

**INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS**

The City Attorney has prepared the following title and summary of the chief purpose and points of the proposed measure:

**PROPOSED INITIATIVE MEASURE TO REPEAL THE CITY'S WASTEWATER RATES  
ADOPTED IN JANUARY 2016**

**This initiative, if passed by a majority of the voters voting on the measure, would repeal the wastewater rates that went into effect on March 1, 2016 following adoption of City of Oxnard Ordinance No. 2901. The wastewater rates in Ordinance No. 2901 were adopted following a notice and majority protest proceeding in accordance with Proposition 218.**

**As reflected in Ordinance No. 2901 and the Cost of Services Study, which provides the basis for the wastewater rates, the wastewater rates were adopted for the purposes of meeting operating expenses, including the increased cost of chemicals and energy sources, safe and effective sewage treatment, stringent regulatory requirements, making debt payments and meeting bond covenants, paying employee wages and benefits; purchasing and leasing services, supplies, equipment, and materials associated with the provision of wastewater service; meeting financial reserve requirements; and obtaining funds for capital projects necessary to maintain wastewater service within the City service area, including repair and replacement of the extensive collection and disposal systems and treatment plant, and to pay for the direct impact of utility operation on City services including streets, public buildings and public safety services.**

**If approved by the voters, this initiative would repeal the new wastewater rates. If repealed, the wastewater rates in effect immediately prior to March 1, 2016 would go back into effect.**

**CERTIFICATION**

**This ballot title and summary are hereby submitted to the elections official in conformance with Section 9203 of the Elections Code of the State of California.**

**Dated: April 20, 2016**

**/s/ Stephen M. Fischer**

**Stephen M. Fischer**

**City Attorney**

**City of Oxnard**

TO THE HONORABLE CLERK OF THE CITY OF OXNARD: We, the undersigned, registered, qualified voters of California, residents of the City of Oxnard, hereby propose an ordinance relating to wastewater rates, and petition you to immediately submit this initiative to the City Council for adoption without alteration, or alternatively for submission to the voters of the City of Oxnard at a special election pursuant to Elections Code section 9214, or the next regular municipal election for which it qualifies. The proposed ordinance reads as follows:

**Repealing Oxnard's Increases of Wastewater Rates Act**

**The people of the City of Oxnard do ordain as follows:**

**SECTION 1. Title.**

This initiative shall be known and may be cited as the "Repealing Oxnard's Increases of Wastewater Rates Act."

**SECTION 2. Findings and Declarations.**

The people of the City of Oxnard find and declare all of the following:

- a) High local utility rates are harmful to the general welfare of residents.
- b) High local utility rates reduce Oxnard's competitiveness as a business destination and encourage businesses to locate in other nearby cities, reducing local job opportunities.
- c) The Oxnard City Council enacted City of Oxnard Ordinance No. 2901, also known as the Ordinance of the City Council of the City of Oxnard Establishing Wastewater System User Fees and Charges. This ordinance schedules an 88% increase (or an additional \$326 per year) for wastewater for a typical household, plus additional adjustments for changes in the Consumer Price Index and cost of energy consumption.
- d) The City of Oxnard's Cost of Services Study, dated September 2015 (Rate Study), is the basis for increased rates and charges imposed by Ordinance No. 2901.
- e) News accounts of the City of Oxnard's inadequate controls over its own finances cause many to question whether the city's financial reports can be relied upon for establishing rates.
- f) The Rate Study already anticipates increases in operating expenses due to changes in the Consumer Price Index, but Ordinance No. 2901 compounds the impact of inflation on rates by requiring additional increases for changes in the Consumer Price Index. Moreover, adjusting rates for increases in the Consumer Price Index presumes that all expenditures increase with inflation, when outlays for debt service typically remain fixed during the life of the debt instrument.
- g) The Rate Study proposes \$1.23 billion in capital expenditures, including \$675 million for the wastewater system, much of which support projects of dubious value to ratepayers and appear to lack sufficient supporting documentation.
- h) The Rate Study presents an all-or-nothing plan, fails to discuss alternative solutions with trade-offs, and completely lacks prior fiscal year fund balance trends and audited actuals for comparative analysis.
- i) A former manager and civil engineer of the City of Oxnard who served as Water Superintendent (1999-2005) and Public Works Director (2005-2010) has openly questioned whether the proposed Wastewater Enterprise Capital Replacement strategies can't be better and more cost effectively accomplished/achieved by leveraging more modern wastewater treatment technologies that also reduce footprint requirements (eliminate property acquisition), capitalize on waste-to-energy conversion opportunities, and reduce the need for additional pre-treatment (capital investment) at the Advanced Water Purification Facility (AWPF).
- j) Given the above concerns expressed by an outside professional with intimate knowledge of the inner workings of this utility and the lack of a comprehensive peer review of the Rate Study, we find that uncontroverted evidence has not been established that the increased wastewater fees and charges established in Ordinance No. 2901 are absolutely necessary.

**SECTION 3. Purposes and Intent.**

- a) The People of the City of Oxnard hereby declare that their purpose and intent in enacting the "Repealing Oxnard's Increases of Wastewater Rates Act" is to repeal City of Oxnard Ordinance No. 2901, also known as the Ordinance of the City Council of the City of Oxnard Establishing Wastewater System User Fees and Charges, enacted on January 26, 2016, and revert to the lower rate structure in effect prior to its adoption.
- b) The people intend this Act to be an exercise of their rights pursuant to Section 3 of Article XIII C of the California Constitution to reduce or repeal local taxes, assessments, fees or charges.

**SECTION 4. Repealing Oxnard's Increases of Wastewater Rates Act.**

~~Part 1. The fees, charges and rates set forth below shall be charged and collected for the use of and for other privileges and services relating to the Regional Wastewater Treatment System of the City of Oxnard:~~

~~A. Regional Treatment and Disposal Facility User Charges~~

~~The monthly rate for regional users (Oxnard, Port Hueneme, Naval Base Ventura County (Port Hueneme and Point Mugu)) of the facility shall be calculated by the "Regional User Charge Formula" as follows:~~

~~$RMUC = e(Vm) + f(Bm) + g(Sm)$~~

~~Where:~~

~~RMUC = regional monthly user charge in dollars~~

~~Vm = monthly wastewater discharge in millions of gallons (volume)~~

~~Bm = monthly biological oxygen demand (BOD) discharge in thousands of pounds~~

~~Sm = monthly suspended solids (SS) discharge in thousands of pounds~~

~~e, f and g are unit cost coefficients established as follows:~~

Service		Effective October 18, 2012	Effective January 1, 2013	Effective October 1, 2013
Monthly Wastewater Discharge/Millions of Gallons	e =	\$1,037.46	\$1,099.70	\$1,165.69
Monthly BOD Discharge/Thousands of Pounds	f =	\$117.53	\$124.59	\$132.06
Monthly SS Discharge/Thousands of Pounds	g =	\$172.24	\$182.58	\$193.53

~~B. City of Oxnard User Charge for Wastewater System~~

~~The rate for City user classes or individual users of the wastewater system shall be calculated by the "City of Oxnard User Charge Formula" (the Oxnard Formula) as follows:~~

~~$OMUC = p(Vm) + q(Bm) + r(Sm)$~~

~~Where:~~

~~OMUC = Oxnard monthly user charge in dollars~~

~~Vm = monthly wastewater discharge in millions of gallons~~

~~Bm = monthly BOD discharge in thousands of pounds~~

~~Sm = monthly SS discharge in thousands of pounds~~

~~p, q and r are unit cost coefficients established as follows:~~

Service		Effective March 1, 2016	Effective January 1, 2017	Effective January 1, 2018	Effective January 1, 2019	Effective January 1, 2020
Monthly Wastewater Discharge/ Millions of Gallons	p =	\$2,908.78	\$3,199.66	\$3,455.64	\$3,732.10	\$4,030.67
Monthly BOD Discharge/ Thousands of Pounds	q =	\$662.79	\$729.07	\$787.40	\$850.40	\$918.44
Monthly SS Discharge/ Thousands of Pounds	r =	\$524.18	\$576.60	\$622.73	\$672.55	\$726.36

# INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

## 1. Formula Users (Industrial & Commercial)

The monthly user charge for formula users shall be calculated using the Oxnard Formula. Industrial and commercial users billed by Oxnard Formula shall be those so designated by the Public Works Director. For those formula users that do not provide metered wastewater flow data, the wastewater flow shall be assumed to be 90% of water consumed. For those users that provide engineering data acceptable to the Public Works Director showing a different percentage, the wastewater flows will be based on that data.

## 2. Non Formula Users (Industrial, Commercial & Governmental)

The monthly user charge for non residential users of the system that are not classified as formula users by the Public Works Director shall be as follows. The rate per hundred cubic feet (HCF) of water used is based on the assumption that a percent of the water consumed is returned to the wastewater system. The applicable percentage differs based on customer class. The percentage return is included for each customer class in the tables below. The Public Works Director shall have the authority to review the water consumption of any metered user of the wastewater system and to adjust the rate based on the average water consumption over a reasonable period of time:

### a. Commercial/School Wastewater Use (Percentage Wastewater Return = 85%):

Tier	Usage	Effective March 1, 2016	Effective January 1, 2017	Effective January 1, 2018	Effective January 1, 2019	Effective January 1, 2020
1	0 to 50 HCF/Month	\$3.31	\$3.65	\$3.95	\$4.27	\$4.62
2	>50 to 930 HCF/Month	\$4.14	\$4.56	\$4.93	\$5.33	\$5.76
3	>930 HCF/Month	\$8.28	\$9.11	\$9.84	\$10.63	\$11.49

### b. Restaurant Wastewater Use (Percentage Wastewater Return = 80%):

Tier	Usage	Effective March 1, 2016	Effective January 1, 2017	Effective January 1, 2018	Effective January 1, 2019	Effective January 1, 2020
1	0 to 20 HCF/Month	\$3.31	\$3.65	\$3.95	\$4.27	\$4.62
2	>20 to 160 HCF/Month	\$4.14	\$4.56	\$4.93	\$5.33	\$5.76
3	>160 HCF/Month	\$8.28	\$9.11	\$9.84	\$10.63	\$11.49

### c. Laundry/Laundromat Wastewater Use (Percentage Wastewater Return = 90%):

Tier	Usage	Effective March 1, 2016	Effective January 1, 2017	Effective January 1, 2018	Effective January 1, 2019	Effective January 1, 2020
1	0 to 105 HCF/Month	\$3.31	\$3.65	\$3.95	\$4.27	\$4.62
2	>105 to 525 HCF/Month	\$3.66	\$4.03	\$4.36	\$4.71	\$5.09
3	>525 HCF/Month	\$4.57	\$5.03	\$5.44	\$5.88	\$6.36

## 3. Non Formula Users – Residential

Residential wastewater service is deemed to begin when water service begins. Monthly residential user charges by type of dwelling units are as follows. The rate per hundred cubic feet (HCF) of water used is based on the assumption that a percentage of the water consumed is returned to the wastewater system. The applicable percentage differs based on customer class. The percentage return is included for each customer class in the tables below. The Public Works Director shall have the authority to review the water consumption of any metered user of the wastewater system and to adjust the rate based on the average water consumption over a reasonable period of time:

### a. Single Family Residential Wastewater Use (Percentage Wastewater Return = 80%):

Tier	Usage	Effective March 1, 2016	Effective January 1, 2017	Effective January 1, 2018	Effective January 1, 2019	Effective January 1, 2020
1	0 to 9 HCF/Month	\$1.85	\$2.04	\$2.21	\$2.39	\$2.59
2	>9 to 18 HCF/Month	\$2.06	\$2.27	\$2.46	\$2.66	\$2.88
3	>18 HCF/Month	\$2.87	\$3.16	\$3.42	\$3.70	\$4.00

### b. Single Family Residential Wastewater Use; Large Lots (lot size of over 7,000 square feet) (Percentage Wastewater Return = 60%):

Tier	Usage	Effective March 1, 2016	Effective January 1, 2017	Effective January 1, 2018	Effective January 1, 2019	Effective January 1, 2020
1	0 to 16 HCF/Month	\$1.85	\$2.04	\$2.21	\$2.39	\$2.59
2	>16 to 25 HCF/Month	\$2.06	\$2.27	\$2.46	\$2.66	\$2.88
3	>25 HCF/Month	\$2.87	\$3.16	\$3.42	\$3.70	\$4.00

### c. Multi Family, Multi Unit Residential Wastewater Use (Percentage Wastewater Return = 90%). Tiers for Multi Family and Multi Unit Residential are variable and are determined by multiplying each tier allotment by the number of dwelling units:

Tier	Usage	Effective March 1, 2016	Effective January 1, 2017	Effective January 1, 2018	Effective January 1, 2019	Effective January 1, 2020
1	0 to 6 HCF/Month	\$1.50	\$1.65	\$1.79	\$1.94	\$2.10
2	>6 to 12 HCF/Month	\$1.68	\$1.85	\$2.00	\$2.16	\$2.34
3	>12 HCF/Month	\$2.34	\$2.58	\$2.79	\$3.02	\$3.27

## 4. Monthly Base Rates

In addition to monthly rates based on water use (per HCF) as set forth above, the following customer classes shall pay monthly meter rates:

Service		Effective March 1, 2016	Effective January 1, 2017	Effective January 1, 2018	Effective January 1, 2019	Effective January 1, 2020
Single Family		\$28.45	\$31.30	\$33.81	\$36.52	\$39.45
Multi-Family/Unit:	1 to 6 Units	\$20.81	\$22.90	\$24.74	\$26.72	\$28.86
	7+ Units	\$10.37	\$11.41	\$12.33	\$13.32	\$14.39

## 5. Minimum Monthly Fees

The following customer classes shall pay the greater of the applicable monthly rates set forth in the table below, or the monthly rates based on the actual water use (per HCF) as set forth above:

Service		Effective March 1, 2016	Effective January 1, 2017	Effective January 1, 2018	Effective January 1, 2019	Effective January 1, 2020
Commercial		\$18.90	\$20.79	\$22.46	\$24.26	\$26.21
Restaurant		\$17.53	\$19.29	\$20.84	\$22.51	\$24.32
Laundry/Laundromat		\$87.00	\$95.70	\$103.36	\$111.63	\$120.57
School		\$66.36	\$73.00	\$78.84	\$85.15	\$91.97

## 6. Non metered Water Users

Except as provided in subsection B3 for residential water users, other non metered water users, including commercial and industrial users, shall pay a monthly rate as determined by the Public Works Director based upon the monthly rate charged a metered water user of comparable size and character of use, provided, however, that the minimum monthly charge shall be the same as that charged for a multi family dwelling unit.

Effective March 1, 2016	Effective January 1, 2017	Effective January 1, 2018	Effective January 1, 2019	Effective January 1, 2020
\$48.85	\$53.74	\$58.04	\$62.69	\$67.71

## 7. Wastewater System Rate for Wastewater Treated by Another Agency

Where wastewater is collected by the City and is accepted by another agency for transmission, treatment and disposal, the monthly wastewater rates shall be equal to the rate charged by such agency for transmission, treatment and disposal of such wastewater, anything to the contrary herein notwithstanding.

## 8. Additional Charges for Outside the City Users of City Wastewater System

Those outside the City users of the Las Posas sewer line shall be charged a monthly rate for wastewater service as follows. Wastewater service is deemed to begin when water service begins. The rate per hundred cubic feet (HCF) of water used is based on the assumption that 85 percent of commercial and 60 percent of residential water consumed is returned to the wastewater system. The Public Works Director shall have the right to review the water consumption of any metered user of the wastewater system and to adjust the rate based on the average water consumption over a reasonable period of time:

### a. Monthly Rates for User Charge Formula – Outside City

Service	Effective March 1, 2016	Effective January 1, 2017	Effective January 1, 2018	Effective January 1, 2019	Effective January 1, 2020
Single Family Residential per	\$77.32	\$82.91	\$88.02	\$93.44	\$99.31
Multi family Residential per	\$53.99	\$57.85	\$61.43	\$65.25	\$69.31

### b. Monthly Rates for Las Posas Commercial/Institutional Wastewater Use

Tier	Service	Effective March 1, 2016	Effective January 1, 2017	Effective January 1, 2018	Effective January 1, 2019	Effective January 1, 2020
1	0 to 50 HCF/Month	\$6.39	\$6.83	\$7.24	\$7.66	\$8.12
2	>50 to 930 HCF/Month	\$7.99	\$8.53	\$9.03	\$9.56	\$10.13
3	>930 HCF/Month	\$15.98	\$17.05	\$18.02	\$19.06	\$20.19

## C. Industrial and Liquid Waste Sampling, Analysis and Flow Measurement

Dischargers whose wastewater charges are individually calculated using the Oxnard Formula shall be responsible for costs of required sampling, analysis and flow measurement associated therewith as provided in Chapter 19 of the Oxnard City Code. If sampling, analysis and flow data are not provided to the City as required, the Public Works Director shall cause monitoring to be performed or an estimate made to enable charges to be rendered. The discharger shall be billed for these extra costs.

### D. Charges for Unusual or Non- Compatible Wastewater

A charge for unusual or non-compatible waste constituents of such quality or character as to impose upon the City unusual operation and/or maintenance or capital costs whether or not related to total flow volume, biochemical oxygen demand, or suspended solids, shall be set by the Public Works Director and paid by the discharger. These charges shall be reasonably calculated to defray costs attributable to such wastes.

### E. Fee for Appeal

For each appeal to the City Council of a ruling by the Public Works Director a fee of \$100 will be charged.

### F. Industrial Wastewater Discharge Permits

The Industrial Wastewater Discharge Permits (permit) specified in Chapter 19 of the Oxnard City Code shall be granted for a specific time period, not to exceed five years. Application for permit and permit renewal shall be made in accordance with Chapter 19. All users classified as significant industrial wastewater users according to Chapter 19 shall be assessed a fee of \$2,500 per year per permit. All other industrial users shall be assessed a fee of \$100 per year per permit. In addition to the permit fee, new applicants for a permit shall be assessed a one-time new application processing fee of \$100.

G. Billing Procedure for Monthly Service Charge for Use of City Wastewater System Bills shall be computed according to the rates then in effect and the number of days in the service period at each rate.

# INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

**H. Other Pre Authorized Adjustments:**

1. Pursuant to Government Code section 53756, the rates adopted herein shall automatically adjust as follows: (1) each applicable rate provided herein shall adjust at the same percentage as the percentage change in the rates that the City pays to power providers that supply electricity and natural gas sources to power the wastewater collection, treatment and disposal systems, as those rates are calculated in the Rate Study. Any rate provided herein that is not impacted by rates or charges imposed by City used power suppliers shall not be subject to adjustment for these costs. Such adjustments shall be effective concurrent with the date of any adjustments in rates that the City pays to power providers that supply electricity and natural gas sources to power the wastewater collection, treatment and disposal systems; and (2) annually on July 1 of each year, the rates provided herein shall automatically adjust to reflect the prior year, April to April, annual percentage change in the Consumer Price Index—All Urban Consumers, Los Angeles—Riverside—Orange County, California, published by the U.S. Bureau of Labor Statistics. For example, on July 1, 2016, the inflation adjustment percent is to be calculated based on the percentage change from April 2015 to April 2016 for the above referenced index.

2. When the City Council declares the existence of a water shortage condition pursuant to City of Oxnard, Municipal Code Section 22-154, the wastewater treatment rates and charges provided herein that are based on water use shall be adjusted to reflect the level of severity and corresponding mandatory water conservation percentage reflected in the water shortage condition declaration. For example, if the Council declares a Stage 2 water shortage condition with a mandatory water use reduction goal of 20%, then the rates provided herein that are based on water use, shall be concurrently adjusted upward by the same percentage—20%. This adjustment shall be initiated as of the effective date of the water shortage declaration and terminate as of the date of the termination of that water shortage declaration. Part 2. The provisions of this ordinance shall be applicable to all service provided or charges incurred on and after March 1, 2016. Upon the effective date of this Ordinance, Ordinance No. 2860 is repealed.

Part 1. The fees, charges and rates set forth below shall be charged and collected for the use of and for other privileges and services relating to the Regional Wastewater Treatment System of the City of Oxnard:

**A. Regional Treatment & Disposal Facility User Charge**

The monthly rate for regional users (Oxnard, Port Hueneme, Naval Base Ventura County (Port Hueneme and Point Mugu)) of the facility shall be calculated by the “Regional User Charge Formula” as follows:

$$RMUC = e (Vm) + f (Bm) + g (Sm)$$

Where:

RMUC = regional monthly user charge in dollars

VM = monthly wastewater discharge in millions of gallons (volume)

Bm = monthly biological oxygen demand (BOD) discharge in thousands of pounds

Sm = monthly suspended solids (SS) discharge in thousands of pounds

e, f and g are unit cost coefficients established as follows:

Service	Effective Oct. 18, 2012	Effective Jan. 1, 2013	Effective Oct. 1, 2013
Monthly Wastewater Discharge/Millions of Gallons	e = \$1,037.46	e = \$1,099.70	e = \$1,165.69
Monthly Biological Oxygen Demand (BOD) Discharge/Thousands of Lbs.	f = \$117.53	f = \$124.59	f = \$132.06
Monthly Suspended Solids (SS) Discharge/Thousands of Lbs.	g = \$172.24	g = \$182.58	g = \$193.53

**B. City of Oxnard User Charge for Wastewater System**

The rate for City user classes or individual users of the wastewater system shall be calculated by the “City of Oxnard User Charge Formula” (the Oxnard Formula) as follows:

$$OMUC = p (Vm) + q (Bm) + r (Sm)$$

Where:

OMUC = Oxnard monthly user charge in dollars

Vm = monthly wastewater discharge in millions of gallons

Bm = monthly BOD discharge in thousands of pounds

Sm = monthly SS discharge in thousands of pounds

p, q and r are unit cost coefficients established as follows:

Service	Effective Oct. 18, 2012	Effective Jan. 1, 2013	Effective Oct. 1, 2013
Monthly Water Discharge/Millions of Gallons	p = \$1,917.63	p = \$2,032.69	p = \$2,154.65
Monthly Biological Oxygen Demand (BOD) Discharge/Thousands of Lbs.	q = \$436.94	q = \$463.16	q = \$490.95
Monthly Suspended Solids (SS) Discharge/Thousands of Lbs.	r = \$345.57	r = \$366.31	r = \$388.28

**1. Formula Users (Industrial & Commercial)**

The monthly user charge for formula users shall be calculated using the Oxnard Formula. Industrial and commercial users billed by Oxnard Formula shall be those so designated by the Public Works Director. For those formula users that do not provide metered wastewater flow data, the wastewater flow shall be assumed to be 90% of water consumed. For those users that provide engineering data acceptable to the Public Works Director showing a different percentage, the wastewater flows will be based on that data.

**2. Non-Formula Users (Industrial, Commercial & Governmental)**

The monthly user charge for non-residential users of the system that are not classified as formula users by the Public Works Director shall be as follows. The rate per hundred cubic feet (HCF) of water used is based on the assumption that a percent of the water consumed is returned to the wastewater system. The applicable percentage differs based on customer class. The percentage return is included for each customer class in the tables below. The Public Works Director shall have the authority to review the water consumption of any metered user of the wastewater system and to adjust the rate based on the average water consumption over a reasonable period of time:

**a. Commercial/School Wastewater Use (Percentage Wastewater Return = 85%):**

Rate Per Hundred Cubic Feet (HCF)	Effective Oct. 18, 2012	Effective Jan. 1, 2013	Effective Oct. 1, 2013
0 to 50 HCF/Mo.	\$2.18	\$2.31	\$2.45
51 to 930 HCF/Mo.	\$2.73	\$2.89	\$3.06
Over 930 HCF/Mo.	\$5.45	\$5.78	\$6.13

**b. Restaurant Wastewater Use (Percentage Wastewater Return = 80%):**

Rate Per Hundred Cubic Feet (HCF)	Effective Oct. 18, 2012	Effective Jan. 1, 2013	Effective Oct. 1, 2013
0 to 20 HCF/Mo.	\$2.18	\$2.31	\$2.45
21 to 160 HCF/Mo.	\$2.73	\$2.89	\$3.06
Over 160 HCF/Mo.	\$5.45	\$5.78	\$6.13

**c. Laundry/Laundromat Wastewater Use (Percentage Wastewater Return = 90%):**

Rate Per Hundred Cubic Feet (HCF)	Effective Oct. 18, 2012	Effective Jan. 1, 2013	Effective Oct. 1, 2013
0 to 105 HCF/Mo.	\$2.18	\$2.31	\$2.45
106 to 525 HCF/Mo.	\$2.42	\$2.56	\$2.71
Over 525 HCF/Mo.	\$3.01	\$3.19	\$3.38

**3. Non-Formula Users - Residential:**

Residential wastewater service is deemed to begin when water service begins. Monthly residential user charges by type of dwelling units are as follows. The rate per hundred cubic feet (HCF) of water used is based on the assumption that a percentage of the water consumed is returned to the wastewater system. The applicable percentage differs based on customer class. The percentage return is included for each customer class in the tables below. The Public Works Director shall have the authority to review the water consumption of any metered user of the wastewater system and to adjust the rate based on the average water consumption over a reasonable period of time:

**a. Single Family Residential Wastewater Use (Percentage Wastewater Return = 80%):**

Rate Per Hundred Cubic Feet (HCF)	Effective Oct. 18, 2012	Effective Jan. 1, 2013	Effective Oct. 1, 2013
0 to 9 HCF/Mo.	\$1.22	\$1.29	\$1.37
10 to 18 HCF/Mo.	\$1.35	\$1.43	\$1.52
Over 18 HCF/Mo.	\$1.89	\$2.00	\$2.12

**b. Single Family Residential Wastewater Use; Large Lots (lot size of over 7,000 square feet) (Percentage Wastewater Return = 60%):**

Rate Per Hundred Cubic Feet (HCF)	Effective Oct. 18, 2012	Effective Jan. 1, 2013	Effective Oct. 1, 2013
0 to 16 HCF/Mo.	\$1.22	\$1.29	\$1.37
17 to 25 HCF/Mo.	\$1.35	\$1.43	\$1.52
Over 25 HCF/Mo.	\$1.89	\$2.00	\$2.12

**c. Multi-Family, Multi-Unit Residential Wastewater Use (Percentage Wastewater Return = 90%):**

Rate Per Hundred Cubic Feet (HCF)	Effective Oct. 18, 2012	Effective Jan. 1, 2013	Effective Oct. 1, 2013
0 to 6 HCF/Mo. *	\$0.99	\$1.05	\$1.11
7 to 12 HCF/Mo. *	\$1.10	\$1.17	\$1.24
Over 12 HCF/Mo. *	\$1.54	\$1.63	\$1.73

\* Tiers for Multi-Family/Multi-Unit Residential wastewater rates are variable and are determined by multiplying each tier by the number of units.

**4. Monthly Base Rates**

In addition to monthly rates based on water use (per HCF) as set forth above, the following customer classes shall pay a monthly meter rates:

Service	Effective Oct. 18, 2012	Effective Jan. 1, 2013	Effective Oct. 1, 2013
Single Family	\$18.75	\$19.88	\$21.07
Multi-Family/Unit	Units 1-6: \$13.71 Units 7+: \$6.84	Units 1-6: \$14.54 Units 7+: \$7.25	Units 1-6: \$15.41 Units 7+: \$7.68

**5. Minimum Monthly Fees**

The following customer classes shall pay the greater of the applicable monthly rates set forth in the table below, or the monthly rates based on the actual water use (per HCF) as set forth above:

Service	Effective Oct. 18, 2012	Effective Jan. 1, 2013	Effective Oct. 1, 2013
Commercial	\$12.46	\$13.21	\$14.00
Restaurant	\$11.56	\$12.25	\$12.98
Laundry	\$54.68	\$57.96	\$64.44
School	\$43.74	\$46.37	\$49.15

**5. Monthly Security and Contamination Prevention Fee. Each customer shall pay a monthly security and contamination prevention fee as follows:**

Service	Effective Oct. 18, 2012	Effective Jan. 1, 2013	Effective Oct. 1, 2013
Security and Contamination Prevention Fee	\$0.65	\$0.65	\$0.65

**6. Non-metered Water Users**

Except as provided in subsection B3 for residential water users, other non-metered water users, including commercial and industrial users, shall pay a monthly rate as determined by the Public Works Director based upon the monthly rate charged a metered water user of comparable size and character of use, provided, however, that the minimum monthly charge shall be the same as that charged for a multiple dwelling family dwelling unit.

Service	Effective Oct. 18, 2012	Effective Jan. 1, 2013	Effective Oct. 1, 2013
Non-Metered Customers	\$32.20	\$34.13	\$36.18

**7. Wastewater System Rate for Wastewater Treated by Another Agency**

Where wastewater is collected by the City and is accepted by another agency for transmission, treatment and disposal, the monthly wastewater rates shall be equal to the rate charged by such agency for transmission, treatment and disposal of such wastewater, anything to the contrary herein notwithstanding.

**8. Additional Charges for Outside the City Users of City Wastewater System**

Those outside the City users of the Las Posas sewer line shall be charged a monthly rate for wastewater service as follows. Wastewater service is deemed to begin when water service begins. The rate per hundred cubic feet (HCF) of water used is based on the assumption that 85 percent of the water consumed is returned to the wastewater

## INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

system. The Public Works Director shall have the right to review the water consumption of any metered user of the wastewater system and to adjust the rate based on the average water consumption over a reasonable period of time:

**a. Monthly Rates for User Charge Formula – Outside City**

Service	Effective Oct. 18, 2012	Effective Jan. 1, 2013	Effective Oct. 1, 2013
Outside City – Residential	\$64.99	\$68.89	\$73.02
Outside City – Multi	\$43.55	\$46.16	\$48.93

**b. Monthly Rates for Las Posas Commercial/Institutional Wastewater Use**

Rate Per Hundred Cubic Feet (HCF)	Effective Oct. 18, 2012	Effective Jan. 1, 2013	Effective Oct. 1, 2013
0 to 50 HCF/Mo.	\$4.36	\$4.62	\$4.90
51 to 930 HCF/Mo.	\$5.45	\$5.78	\$6.13
Over 930 HCF/Mo.	\$10.91	\$11.56	\$12.25

**C. Industrial and Liquid Waste Sampling, Analysis and Flow Measurement**

Dischargers whose wastewater charges are individually calculated using the Oxnard Formula shall be responsible for costs of required sampling, analysis and flow measurement associated therewith as provided in Chapter 19 of the Oxnard City Code. If sampling, analysis and flow data are not provided to the City as required, the Public Works Director shall cause monitoring to be performed or an estimate made to enable charges to be rendered. The discharger shall be billed for these extra costs.

**D. Charges for Unusual or Non-Compatible Wastewater**

A charge for unusual or non-compatible waste constituents of such quality or character as to impose upon the City unusual operation and/or maintenance or capital costs whether or not related to total flow volume, biochemical oxygen demand, or suspended solids, shall be set by the Public Works Director and paid by the discharger. These charges shall be reasonably calculated to defray costs attributable to such wastes.

**E. Fee for Appeal**

For each appeal to the City Council of a ruling by the Public Works Director a fee of \$100 will be charged.

**F. Industrial Wastewater Discharge Permits**

The Industrial Wastewater Discharge Permits (permit) specified in Chapter 19 of the Oxnard City Code shall be granted for a specific time period, not to exceed five years. Application for permit and permit renewal shall be made in accordance with Chapter 19. All users classified as significant industrial wastewater users according to Chapter 19 shall be assessed a fee of \$2,500 per year per permit. All other industrial users shall be assessed a fee of \$100 per year per permit. In addition to the permit fee, new applicants for a permit shall be assessed a one time new application processing fee of \$100.

**G. Billing Procedure for Monthly Service Charge for Use of City Wastewater System**

Bills shall be computed according to the rates then in effect and the number of days in the service period at each rate.

**H. Automatic Inflation Adjustment.**

Pursuant to Government Code section 53756, the rates adopted herein shall automatically adjust for a 5 year period, for inflation in the cost of operating the city wastewater system. The inflation adjustment shall be the same percentage as the percentage change in the rates that the city pays to power providers that supply electricity and natural gas sources to power the wastewater collection, treatment and disposal systems, as those rates are applied in the Rate Model. Such adjustments shall be effective concurrent with the date of any adjustments in rates that the city pays to power providers that supply electricity and natural gas sources to power the wastewater collection, treatment and disposal systems.

Part 2. The provisions of this ordinance shall be applicable to all service provided or charges incurred on and after October 18, 2012. Upon the effective date of this Ordinance, Ordinance No. 2818 is repealed.

**SECTION 5. Broad Construction.**

- a) The provisions of this Act shall be liberally construed and broadly applied in order to effectuate its underlying purpose of repealing the City's increases in rates enacted on January 26, 2016.
- b) If any provision of this Act conflicts directly or indirectly with any other provision of law, those other provisions shall be null and void to the extent that they are inconsistent with this act, and are hereby repealed.
- c) This Act shall not limit or prohibit the City's ability to propose a new schedule of fees and charges, in accordance with the provisions of Article XIII D of the California Constitution.

**SECTION 6. Conflicting Ballot Measures.**

- a) In the event that this measure and another measure or measures relating to fees and charges on wastewater shall appear on the same citywide election ballot, the provisions of the other measures that would affect in whole or in part the field of fees and charges on wastewater shall be deemed to be in conflict with this measure. In the event that this measure shall receive a greater number of affirmative votes, the provisions of this measure shall prevail in their entirety and the provisions of the other measure or measures shall be null and void in their entirety. In the event that the other measure or measures shall receive a greater number of affirmative votes, the provisions of this measure shall take effect to the extent permitted by law.
- b) If this measure is approved by voters but superseded by any other conflicting ballot measure approved by voters at the same election, and the conflicting ballot measure is later held invalid, this measure shall be self-executing and given full force of law.

**SECTION 7. Severability.**

If any provision of this act or the application thereof to any person or circumstance is held invalid, that invalidity shall not affect other provisions or applications of the act that can be given effect in the absence of the invalid provision or application. To this end, the provisions of this act are severable.

### Notice of Intent to Circulate Petition

Notice is hereby given by the person whose name appears hereon of his intention to circulate the petition within the City of Oxnard for the purpose of repealing the City Council's January 26, 2016 increase in Wastewater System User Fees and Charges. A statement of the reasons of the proposed action as contemplated in the petition is as follows:

We the people, exercising our rights pursuant to Section 3 of Article XIII C of the California Constitution to reduce or repeal local taxes, assessments, fees or charges, seek the repeal of the wastewater rate hikes enacted by the City Council on January 26, 2016, when they adopted City of Oxnard Ordinance No. 2901.

The City Council's ordinance schedules an 88% increase (or an additional \$326 per year) for wastewater for a typical household, plus additional adjustments for changes in the Consumer Price Index and cost of energy consumption. These rate increases are harmful to the general welfare of residents and encourage businesses to locate in other nearby cities, reducing local job opportunities.

The City of Oxnard's Cost of Services Study, dated September 2015 (Rate Study), which is the basis for increased rates and charges imposed by Ordinance No. 2901, has a number of flaws. The Rate Study already anticipates increases in operating expenses due to changes in the Consumer Price Index, but Ordinance No. 2901 compounds the impact of inflation on rates by requiring additional increases for changes in the Consumer Price Index. Moreover, adjusting rates for increases in the Consumer Price Index presumes that all expenditures increase with inflation, when outlays for debt service typically remain fixed during the life of the debt instrument. The Rate Study proposes \$1.23 billion in capital expenditures, including \$675 million for the wastewater system, much of which support projects of dubious value to ratepayers and appear to lack sufficient supporting documentation. The Rate Study presents an all-or-nothing plan, fails to discuss alternative solutions with trade-offs, and completely lacks prior fiscal year fund balance trends and audited actuals for comparative analysis.

A former manager and civil engineer of the City of Oxnard who served as Water Superintendent (1999-2005) and Public Works Director (2005-2010) has openly questioned whether the proposed Wastewater Enterprise Capital Replacement strategies can't be better and more cost effectively accomplished/achieved by leveraging more modern wastewater treatment technologies that also reduce footprint requirements (eliminate property acquisition), capitalize on waste-to-energy conversion opportunities, and reduce the need for additional pre-treatment (capital investment) at the Advanced Water Purification Facility (AWPF).

Given the above concerns expressed by an outside professional with intimate knowledge of the inner workings of this utility and the lack of a comprehensive peer review of the Rate Study, we find that uncontroverted evidence has not been established that the increased wastewater fees and charges established in Ordinance No. 2901 are absolutely necessary. Moreover, news accounts of the City of Oxnard's inadequate controls over its own finances cause many to question whether the city's financial reports can be relied upon for establishing rates.

We believe that rates should revert back to where they were before the adoption of Ordinance No. 2901, and the City Council should commission a peer reviewed rate study that does not have the flaws of the existing Rate Study to establish a new rate structure that meets the needs of ratepayers.

/s/ Aaron Starr

Aaron Starr