

RUA RESOLUTION NO. 005-15

**A RESOLUTION OF THE RIALTO UTILITY AUTHORITY  
OF THE CITY OF RIALTO, CALIFORNIA, APPROVING  
DEFERRAL OF THE JANUARY 1, 2016 SCHEDULED  
WATER AND SEWER RATE INCREASE FROM JANUARY  
1, 2016 TO JANUARY 1, 2017**

**WHEREAS**, in 2012, the Rialto City Council approved a series of four increases to the City's water and wastewater rates to be triggered on January 1 of each year in 2013, 2014, 2015 and 2016, with the next scheduled water and wastewater rate increase to take effect on January 1, 2016;

**WHEREAS**, the estimated value of the 2016 rate increase is \$3,631,000 for wastewater and \$622,000 for water, plus an increase set based on the applicable consumer price index ("CPI") at an additional .5% , which is estimated to be valued at \$115,000 for wastewater and \$65,000 for water;

**WHEREAS**, the City's concessionaire, Rialto Water Services, has acknowledged continued significant delays to delivery of the Capital Projects under the Concession Agreement for operation of the City's Water and Wastewater system;

**WHEREAS**, at the request of the Utility Concession Agreement Sub-Committee, staff has evaluated the option of deferring the final rate increase to some extent as a result of the lack of performance in completing projects by the Concessionaire;

**WHEREAS**, as a result of the delays in the implementation of the Capital Projects, on December 9, 2015, the City Council/Authority Board directed that the next scheduled water and wastewater rate increase scheduled for January 1, 2016 be deferred until January 1, 2017; and the 2016 CPI adjustment be cancelled;

**NOW, THEREFORE, THE RIALTO UTILITY AUTHORITY OF THE CITY OF RIALTO DOES HEREBY FIND, PROCLAIM, ORDER, AND RESOLVE AS FOLLOWS:**

**Section 1.** That planned water and wastewater and CPI rate increase scheduled to take effect on January 1, 2016 is hereby deferred to and shall take effect on January 1, 2017. The

1 approval to defer such increase is intended as a delay on the scheduled increase and not as any  
2 decision to forego the planned approved rate increase. As such, no further Authority or rate payer  
3 action shall be required on or before January 1, 2017 when the deferred increase shall take effect.  
4 Also, the automatic annual CPI adjustment scheduled for January 1, 2016 will be cancelled and  
5 will resume January 1, 2017.

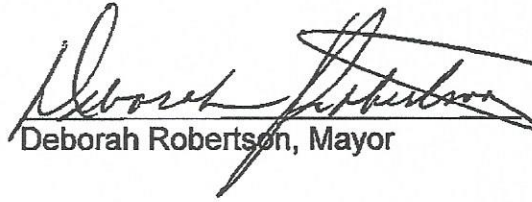
6 **Section 2.** Notwithstanding the above, the City Council reserves the right to reconsider  
7 the decision to defer the rate increases, as described in Section 1 above by June 30, 2016.

8 **Section 3.** This Resolution shall go into effect immediately upon its adoption.

9 **Section 4.** The Secretary of the Authority shall certify to the adoption of this  
10 Resolution.

1 PASSED, APPROVED AND ADOPTED this 8<sup>th</sup> day of December, 2015.  
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Deborah Robertson, Mayor

ATTEST:



BARBARA McGEE, City Clerk

APPROVED AS TO FORM:



FRED GALANTE, ESQ., City Attorney

1 STATE OF CALIFORNIA )  
2 COUNTY OF SAN BERNARDINO ) ss  
3 CITY OF RIALTO )

4 I, Barbara McGee, City Clerk of the City of Rialto, do hereby certify that the foregoing  
5 Resolution No. 005-15 was duly passed and adopted at a regular meeting of the City Council of  
6 the City of Rialto held on the 8th day of December, 2015.

7 Upon motion of Council Member Baca Jr., seconded by Council Member O'Connell,  
8 the foregoing Resolution No. 005-15 was duly passed and adopted.

9 Vote on the motion:

10 AYES: Mayor Robertson, Council Members: Baca Jr., Palmer, O'Connell, Scott

11 NOES: None

12 ABSENT: None  
13

14 IN WITNESS WHEREOF, I have hereunto set my hand and the Official Seal of the  
15 City of Rialto this 10th day of December, 2015.  
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19 BARBARA MCGEE, CITY CLERK  
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