

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

Meeting Date: 05/17/2010		Item Number: <u>A-2</u>	
CITY COUNCIL AGENDA ITEM: Adoption of a Resolution Ordering the Preparation of the Engineer's Report, Declaring the Intention to Order the Annual Sewer User Service Charge, and Setting the Date, Time, and Place for the Public Hearing for the Sewer Users Service Charge			
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 (05/12/2010)			
Department Approval: Charles D. Herbertson (05/12/10)		City Attorney Approval: Carol Schwab (by H. Baker) (05/12/10)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (05/12/10)		City Manager Approval: P. Lamont Ewell (05/12/10)	

RECOMMENDATION:

Staff recommends the City Council adopt a Resolution:

1. Ordering the Preparation of the Engineer's Report for the Sewer User Service Charge for Fiscal Year 2010/2011; and,
2. Declaring its Intention to Order the Levy of Annual Sewer User Service Charge for Fiscal Year 2010/2011; and,
3. Setting the Public Hearing for June 14, 2010, at 7:00 p.m. in the Mike Balkman Council Chambers.

Should the City Council adopt this Resolution, a public notice of the hearing will be published and posted no later than Thursday, May 27th, and the City Engineer will prepare a comprehensive report containing detailed information on the actual and estimated charges that are proposed. The report will be made available for public review at least ten (10) days before the Public Hearing at the City Clerk's Office.

BACKGROUND:

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. (Agreement). 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.

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

Federal law requires that all agencies using the City of Los Angeles' Hyperion Treatment Plant adopt a system of charges to assure that each property served by a public sewer pay its fair share of costs for the operation, maintenance, repair and improvement of Hyperion Treatment Plant. 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 our own sewage collection and conveyance system.

In addition to formulating and adopting a system of sewer users service 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.

DISCUSSION:

In a letter dated March 26, 2010, Golden State Water Company informed staff that they will no longer provide water consumption data to the City. The letter states that Golden State Water Company considers the water consumption data as private and that they have not been ordered by the California Public Utilities Commission (CPUC) to release water consumption data to agencies for the purposes of billing sewer user service charges. The City uses the water consumption data to compute the sewer user service charges.

Staff then determined that it would take at least 3 months to place an agenda item on the CPUC board meeting to request the CPUC to order Golden State Water Company to release the water consumption data to Culver City. Based on this schedule, there was not enough time to get a CPUC decision and then submit the sewer user service charges to the Los Angeles County Assessor's Office by August 2010.

Therefore, the City Engineer will utilize the existing water usage data in his calculation of the sewer user service charge formula for Fiscal Year 2010-2011. This, most likely, will result in no increase to the sewer user service charge (subject to completion of the Engineer's Report should the City Council adopt the proposed resolution this evening).

A Public Hearing will be held no earlier than 10 days after authorization by the City Council and advertisement of the hearing in Culver City News on May 27, 2010.

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During the scheduled Public Hearing, the City will consider any and all protests against the proposed levy, review the Engineer's Report, and then consider the levy and collection of the proposed sewer user service charges.

FISCAL ANALYSIS:

There is no direct fiscal impact of the proposed action. The preparation of the Engineer's Report will be completed by staff.

ATTACHMENT:

1. Resolution of Intention

MOTION:

That the City Council:

Adopt a Resolution that orders the preparation of the Engineer's Report, declares the intention to levy and collect the sewer user service charges for Fiscal Year 2010-2011 and sets the date, time, and place for a Public Hearing on June 14, 2010, at 7:00 p.m. in the Mike Balkman Council Chambers.