

**City of Sacramento Measure  
Utilities Rate Hike Rollback Act of 2010**

SECTION 1: Findings and Purpose.

The people of the City of Sacramento hereby make the following findings and declare that their purpose in enacting this Utilities Rate Hike Rollback Act of 2010 (or "Act") is as follows:

(a) Findings. The residents, including seniors, renters, homeowners and low and middle income families, and businesses of Sacramento cannot afford to pay the escalating monthly service rates for city utilities approved by the Sacramento City Council. Further, these escalating rates present a clear and present threat to the business climate of Sacramento and the economic health and well being of its citizens.

(b) Purpose. The purpose of the Act is to: (1) reduce monthly utilities rates in the City of Sacramento by repealing and canceling increases in monthly service rates approved by the Sacramento City Council on June 23, 2009 and placed into effect as of July 1, 2010; (2) return monthly service rates to those in effect on February 10, 2010; and (3) make provision for the City of Sacramento to increase monthly service rates without a vote of the people subject to specified conditions.

SECTION II: Repeal of July 1, 2010 Monthly Service Rate Increases.

Sections 13.04.720 (concerning water rates, charges and fees), 13.08.400 (concerning sewer rates, charges and fees) and 13.10.130 (concerning garbage collection/solid waste disposal rates, charges and fees) of the Sacramento City Code are hereby amended to add the following provision at the end of each of said sections:

"Notwithstanding the foregoing, the increases in monthly service rates for residential, commercial, industrial and other ratepayers (collectively, "monthly service rates") set forth in Resolution No. 2009-445, passed and adopted by the Sacramento City Council on June 23, 2009 (hereinafter, the "Resolution"), that are scheduled under the Resolution to become effective on July 1, 2010 are hereby repealed and cancelled as of July 1, 2011. On and after July 1, 2011, monthly service rates shall be the same as the monthly service rates which were in effect on February 10, 2010. The repeal and cancellation of the scheduled July 1, 2010 increases in monthly service rates hereunder shall have no retroactive effect and shall not give rise to any claim for refunds."

SECTION III: Provision Under Elections Code Section 9217 for Future Rate Increases Without Voter Approval.

Sections 13.04.720, 13.08.400 and 13.10.130 of the Sacramento City Code are hereby further amended to add the following new paragraph "B" at the end of each of said sections,

with the existing language of each of such section (as amended by Section II above) hereinafter designated paragraph "A" thereof:

"B. Notwithstanding the limitations imposed on the City of Sacramento by Article II, Section 10 of the California Constitution and Elections Code Section 9217 as a consequence of the voters' passage of this Act, the City Council shall have the authority to establish, from time to time, on and after July 1, 2012, without a vote of the people, higher or lower monthly service rates than those mandated under Section II above provided that the City Council, in the exercise of such authority, does not increase any of the monthly service rates by a percentage amount which exceeds total increases in the cost of living in the one-year period preceding the effective date of such increase. This Subsection B shall be deemed a "provision" within the meaning of the final sentence of Elections Code Section 9217 and adjustments by the City Council in monthly service rates permitted under this Subsection B shall be construed as permitted "amendments" of the Act within the meaning of Article II, Section 10(c) of the California Constitution.

For the purposes of this section, the following terms shall have the following meanings: (1) an "increase" of a "monthly service rate" shall be construed to include all increases (including the proposed increase) in a monthly service rate occurring in the same fiscal year; (2) the phrase "one-year period preceding the effective date of such increase" shall mean a period of time beginning on the first day of the fourteenth (14th) calendar month prior to the effective date of any increase and ending twelve (12) calendar months thereafter; and (3) the phrase "increases in the cost of living" shall mean increases in the All Items Consumer Price Index for All Urban Consumers for the U.S. City Average, with an index base period of 1982-1984=100, published by the Bureau of Labor Statistics, United States Department of Labor (hereinafter, the "CPI-U"). If the CPI-U, as now constituted, compiled and published shall cease to be compiled and published, or is calculated on a significantly different basis following the effective date of this measure, the most comprehensive official index published that most closely approximates the rate of inflation shall be used in its place and stead for purposes of this section."

#### SECTION IV: Severability.

If any provision of this measure or the application thereof to any person, entity or circumstance is held invalid, that invalidity shall not affect other provisions or applications, and to this end the provisions of this measure are severable.