

**City of Culver City, California
Agenda Item Report**

Meeting Date: 05/12/2014		Item Number: <u>C-7</u>	
CITY COUNCIL AGENDA ITEM: Adoption of a Resolution Initiating Proceedings for the Levy and Collection of Annual Assessments for the Sewer Users' Service Charge and Ordering the Preparation of the Engineer's Report Thereon for Fiscal Year 2014/2015			
Contact Person/Dept.: Mate Gaspar/PW		Phone Number: 310-253-5602	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☐ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: (E-Mail) Agenda and Meetings – City Council (05/06/2014)			
Department Approval: Charles D. Herbertson (04/30/14)		City Attorney Approval: Carol Schwab (by H. Baker) (05/05/14)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (05/06/14)		City Manager Approval: John M. Nachbar (05/06/14)	

RECOMMENDATION:

Staff recommends the City Council adopt a resolution initiating proceedings for the levy and collection of annual assessments for the Sewer Users' Service Charge and ordering the preparation of the Engineer's Report thereon for Fiscal Year 2014/2015.

BACKGROUND/DISCUSSION:

Culver City obtains sewage treatment services at the City of Los Angeles' Hyperion Treatment Plant through an Amalgamated Agreement with the City of Los Angeles. This Agreement requires Culver City to pay a proportionate share of the costs of conveyance, operation, maintenance, repair and capital improvements to upgrade and improve the amalgamated sewerage system.

Culver City owns and operates a separate sewage collection system, which is connected to the amalgamated system.

The Clean Water Act of 1972 requires that all agencies receiving federal grants for waste water treatment plant improvements must approve a system of charges to the public to assure that each property served pays its fair share of costs for the operation, maintenance, and repair of the system's conveyance and waste water treatment facilities. The "fair share" of each property is based on its contribution to the system in terms of flow quantity and sewage quality (biochemical oxygen demand and suspended solids). This is in addition to the cost experienced by Culver City in the collection, operation, and improvement of its own sewage collection and conveyance system. Since Culver City has been in agreements over

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the years with the City of Los Angeles to convey the sewage to their waste water treatment facility (Hyperion), a system of sewer charges was implemented in compliance with federal requirements

In addition to formulating and adopting a system of sewer charges, the City must also select a system for collecting these charges. In 1980, based on an engineering study and the City Engineer's recommendation, the City Council initiated a once-a-year billing procedure for sewer users' service charges that places each property owner's charges on their property tax bill. This method of collection has proven to be very efficient and provides the lowest cost billing and collection service for Culver City.

Pursuant to Section 5.02.035.B of the Culver City Municipal Code (CCMC), the proposed resolution presented to the City Council orders the Public Works Director/City Engineer to prepare and file with the City Clerk the Engineer's Report, which shall set forth the amount of money necessary to pay the sewerage system costs and proportionate share of the cost for each parcel of property in the City. It is expected the Engineer's Report will recommend that sewer rates be increased in order to produce sufficient revenue to fund the operation and maintenance of the system.

Pursuant to Sections 5.02.035.C and 5.02.035.D of the CCMC, upon completion and filing of the Engineer's Report with the City Clerk the City Council shall be presented with a Resolution of Intention declaring the City Council's intent to levy the assessments for Fiscal Year 2014/2015 and set the date, hour, and place for the public hearing after which the City Council will consider levying the assessments for said Fiscal Year.

FISCAL ANALYSIS:

The Engineer's Report will be prepared by NBS. Costs related thereto (estimated at \$5,000) will be charged to the Assessment District.

ATTACHMENT:

Proposed Resolution

MOTION:

That the City Council:

Adopt a Resolution initiating proceedings for the levy and collection of annual assessments for the Sewer User's Service Charge and ordering the preparation of the Engineer's Report thereon for Fiscal Year 2014/2015.