

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

Meeting Date: 04/08/2013		Item Number: <u>C-5</u>	
CITY COUNCIL AGENDA ITEM: Adoption of 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 2013/2014			
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 (04/02/2013)			
Department Approval: Charles D. Herbertson (03/28/13)		City Attorney Approval: Carol Schwab (by H. Baker) (04/01/13)	
Chief Financial Officer Approval: Jeff Muir (04/02/13)		City Manager Approval: John M. Nachbar (04/02/13)	
 <u>RECOMMENDATION:</u> Staff recommends the City Council adopt a resolution (1) initiating proceedings for the levy and collection of annual assessments for the Sewer User's Service Charge (SUSC) and (2) ordering the preparation of the Engineer's Report thereon for Fiscal Year 2013/2014. <u>BACKGROUND/DISCUSSION:</u> Culver City obtains sewage treatment services at the City of Los Angeles' Hyperion Treatment Plant through an Amalgamated Agreement (Agreement) with the City of Los Angeles. The 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 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 the SUSC 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 15.01.070(C) of the Culver City Municipal Code (CCMC), the proposed resolution presented to the City Council describes any proposed new, or changes in existing, improvements or services, or both and orders the Public Works Director/City Engineer to prepare and file the Engineer's Report. The sewer rates are proposed to be increased in order to produce sufficient revenue to fund the operation and maintenance of the system.

Pursuant to Sections 15.01.070(D) and (E) of the CCMC, should the City Council adopt the proposed resolution, the Public Works Director/City Engineer shall prepare (or cause to be prepared) the Engineer's Report. Upon its completion, the Engineer's Report shall be filed with the City Clerk, and the City Council shall be presented with a Resolution of Intention declaring the City Council's intent to levy the assessments for Fiscal Year 2013/2014 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:

Should the City Council adopt the proposed resolution, 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 2013/2014.