

Resolution No.

# STOCKTON CITY COUNCIL

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## RESOLUTION ADOPTING THE WASTEWATER RATE STUDY AND APPROVING THE WASTEWATER RATE ADJUSTMENTS

On August 22, 2023, by Resolution 2023-08-22-1214, the Stockton City Council approved a professional services contract with HDR Engineering, Inc., to evaluate the Wastewater Utility revenue requirements, prepare a cost-of-service analysis, and design rates that proportionately allocate the costs of providing wastewater service among all customer classes and customers within each class; and

The Draft Wastewater Rate Study, dated August 2024, and attached as Exhibit 1 to the Resolution, is complete and indicates the need to adjust the rates for the City wastewater service charges to enable the Wastewater Utility to meet its projected operation, maintenance, and capital improvement costs; and

On August 20, 2024, this Council adopted Resolution 2024-08-20-1222, which authorized the mailing a notice of a Proposition 218 Public Protest Hearing (Notice) to be held no less than 45 days from the mailing of the Notice at 5:30 p.m. in the City Hall at 425 N. El Dorado Street, Stockton, California, to take testimony and consider written protests to the proposed wastewater rate adjustments and final action on the Wastewater Rate Study, dated August 2024; and

A certificate has been filed with the City Clerk setting forth the time and manner of the compliance with the requirements of law for mailing notice of the time and place for said Public Hearing and the Notice required by Article XIII D of the California Constitution has been done in the time, form, and manner required by law; and

The Notices were mailed to the record owners of any parcels upon which the wastewater service charges are proposed for, and any customers who are directly responsible for the payment of wastewater service charges; and

The Notices were mailed on September 20, 2024, to 81,847 affected customers and property owners; and

Notice of the time and place of the Public Hearing was published in The Record on October 23 and October 30, 2024; and

The Draft Wastewater Rate Study, dated August 2024, containing the proposed rates, was made available at [www.stocktonca.gov/SewerRates](http://www.stocktonca.gov/SewerRates) and placed on file with the City Clerk; and

The City Council held the Public Hearing on November 12, 2024, not less than forty-five days after the Notice was mailed, and at the Public Hearing the City Council heard all oral testimony, and considered all written materials and written protests

concerning the adoption and imposition of the proposed adjustments to the rates for the wastewater services charges; and

At the close of the Public Hearing, the City did not receive written protests regarding the establishment and imposition of the proposed adjustments to the rates for wastewater services charges from a majority of the affected property owners or affected sewer utility customers who are not property owners but are directly liable for the payment of the wastewater service charges; and

The City Council is authorized and has determined to approve the proposed wastewater rate adjustments and act accordingly on the matter; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The matters set forth above are true and correct statements and are made legislative findings and determinations of the City Council and by this reference are made an operative part of this Resolution.

2. The City Council adopts the Final Wastewater Rate Study, dated August 2024, attached as Exhibit 1, and incorporated by this reference.

3. The City Council has evaluated and adopts the wastewater service charges at the maximum rates and on the effective dates set forth in Exhibit 2 to this Resolution.

4. The City Council finds that the revenues derived from the wastewater service charges established by this Resolution: (a) do not exceed the funds required to provide wastewater services; (b) shall not be used for any other purpose than that for which the rates and charges are imposed; (c) do not exceed the proportional cost of the service attributable to each parcel upon which the charges are imposed; (d) provide services that are immediately available to the customer; and (e) are not levied for general governmental purposes.

5. The City Manager is hereby authorized to take whatever actions are necessary and appropriate to carry out the purpose and intent of this Resolution.

6. In accordance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines, the City Council has determined that the adjustments in the wastewater service charges are exempt from CEQA pursuant to section 15378 and section 15273 of the CEQA Guidelines and the Public Resources Code section 21080(b)(8) because: (a) the adjusted charges are for the purpose of meeting operational and maintenance expenses of the aforementioned services; and (b) the charges constitute the creation of a funding mechanism/or other governmental fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. The documents and materials that constitute the record of proceedings on which these findings have been based are in the Office of the City Clerk at 425 N. El Dorado Street, Stockton, CA, 95202.

7. If any section, subsection, subdivision, sentence, clause, or phrase in this Resolution or any part thereof is for any reason held to be unconstitutional or invalid, or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Resolution or any part thereof. The City Council hereby declares that it would have adopted any section irrespective of the fact that any one or more subsections, subdivision, sentences, clauses, or phrases be declared unconstitutional, invalid, or ineffective.

8. All resolutions, ordinances, or administrative actions by the City Council, or parts thereof, that are inconsistent or in conflict with any provision of this Resolution are hereby superseded only to the extent of such inconsistency or conflict.

9. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, and ADOPTED November 12, 2024.

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KEVIN J. LINCOLN II  
Mayor of the City of Stockton

ATTEST:

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KATHERINE ROLAND, CMC, CPMC  
Interim City Clerk of the City of Stockton