



# City of Culver City

## Staff Report

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**File #:** 18-01165, **Version:** 1

**Item #:** C-4.

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**CC - Adoption of a Resolution (1) Approving the Engineer's Report for the Sewer User's Service Charge, (2) Declaring the Intention to Order the Sewer User's Service Charge for Fiscal Year 2018/2019, and (3) Setting a Public Hearing for July 23, 2018, at 7:00 p.m. in the Mike Balkman Council Chambers**

**Meeting Date:** May 29, 2018

**Contact Person/Dept:** Mate Gaspar/Public Works Department

**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) Meetings and Agendas - City Council (05/23/18);

**Department Approval:** Charles D. Herbertson, Director of Public Works/City Engineer (05/16/18)

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### **RECOMMENDATION**

Staff recommends the City Council adopt a Resolution (1) approving the Engineer's Report for the Sewer User's Service Charge; (2) declaring its intention to levy and collect the Sewer User's Service Charges for Fiscal Year 2018/2019; and (3) setting a public hearing for July 23, 2018, at 7:00 p.m. in the Mike Balkman Council Chambers.

### **BACKGROUND**

Culver City owns and operates a separate sewage collection system which is connected to the City of Los Angeles' system. Culver City sewage, which is deposited into the Los Angeles system, is treated at the City of Los Angeles' Hyperion Treatment Plant prior to its ultimate disposal in the Pacific Ocean or additional treatment by West Basin Municipal Water District for the production of recycled water that is used throughout the region. An agreement between the City of Los Angeles and a number of other cities called the Amalgamated Agreement (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.

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 pays its fair share of costs for the operation, maintenance, repair, and improvement of the Hyperion Treatment Plant. The "fair share" of each property is based on its contribution to the system in terms of flow quantity and sewage strength (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 User's Service Charges (SUSC), 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 User's 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**

Pursuant to a Resolution adopted by the City Council on May 8, 2017, the Public Works Director/City Engineer has prepared the Engineer's Report for the Sewer User's Service Charge and filed said Report with the City Clerk. A copy of the Engineer's report is attached to this report for consideration by the City Council. The rates are proposed to increase 3.6% based on the Bureau of Labor Statistics February Consumer Price Index for All Urban Consumers for the Los Angeles area for the prior 12-month period ending February 2018 for Fiscal Year 2018/2019.

All affected property owners will be mailed a notification of the proposed increased assessment and the date, time and location of the public hearing, as required by Proposition 218. A Public Hearing will be held not earlier than 45 days after authorization by the City Council and mailed public notice of the hearing, with a proposed date of July 23, 2018. During the scheduled Public Hearing, the City will consider all protests against any proposed increase and assessment.

Staff recommends that the City Council adopt a resolution (1) approving the Engineer's Report, (2) declaring the City Council's intention to order the levy of Sewer User's Service Charge for Fiscal Year 2018/19; and (3) setting the time and place for the public hearing as required by Culver City Municipal Code (CCMC) Sections 5.02.035.C and 5.02.040.

Should the City Council adopt the proposed resolution, pursuant to 5.02.040 of the CCMC, the City Clerk shall give notice of the public hearing by causing the Resolution of Intention to be published at least 10 days prior to the date of the hearing.

## **FISCAL ANALYSIS**

A detailed analysis of the revenues and expenses is contained in the Engineer's Report.

## **ATTACHMENTS**

1. Engineer's Report
2. Proposed Resolution

**MOTION**

That the City Council:

Adopt a Resolution (1) approving the Engineer's Report for the Sewer User's Service Charge, (2) declaring the City Council's intention to order the levy of Sewer User's Service Charge - Fiscal Year 2018/2019, and (3) setting the Public Hearing for July 23, 2018, at 7:00 p.m. in the Mike Balkman Council Chambers.