#### ORDINANCE NO. 2530

AN ORDINANCE OF THE CITY OF REDLANDS ADDING CHAPTER 3.41 OF TITLE 3, OF THE REDLANDS MUNICIPAL CODE RELATING TO WATER AND WASTEWATER RATES AND CHARGES REVIEW.

WHEREAS, at a duly noticed public meeting of the City Council of the City of Redlands ("this City Council") verbal and written testimony was presented to this City Council by the Utilities Advisory Committee, a committee appointed by the City Council, and City staff, relating to the proposed revisions in the City's rates for water and sewer service; and

WHEREAS, based upon such testimony, this City Council has determined that there is a need to establish periodic reviews of the City's water and wastewater rates and charges to ensure that there is sufficient revenues to recover the reasonable costs incurred by providing water and wastewater service to its customers; and

THE CITY COUNCIL OF THE CITY OF REDLANDS DOES ORDAIN AS FOLLOWS:

#### SECTION ONE:

Section 3.41.010 of the Redlands Municipal Code is hereby added to read as follows:

"Chapter 3.41

# REVIEW PROCEDURES FOR WATER AND WASTEWATER RATES AND CHARGES

## 3.41.010 Purpose and intent.

The purpose of this chapter is to establish procedures for the review of the City's water and wastewater rates, charges, and revenue requirements on a regular basis. The Water and Wastewater Utilities must remain fiscally self-supporting, and require rates and charges to be established that provide sufficient revenue to recover the reasonable costs incurred by providing water and wastewater service to its customers. A regular review will provide the City with the basis necessary to meet fiscal obligations to ensure ongoing fiscal stability.

## 3.41.020 Review of rates and charges

Every two years, starting in 2004, the City Council will form a Utilities Advisory Committee comprised of City water and wastewater utility customers representing the various customer classes. The Committee will be charged with reviewing the current water and wastewater rates, charges, and revenue requirements. The primary goals of the Utilities Advisory Committee are the development of water and wastewater rates that provide revenues that a) recover costs reasonably borne, b) are equitable to all customer classes, c) are in compliance with all State and Federal Regulations, and d) are easily explained to customers. Based on the review, the Committee will prepare and present recommendations to the City

Council regarding rates and charges for water and wastewater service provided by the City."

### **SECTION TWO:**

The City Clerk shall certify to the adoption of this Ordinance and cause it, or a summary of it, to be published once in the Redlands Daily Facts, a newspaper of general circulation printed and published in this City, and thereafter this ordinance shall be in force and take effect as provided by law.

Mayor of the City of Redlands

ATTEST:

City Clerk

AYES:

Councilmembers Peppler, Gilbreath, George, Harrison; Mayor Haws

NOES:

None

ABSENT: None