

MOTION

A Superior Court Judge in Orange County recently ruled that the City of San Juan Capistrano's tiered water rate structure violates the provisions of Proposition 218 and must be restructured to comply with state law. The Court found that the City of San Juan Capistrano failed to establish that the tiered rate was proportional to the cost of providing water services to its customers.

Since 1991, the City of San Juan Capistrano has used a tiered water rate structure that charges residents higher rates for higher water use. This approach is intended to deter residents from wasting water and thereby encourage greater conservation.

The City of San Juan Capistrano increased the charges of the tiered water rate in 2010. The Capistrano Taxpayers Association subsequently sued the City claiming the rate structure violated state law.

In order to better understand the matter, the City Attorney should be requested to report to the Council as to the recent Superior Court decision regarding tiered water rates and its potential impact on the City's water rate structure.

I THEREFORE MOVE that the City Attorney be requested to report to the Council as to the recent decision of the Superior Court of California, County of Orange, regarding tiered water rates and Proposition 218 compliance; and the decision's potential impact on the City's water rate structure.

PRESENTED BY:



MITCHELL ENGLANDER
Councilmember, 12th District

SECONDED BY:




MAR 5 2015

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