#330 SUB-B (R-2016-237) (COR.COPY)

RESOLUTION NUMBER R- 310098

DATE OF FINAL PASSAGE DEC 03 2015

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO ADOPTING FINDINGS IN SUPPORT OF THE STATUTORY EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT RELATED TO THE ADJUSTMENT OF WATER RATES.

WHEREAS, the Report to Council describes in detail the basis and reasons for implementing water rate adjustments; and

WHEREAS, for potable water rates, the Public Utilities Department (Department) has prepared a 2015 update to the 2013 Cost of Service Study (Updated COSS) to produce a five year rate case, which addresses the current cost to produce and distribute recycled water, the increased cost of purchased water due to the San Diego County Water Authority (CWA) rate increases (which includes the Metropolitan Water District of Southern California (MWD) rate increases and completion of the Carlsbad Desalination Plant), the initial phase of the City's Pure Water program, replacement of aging infrastructure, investments in system efficiency, drought response, the State conservation mandate and recovery of required reserve levels; and

WHEREAS, for recycled water rates, a Peer Review of the 2013 Recycled Water Pricing Study (Pricing Study) Report has been completed by Black & Veatch consultants; NOW, THEREFORE,

(R-2016-237) (COR.COPY)

BE IT RESOLVED, by the Council of the City of San Diego, as follows:

1. That the five year rate case will allow the City to maintain financial stability and be consistent with the City's Updated COSS and Pricing Study, which addresses the current cost to produce and distribute recycled water, the increased cost of purchased water due to the San Diego County Water Authority (CWA) rate increases (which includes the Metropolitan Water District of Southern California (MWD) rate increases and completion of the Carlsbad Desalination Plant), the initial phase of the City's Pure Water Program, replacement of aging

infrastructure, investments in system efficiency, drought response, the State conservation mandate and recovery of required reserve levels;

1. That based on the foregoing findings, the Council of the City of San Diego finds that the water rate increases approved pursuant to Resolution Number R-310097 are not subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines sections 15060(c)(3) and 15378(b)(4), (5) because this activity is an organizational or administrative activity of a government that will not result in direct or indirect physical changes in the environment.

APPROVED: JANI. GOLDSMITH, City Attorney

By

Raymond C. Palmucci Deputy City Attorney

RCP:mt

November 6, 2015

November 12, 2015 Cor.Copy

Or.Dept: Public Utilities

I certify that the foregoing Resolution vectors of Nov 1.7 2015	vas passed by the Council of the City of San Diego, at this
	ELIZABETH S. MALAND City Clerk
	By Deputy City Clerk
Approved: 1//35/15 (date)	KEVIN L. FAULCONER, Mayor
Vetoed:(date)	KEVIN L. FAULCONER, Mayor

Passed by the Council of The Cit	y of San Diego on	NOV 1	7 2015 , by 1	the following vote:	
Councilmembers	Yeas	Nays	Not Present	Recused	
Sherri Lightner		\Box			
Lorie Zapf	$\overline{\mathbb{Z}}$				
Todd Gloria	$\bar{\mathbb{Z}}$				
Myrtle Cole	•	1 -			
Mark Kersey	Ø Ø	*			
Chris Cate	Z	e' .			
Scott Sherman	Z				
David Alvarez		ot Z			
Marti Emerald	Ø				
Oate of final passage (Please note: When a resolution approved resolution was return	on is approved by	of the City Cle	rk.) KEVIN L. F.	AULCONER	
AUTHENTICATED BY:		M	•	San Diego, California.	
(Seal)		City By	Clerk of The City	S. MALAND of San Diego, California.	
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		Office of	the City Clerk, S	an Diego, California	