

RESOLUTION NO. 15 - _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH ADOPTING THE ANNUAL SEWER SERVICE CHARGE AND AUTHORIZING THE CHARGE FOR FISCAL YEAR 2015-2016 TO FUND MAINTENANCE, OPERATION, SERVICING AND IMPROVEMENTS TO THE CITY'S SEWER COLLECTION SYSTEM

The City Council of the City of Hermosa Beach does hereby resolve and order as follows:

Section 1. Recitals.

- A. On April 28, 2015, the Hermosa Beach City Council initiated proceedings to consider adoption of a sewer service charge. The purpose of the charge is to collect funds to cover the expenses for the overall operation, maintenance and servicing of the city-owned sewer system as well as the funds deemed appropriate and necessary to pay for capital improvements and reserves.
- B. At its April 28th meeting, the City Council adopted Resolution No. 15-6954 which adopted the *City of Hermosa Beach Sewer Service Charges Commencing Fiscal Year 2015/2016 Preliminary Engineer's Report* ("Engineer's Report") for the proposed sewer charge and set a majority protest hearing as required under Article XIID of the California Constitution (Proposition 218).
- C. On April 28th, the City Council also decided to set the proposed base charge at \$115/Equivalent Sewage Unit (ESU).
- D. On or around May 7, 2015, the City mailed notices of the proposed sewer service charge and majority protest hearing to the record owners at the service address and if different, also to the record owner's mailing address (as set forth on the last equalized assessment roll).
- E. A total of 6919 parcels were notified of the proposed sewer charge and majority protest hearing.
- F. The actual Parcel Charges (a listing of the Assessor's Parcel Numbers and the amount to be levied on each parcel) has been made available in the Hermosa Beach City Clerk's Office in an electronic format.
- G. The City held a community meeting on May 27, 2015 to present the public with information on the proposed charge and to allow the

public an opportunity to ask questions.

- H. On June 23, 2015, the City Council held a duly noticed protest hearing with respect to the proposed sewer service charge. All affected properties were given notice of the hearing and given an opportunity to file a written protest.

Section 2. Updated Engineer's Report. The Engineer's Report has been revised based on the City Council's decision to set the proposed fee at \$115/ESU. After reviewing and considering the revised Engineer's Report, the City Council hereby adopts the *City of Hermosa Beach Sewer Service Charges Commencing Fiscal Year 2015/2016 Engineer's Report dated June 23, 2015* as an accurate and complete analysis of the proposed service charge. The June 23, 2015 report is attached hereto and incorporated herein by reference.

Section 3. Majority Protest. 6919 parcels will be affected by the proposed sewer service charge. The City received written protests for ____ properties prior to the protest hearing and an additional ____ written protests were received at the public hearing. A total of ____ written protests were received before the close of the June 23, 2015 hearing. The number of written protests received was not sufficient to constitute a majority protest under Proposition 218. The City Clerk has certified the tabulation of written protests.

Section 4. Adopting Annual Sewer Service Charge.

- A. The City Council hereby accepts the City Clerk's certification of the results of the protest hearing and adopts the sewer service charge of \$115/ESU per year, as set forth in the June 23, 2015 Engineer's Report. The charge will commence in fiscal year 2015-2016 and shall be increased annually for inflation by the annual increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers in the Los Angeles-Riverside-Orange County, CA Area (CPI), including all items as published by the US Bureau of Labor Statistics as of March 1 of each year, not to exceed two percent (2%) per year. An annual notice will be provided before an annual inflation increase will be applied. The annual increase for inflation is authorized through fiscal year 2019-2020. After the five-year period, the City may conduct another majority protest hearing to authorize inflation increases for an additional period not to exceed five years. This charge will also be codified in Hermosa Beach Municipal Code Chapter 13.12.
- B. The parcels within the Sewer Service Charge Area consist of all lots, parcels and subdivisions of land within the City of Hermosa

Beach, as set forth in the Boundary Diagram in Part D of the Engineer's Report.

- C. The charge is in compliance with the provisions of Article XIID of the California Constitution and the City Council has complied with all laws pertaining to the levy of an annual charge pursuant to Article XIID of the California Constitution (Proposition 218).

Section 5. Confirming Charge for Fiscal Year 2015-2016.

- A. The City Council declares that the Boundary Diagram and Sewer Service Charge, as presented to the City Council in the Engineer's Report is hereby confirmed as filed.
- B. The purpose of the charge is to collect funds to cover the expenses for the overall operation, maintenance and servicing of the city-owned sewer system as well as the funds deemed appropriate and necessary to pay for capital improvements and reserves.
- C. The adoption of this Resolution constitutes the levy of the charge against the parcels within the Sewer Service Charge Area for the fiscal year commencing July 1, 2015 and ending June 30, 2016.

Section 6. The County Auditor of Los Angeles County shall enter on the County Assessment Roll opposite each lot or parcel of land the amount of the charge as set forth in the Engineer's Report, and such charge shall then be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the City Treasurer.

Section 7. The Hermosa Beach Finance Director, or designee, shall deposit all moneys representing charges collected by the County to the credit of the City's Sewer Fund.

Section 8. The City Clerk is hereby authorized and directed to file the Boundary Diagram and the list of actual Parcel Charges (a listing of the Assessor's Parcel Numbers and the amount to be levied on each parcel) with the County Auditor, together with a certified copy of this Resolution upon its adoption, in addition to any additional information the County Auditor required to collect the charge with the County taxes.

Section 9. A copy of the Engineer's Report and the actual Parcel Charges (a listing of the Assessor's Parcel Numbers and the amount to be levied on each parcel) shall be filed in the office of the Department of Public Works, with a duplicate copy on file in the office of the City Clerk and open to public inspection.

Section 10. Beginning in fiscal year 2016-2017, the City Clerk is hereby directed to mail an annual notice to each property before an annual inflation increase will be applied at least thirty days before the effective date of the increase. The notice shall be provided in accordance with Government Code Section 53756.

Section 11. The City Clerk is directed to complete the blanks in Section 3 above; certify the adoption of this Resolution; record this Resolution in the book of the City's original resolutions; and make a minute of the adoption of the Resolution in the City Council's records and the minutes of this meeting.

Section 12. This Resolution will become effective immediately upon adoption.

PASSED AND ADOPTED this 23rd day of June, 2015.

Peter Tucker, Mayor

ATTEST:

Elaine Doerfling, City Clerk

APPROVED AS TO FORM:

Mike Jenkins, City Attorney