

**CITY OF HUNTINGTON BEACH  
LEGAL NOTICE**

**ORDINANCE NO. 4140  
Adopted by the City Council on OCTOBER 2, 2017**

“AN ORDINANCE OF THE CITY OF HUNTINGTON BEACH AMENDING CHAPTER 14.55 OF THE HUNTINGTON BEACH MUNICIPAL CODE RELATING TO THE SEWER SERVICE RATES METHODOLOGY”

**SYNOPSIS:**

In accordance with Section 14.55.030 Annual CPIU Adjustments, each Sewer Service User Charge shall be adjusted to reflect the annual percentage adjustment in the Consumer Price Index for all Urban Consumers (CPIU) in Los Angeles, Orange and Riverside Counties established by the U.S. Bureau of Labor Statistics, available as of July 1, 2017. The CPIU reflects an annual increase of 2.5%.

In 2014, the City Council adopted the Sewer Service Fund Reserve Policy. The Reserve Policy requires that \$8.25 million be available at the end of the current fiscal year. At this time, the reserves at the end of the current fiscal year are projected to be \$18.5 million. The City still needs to replace 11 aging sewer lift stations. The current design and construction cost estimate for the replacement of these stations in today's dollars is approximately \$30 million. Sewer lines in some areas of the City have experienced significant issues with calcification. Calcification is costly to remove and the extent of this issue is not yet known. If not addressed, calcification can lead to the reduction in flow capacity of sewer lines and increase the potential of sanitary sewer overflows.

The sewer lateral program has seen an increased demand over the last two fiscal years. Sewer lateral repairs have increased from 285 in 2015 to 319 in 2016 and are on pace for around 350 this year. Although current demand is about half of the FY 2008/09 demand when the program was introduced, it is possible that these expenses will continue to increase. A rate analysis on both water and sewer rates is currently underway. A recommendation to modify rates will be made when the analysis is complete. The rate adjustment goes into effect on November 1, 2017.

**AYES:** Semeta, Posey, Delgleize, Hardy, Brenden,

**NOES:** O'Connell

**ABSTAIN:** None

**ABSENT:** Peterson

**THE FULL TEXT OF THE ORDINANCE IS AVAILABLE IN THE CITY CLERK'S OFFICE.**

**This ordinance is effective 30 days after adoption.**

**CITY OF HUNTINGTON BEACH  
2000 MAIN STREET  
HUNTINGTON BEACH, CA 92648  
714-536-5227  
ROBIN ESTANISLAU, CITY CLERK**