water, Discontinuance & Restoration of service (except emergency) per call	169.00	
Water, Temporary Service*		456
Residential (non-metered)		
Each 24 hours	25.00	
Each additional day	+Daily Rate (prorated based on bimonthly rate)	
Single Family Residential (metered)	See Water Metered Service Rates	487
		Effective 3/1/2010
Fire hydrant permit	25.00	
Fire hydrant wrench deposit	90.00	
3-inch meter, turbine		500
Deposit	550.00	
Deposits required shall be refunded upon the return of all equipment. Deductions shall be made for water service charges due and the cost of repair or replacement of damaged equipment. Any additional replacement costs will be billed to the customer. See Water Metered Service Rate section for the quantity and water meter service charges (3-inch Domestic Service).		
Well Drilling Permit and Examination		
Water Supply Well / each	175.00	
Monitoring Well		
1 to 3 / per application	295.00	
More than 3 / per each additional well	+50.00	

* This fee to sunset as of January 1, 2013 for customers on a metered rate

** Rates shall be adjusted annually by staff during the budget process to reflect the rates in effect as per Res. No. 2007-79 .

**CITY OF FRESNO
MASTER FEE SCHEDULE**

PUBLIC UTILITIES DEPARTMENT

WATER RATES**

<u>Fee Description & Unit/Time</u>	<u>Current</u>	<u>Amnd</u>
Well Inspection, per well site		
Well Abandonment	62.00	500
Well Destruction	236.00	500
Monitoring Well Destruction	174.00	500
Well Destruction Inspection Reschedule (when not ready on inspection day)	46.00	
After Hours Well Abandonment	78.00	500
After Hours Monitoring Well Destruction	285.00	500
Underground Utility Remark Fee (per call back)	133.00	500
Sale of Surplus Dirt		456
City load / per yard of dirt	5.00	
Customer pick-up / per yard of dirt	1.20	

WATER CONNECTION CHARGES (FMC 6-507)

<u>Fee Description & Unit/Time</u>	<u>Current</u>	<u>Amnd</u>
Deferment of Payment applicable to existing single-family residences Same basis and fees as sewer connection charges.	See FMC Sctn 6-305 (c)	
Frontage Charge		
Front foot or fraction	6.50	
Installation Charges		464
Meter & Service Installation (when installed together)		
1-inch	2,241.00	
1-1/2-inch	2,508.00	
2-inch	2,671.00	
Minimum residential service connections:		489
Lots less than 20,000 square feet (1-inch)		
Lots 20,000 square feet or greater (1-1/2-inch)		
Meter Installation (when installed on existing services)		415
1-inch	330.00	
1-1/2-inch	455.00	
2-inch	530.00	
Larger than 2-inch (FMC 6-507(a)(3))		
Cost plus overhead	100%	

**CITY OF FRESNO
MASTER FEE SCHEDULE**

PUBLIC UTILITIES DEPARTMENT

WATER CONNECTION CHARGES (FMC 6-507)

<u>Fee Description & Unit/Time</u>	<u>Current</u>	<u>Amnd</u>
Installation Charges (continued):		
Service Installation (without meter)		464
Service to house (between property line and house) can be reduced based upon setback, fixtures, etc., as provided in the UPC and UBC. (includes tap, service line, corp stop, curb stop and fittings)		
1-inch	2,178.00	
1-1/2-inch	2,363.00	
2-inch	2,486.00	
Cost plus overhead	100%	
Recharge Area Fee		
Area (per unit**)	160.00	438
† *No. 101	-0-	
† † *No. 101	-0-	
No. 201	-0-	
No. 301	-0-	
No. 401	-0-	
***No. 501	56.00	
Transmission Grid Main (TGM) Charge		417
For parcels in the UGM area, TGM charges are deposited in separate UGM-TGM charge service area accounts.		
Aggregate gross area:		
Less than 5 acres		
Net acre or fraction	804.00	
Minimum charge	80.00	
5 acres or more		
Gross acre or fraction	643.00	
Transmission Grid Main Bond Debt Service Charge per FMC Section 6-507(a)(8)		
Less than 5 acres		
Net acre or fraction	304.00	
Minimum charge	100.00	
5 acres or more		
Gross acre or fraction	243.00	

**CITY OF FRESNO
MASTER FEE SCHEDULE**

PUBLIC UTILITIES DEPARTMENT

WATER CONNECTION CHARGES (FMC 6-507)

UGM Water Supply Fee		417
Single-Well Supply Areas (per gross acre)		
No. 11A	172.00	
No. 86	678.00	
No. 90	322.00	
No. 91	609.00	
No. 102	511.00	
No. 107	609.00	
No. 113	609.00	
No. 132	385.00	
No. 136	356.00	
No. 137	356.00	
No. 141	408.00	
No. 142	379.00	
No. 153	557.00	
No. 308	563.00	
No. 310	505.00	
Multi-Well Supply Areas (per unit**)		438
† (northeast) No. 101-S	567.00	
† † (northeast) No. 101-S	456.00	
(northwest) No. 201-S	407.00	
(west) No. 301-S	508.00	
(southwest) No. 401-S	371.00	
*** (southeast) No. 501-S	1,738.00	
Well Head Treatment Fee - Area (per unit**)		438
† *No. 101	179.00	
† † *No. 101	-0-	
No. 201	-0-	
No. 301	221.00	
No. 401	31.00	
***No. 501	79.00	
1994 Bond Debt Service Fee - Area (per unit**)		438
† No. 101	281.00	
† † No. 101	895.00	
No. 201	-0-	
No. 301	60.00	
No. 401	-0-	
***No. 501	93.00	

* Service Area No. 101 was established by the Department of Public Utilities Director on March 19, 1995 in accordance with the provisions of Ordinance No. 95-4; the provisions of Resolution No. 90-18 remain in effect for development in the Woodward Park Community Plan Area.

** Unit as defined in FMC 6-501(kk)

*** 501 Emergency Measure, Resolution No. 95-18

† For subdivision maps deemed complete prior to June 10, 1997

† † For subdivision maps deemed complete on or after June 10, 1997

CITY OF FRESNO MASTER FEE SCHEDULE

WATER CONNECTION CHARGES (FMC 6-508)

<u>Fee Description & Unit/Time</u>	<u>Current</u>	<u>Amnd</u>
Water main reimbursement for installation	See FMC 6-508(c)	
Transmission Grid Main (TGM) credit/reimbursement for private installation when required to be constructed to transmission grid size (per linear foot):		
12-inch diameter	10.00	
14-inch diameter	14.50	
16-inch diameter	31.00	
24-inch diameter	41.00	
UGM area maximum (except as provided in FMC 6-508(d))	10,000.00	
Trench surfacing credit for TGM installations (per linear foot):		
In existing asphalt concrete streets	10,000 or construction costs, whichever is less	
In existing non-asphalt concrete streets	6.00 or construction cost, whichever is less	