



City of Culver City

Staff Report

File #: 24-751, Version: 1

Item #: C-4.

..title

CC - CONSENT 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 2024/2025.

Meeting Date: March 18, 2024

Contact Person/Dept.: Christopher Evans/Public Works
Mate Gaspar/Public Works

Phone Number: (310) 253-5621
(310) 253-5602

Fiscal Impact: Yes [] No [X] **General Fund:** Yes [] No [X]

Attachments: Yes [X] No []

Public Notification: (E-Mail) Meetings and Agendas - City Council (03/13/2024)

Department Approval: Yanni Demitri, Director of Public Works/City Engineer (02/26/2024)

RECOMMENDATION

Staff recommends the City Council adopt the resolution initiating proceedings for the levy and collection of annual assessments for the Sewer User's Service Charge (SUSC) and ordering the preparation of the Engineer's Report thereon for Fiscal Year 2024/2025.

BACKGROUND/DISCUSSION

Culver City obtains sewage treatment services at the City of Los Angeles' Hyperion Treatment Plant through a 30-year Amalgamated Agreement with the City of Los Angeles that was executed in 1999. 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 wastewater 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 incurred 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 many decades with the City of Los Angeles to convey the sewage to their wastewater 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 Culver City Municipal Code (CCMC) Section 5.02.035.B, annually, before July 1, the City Engineer shall make and file with the City Clerk a report which sets forth the amount of money necessary to pay the sewerage system costs and the proportionate share of the cost for each parcel of property in the City.

Due to the severe impacts to both individuals and businesses caused by the COVID-19 pandemic, staff recommended not increasing the SUSC rates for Fiscal Years 2020 thru 2023. Standard practice prior to the Covid-19 pandemic had been to increase the annual SUSC assessment fees pursuant to the Bureau of Labor Statistics February Consumer Price Index for All Urban Consumers for Los Angeles area (CPI) for the prior 12-month period. As SUSC fees have not been increased since July 2019, and due to inflation and the need to fund on-going sewer related capital improvements, staff is anticipating recommending the assessment be increased per the aforementioned CPI in Fiscal Year 2024/2025.

Should the City Council adopt the proposed resolution, the Public Works Director/City Engineer shall prepare 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 2024/2025 and set the date, time, and place for the public hearing.

FISCAL ANALYSIS

If so ordered, the Engineer's Report will be prepared and will include estimated revenues and expenditures for operation and maintenance of the City's sewer system.

ATTACHMENTS

1. 2024-03-18-ATT-CC-Proposed_Resolution- SUSC-FY24-25

MOTION

That the City Council:

Adopt the 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 for Fiscal Year 2024/2025.