



City of Huntington Beach

File #: 21-834

MEETING DATE: 11/17/2021

PUBLIC WORKS COMMISSION REQUEST FOR ACTION

SUBMITTED TO: Chairman and Members of the Commission

SUBMITTED BY: Sean Crumby, PE, Director of Public Works

Subject:

Sanitary Sewer Facilities Fund Annual Compliance Report Fiscal Year 2020/21.

Statement of Issue:

In accordance with Section 14.36 of the Huntington Beach Municipal Code (HBMC), the Public Works Department is required to prepare an annual report of the status of the Sanitary Sewer Facilities Fund (Sanitary Sewer Fund) for the City Council. The process provides an opportunity for the Public Works Commission to review revenues and expenditures under the program.

Funding Source:

No funding is required for this action.

Recommended Action:

Motion to recommend to the City Council the approval of the Annual Sanitary Sewer Facilities Fund Compliance Report for Fiscal Year 2020/21.

Alternative Action(s):

Recommend revisions to the report

Analysis:

The Sanitary Sewer Fund is comprised of development fees that are charged when an increase in sewage flow occurs due to development of property. The use of those fees are restricted to increasing the capacity of the sewer system to accommodate the flow from that development. The fee is unrelated to the monthly Sewer Service Charge used for operations and maintenance of the existing sewer system.

Section 14.36.070 (d) requires the City Council to review the status of compliance with this Chapter, including the revenues collected and the funds expended. The following information conforms to the requirements of the HBMC regarding revenues and expenditures of the Sanitary Sewer Fund. Although this requirement became effective with the adoption of the revised ordinance in July 2003, the Sewer Facilities Fund has existed since 1988. The following information covers Fiscal Year (FY) 2020/21.

Fiscal Status

The Sanitary Sewer Facilities Fund advanced \$131,000 to the Redevelopment Agency for improvements in 1987. With interest accrual of \$356,289, the debt amount for the fiscal year end was \$487,289.

On June, 29, 2011, the State of California enacted AB1X26, which dissolves redevelopment agencies and designates Successor Agencies to “wind-down” activities of the former redevelopment agencies under supervision of newly created Oversight Boards. On January, 31, 2012, the City’s Redevelopment Agency presented an initial draft Recognized Obligation Payment Schedule (ROPS) to the Successor Agency. In this case, the City has elected to become the Successor Agency. The debt noted above is included in the list of obligations; however, no payments are scheduled to the Sanitary Sewer Facilities Fund within the presented time frame.

Revenues

Total revenue for FY 2020/21 was \$104,516. Residential and commercial developer fees contributed \$92,206. In addition, the City received \$12,310 from the Sunset Beach Sanitary District representing the agency’s share for the construction of Lift Station D.

Expenditures

Expenditures for the fund in FY 2020/21 totaled \$2,954,357. Ongoing construction costs at Saybrook Lift Station totaled \$909,627. Ongoing construction costs at Slater Lift station totaled \$1,847,201. Engineering/design costs for the McFadden Lift Station totaled \$197,529. It should be noted that these projects are also partially funded by the Sewer Service Fund.

Conformance with Program Goals and Objectives

The Sanitary Sewer Facilities Fund is intended to implement the goals and objectives of the current Sewer Master Plan. Funds collected and deposited to the fund may be expended solely for the construction or reimbursement for construction of sanitary sewer facilities. The Fund is in compliance with these requirements.

**Summary of Revenue and Expenditures
Sanitary Sewer Facilities Fund**

Beginning Balance 7/1/20	\$7,084,170
Revenue	
Developer fees	92,206
Sunset Beach SD	12,310
Total Revenue	\$104,516
Expenditures	
McFadden Lift Station	(197,529)
Saybrook Lift Station	(909,627)
Slater Lift Station	(1,847,201)
Total Expenditures	\$(2,954,357)
Ending Balance 6/30/21	\$4,234,329

Rate Structure Fiscal Year 2020/21

CITY SEWER CONNECTION FEES		Effective July 1, 2020
Single Family Dwelling Unit		\$2,380
Multiple Family Dwelling Unit		\$1,946
Non-Residential (based on water meter size relationship to Equivalent Dwelling Unit, EDU)		
Meter Size & Type	EDU's	Charge
3/4"	1	\$2,704
1"	2	\$5,409
1 1/2"	3	\$8,114
2"	5	\$13,526
3"	11	\$29,756
4" Compound	17	\$45,985
4" Domestic & Turbine	33	\$89,266
6" Compound	33	\$89,266
6" Domestic & Turbine	67	\$181,234
8" Domestic	117	\$316,483
10" Domestic	183	\$492,181

Attachment(s):

1. none.