

RESOLUTION NO. ____-2017

RESOLUTION OF THE FORT BRAGG CITY COUNCIL

and

RESOLUTION NO. ID ____-2017

**RESOLUTION OF THE FORT BRAGG MUNICIPAL IMPROVEMENT DISTRICT BOARD
APPROVING RESUMPTION OF APPROVED UTILITY RATE INCREASES**

WHEREAS, on June 10, 2013, after complying with all notice and hearing requirements of Proposition 218, the City Council of the City of Fort Bragg set water rates by Resolution No. 3618-2013 in accordance with Fort Bragg Municipal Code Section 14.04.020; and

WHEREAS, on June 10, 2013, the Board of Directors of the Fort Bragg Municipal Improvement District Board (the "District") set sewer rates by Resolution No. 354-2013 in accordance with Fort Bragg Municipal Code Section 14.24.110; and

WHEREAS, on August 11, 2014, after complying with all notice and hearing requirements of Proposition 218, the City Council of the City of Fort Bragg amended the previously approved water rates by Resolution No. 3730-2014 in accordance with Fort Bragg Municipal Code Section 14.04.020; and

WHEREAS, while developing the FY 2016-17 budget, an accounting error was discovered that in prior years resulted in an over-allocation of non-personnel overhead costs to the Water and Wastewater Enterprises; and

WHEREAS, at the Budget Workshop held on May 25, 2016, as one of several steps taken to correct the cost allocation error, Council directed staff to temporarily suspend utility rate increases for FY 2016/17; and

WHEREAS, utility rate studies were conducted in FY 2016/17 to determine the necessity and appropriate timing for resumption of utility rate increases; and

WHEREAS, based on all the evidence presented, the City Council/District Board finds as follows:

1. The proposed resumption of utility rate increases is prudent for the fiscal management and health of the Water and Wastewater Enterprises.
2. The previously approved rates are sufficient to operate the Water and Wastewater Enterprises through Fiscal Year 2020/2021.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Fort Bragg/District Board of the Fort Bragg Municipal Improvement District No. 1 does hereby approve resumption of the City's utility rates as set on June 10, 2013 and as amended on August 11, 2014 according to the schedule set forth in Exhibit "A" attached hereto and incorporated herein by reference.

The above and foregoing Resolution was introduced by Council/Board Member _____, seconded by Council/Board Member _____, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg/District Board of the Fort Bragg Municipal Improvement District No. 1 held on the 26th day of June, 2017, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSED:

LINDY PETERS
Mayor/Chair

ATTEST:

June Lemos, CMC
City/District Clerk