(R-2004-1307 REV.)

RESOLUTION NUMBER R- 299373

ADOPTED ON JUN 2, 2, 2004

A RESOLUTION OF THE CITY COUNCIL AUTHORIZING AND DIRECTING THE CITY MANAGER TO INCREASE WATER CAPACITY CHARGES.

WHEREAS, San Diego Municipal Code section 67.0513 provides that water capacity charges [Capacity Charges] may be established by resolution of the City Council on giving ten days notice of intention to establish, amend, or increase such charges; and

WHEREAS, the City has undertaken a cost of service study [Study] to evaluate whether the City's current Capacity Charges are achieving full cost recovery from new connections to the City's Water System; and

WHEREAS, the Study concluded that the City needs to increase its Capacity Charges in order to achieve full cost recovery; and

WHEREAS, the City has determined that it is appropriate to increase the Capacity Charges to achieve full cost recovery; and

WHEREAS, the City posted a notice of its intention to increase Capacity Charges in compliance with San Diego Municipal Code section 67.0513, NOW THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego that the City Council finds and determines that the foregoing Recitals are true and correct.

BE IT FURTHER RESOLVED, that, effective July 1, 2004, except for affordable housing units and residential units in redevelopment areas and commercial and industrial enterprises qualifying for reduced Capacity Charges pursuant to City Council Policy 900-12 and

Resolution Number R-287543 adopted on June 24, 1996, the City Manager is authorized and directed to increase Capacity Charges to \$2,550 per equivalent dwelling unit.

BE IT FURTHER RESOLVED, that notwithstanding the foregoing, applications for "construction permits" (as that term is defined in San Diego Municipal Code section 113.0103) that are "deemed complete" (as that term is defined in San Diego Municipal Code section 113.0103) on or before June 30, 2004, shall be subject to the Capacity Charges in effect as of June 30, 2004 [2004 Rate]; provided, however, that unless paid or otherwise provided for, the Capacity Charges shall be in effect at the 2004 Rate for only one year from the date such applications for construction permits are deemed complete.

APPROVED: CASEY GWINN, City Attorney

By

Kelly J. Salt

Deputy City Attorney

KJS:pev 05/25/04/

06/14/04 Cor.Copy

06/23/04 Rev.

Or.Dept: Wtr. & MWWD

R-2004-1307