

**RESOLUTION NO. 2022-**

**RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF EUREKA ADOPTING  
SANITARY SEWER RATES AND IMPACT FEES FOR THE CITY OF EUREKA**

WHEREAS, City Staff have analyzed sewer collections and treatment costs; and

WHEREAS, the Federal government and the State of California require treatment facilities which meet clean water standards; and

WHEREAS, City Staff has identified a number of sewer system improvements and studies that are necessary to maintain compliance with the State and Federal regulations; and

WHEREAS, it is necessary for the City's Sewer System to raise sufficient revenues to operate and maintain the system in accordance with public health requirements and without subsidy from the General Fund; and

WHEREAS, the Sewer Fund's contingency and capital reserves must be built to and maintained at an adequate level; and

WHEREAS, both fixed and variable costs of operation must be distributed by customer class in proportion to their burden on the water system; and

WHEREAS, implementation of a monthly fixed account charge is necessary to equitably distribute the costs of service; and

WHEREAS, City Staff and its rate consultant NBS prepared a sewer system cost of service analysis to determine if the system user rates would adequately recover system operating costs and provide sufficient funds to meet planned sewer system infrastructure improvements. The new rates would refine the City's practice of recovering system costs from users in proportion to the demands each places upon the Sewer Utility System; and

WHEREAS, the charges have been determined in a manner consistent with State law, including but not limited to Government Code 50076; and

WHEREAS, at least forty-five (45) days in advance of the public hearing at which this Resolution was considered, notice of the public hearing and notice of protest procedures against the proposed rate increases, were mailed to all property owners and rate payers in compliance with California Constitution Article XIII D, "Property-Related Fees and Charges"; and

WHEREAS, the proposed rate increases will provide additional revenue whereby future operating costs of the Sewer Fund will be adequately addressed and the Fund's operating and capital reserves built and maintained according to policy; and

WHEREAS, changes to impact fees (aka connection fees) are required to recover the costs of increased system demand posed by new development proportional to those impacts; and

WHEREAS, the City has followed all public notice and protest rules under California Proposition 218.

NOW THEREFORE, be it Resolved as follows:

Section 1. Sewer Service Charges

- (a) Service Charges. The monthly service charges for sewer service within the City shall be as shown on the Sewer Rate Schedule shown in EXHIBIT A. For residential customers, summer flow charges will be based on the flow of the previous winter. For purposes of this calculation, summer includes the months of April through October and winter includes the months of November through March.
- (b) Impact Fees. The fee for new connections or increases in connection size shall be as shown in EXHIBIT B.

Section 2. Effective Date

This resolution shall become effective and the Sewer Rates and Impact Fees specified in EXHIBIT A and EXHIBIT B shall be imposed for any charges billed on or after January 1, 2023 and July 1 of each following year as indicated in the Exhibits.

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PASSED, APPROVED AND ADOPTED by the City Council of the City of Eureka in the County of Humboldt, State of California, on the \_\_\_\_\_ day of \_\_\_\_\_, 2022 by the following vote:

AYES:	COUNCILMEMBERS
NOES:	COUNCILMEMBERS
ABSENT:	COUNCILMEMBERS

\_\_\_\_\_  
Susan Seaman, Mayor of the City of Eureka

*Attest:*

\_\_\_\_\_  
Pamela J. Powell, City Clerk

*Approved as to Administration:*

*Approved as to form:*

\_\_\_\_\_  
Miles Slattery, City Manager

\_\_\_\_\_  
Autumn Luna, City Attorney

## EXHIBIT A: SEWER RATES

Sewer Rate Schedule	Current Rates	Proposed Monthly Sewer Rates				
		FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27
<b>Monthly Fixed Service Charges<sup>1</sup></b>						
Mo. Account Charge <i>(applies to all classes)</i>	\$2.87	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Single Family Residential	\$24.34	\$27.60	\$29.81	\$31.00	\$32.24	\$33.53
Multi-Family Residential (per dwelling unit)	\$19.46	\$18.53	\$20.01	\$20.81	\$21.64	\$22.51
Commercial Light	\$24.33	\$27.60	\$29.81	\$31.00	\$32.24	\$33.53
Commercial Medium	\$24.33	\$27.60	\$29.81	\$31.00	\$32.24	\$33.53
Commercial Heavy	\$24.33	\$27.60	\$29.81	\$31.00	\$32.24	\$33.53
Industrial/Extra Heavy <sup>3</sup>	--	<i>(Billed at actual flow &amp; loadings shown below)</i>				
<b>Volumetric Rate (\$/hcf)<sup>2</sup></b>						
Single Family Residential	\$9.15	\$6.47	\$6.99	\$7.27	\$7.56	\$7.86
Multi-Family Residential	\$9.15	\$6.47	\$6.99	\$7.27	\$7.56	\$7.86
Commercial Light	\$9.47	\$8.70	\$9.40	\$9.77	\$10.17	\$10.57
Commercial Medium	\$13.72	\$15.85	\$17.12	\$17.81	\$18.52	\$19.26
Commercial Heavy	\$20.18	\$25.97	\$28.05	\$29.17	\$30.34	\$31.55
Industrial/Extra Heavy <sup>3</sup> <i>(Unit Costs as shown below)</i>						
Flow (\$/hcf/month)	--	\$6.471/hcf	\$6.989/hcf	\$7.268/hcf	\$7.559/hcf	\$7.861/hcf
BOD Strength Charge (\$/lb.)	--	\$3.002/lb.	\$3.242/lb.	\$3.371/lb.	\$3.506/lb.	\$3.647/lb.
TSS Strength Charge (\$/lb.)	--	\$3.805/lb.	\$4.109/lb.	\$4.274/lb.	\$4.445/lb.	\$4.622/lb.

1. Current Rates are charged per dwelling unit for Multi-Family only. Proposed fixed charges are per Housing Equivalent Unit (HEU) for Multi-Family and Industrial/Extra Heavy.

2. One Unit is equal to one HCF (Hundred Cubic Feet) or 748 gallons.

3. Charges based on estimated flow and periodic testing for BOD and TSS strength. May include additional charges for City testing and/or administrative/billing costs.

## EXHIBIT B: SEWER IMPACT FEES

Summary of Costs Allocated to Connection Fees	Adjusted System Cost Basis	Planned Additional HEU's (thru 2031)	Maximum Connection Fee (\$/HEU)
Current Sewer Connection Fee Per HEU			\$3,423
Maximum Sewer Connection Fee Per HEU	\$ 7,876,943	1,106	\$7,123