



**CITY OF PACIFICA
CITY COUNCIL AGENDA**

Zoom Link: <https://us06web.zoom.us/j/82021878578>
Dial-in: 1-669-900-6833 | WebinarID: 820 2187 8578
Alt 1: <https://www.cityofpacifica.org/LiveStream>
Alt 2: Cable Channel 26

Mayor Mary Bier
Mayor Pro Tem Tygarjas Bigstycck
Councilmember Mike O'Neill
Councilmember Sue Vaterlaus
Councilmember Sue Beckmeyer

SPECIAL MEETING

**February 15, 2022 (TUESDAY)
6:00 PM
www.cityofpacifica.org**

CORONAVIRUS DISEASE (COVID-19) NOTICE

THIS MEETING WILL BE CONDUCTED PURSUANT TO THE PROVISIONS OF GOVERNMENT CODE SECTION 54953 (AS AMENDED BY AB 361) WHICH AUTHORIZES TELECONFERENCED MEETINGS UNDER THE BROWN ACT DURING CERTAIN PROCLAIMED STATES OF EMERGENCY. THE GOVERNOR OF CALIFORNIA PROCLAIMED A STATE OF EMERGENCY RELATED TO COVID-19 ON MARCH 4, 2020. THIS TELECONFERENCED MEETING IS NECESSARY SO THAT THE CITY CAN CONDUCT ESSENTIAL BUSINESS AND IS PERMITTED UNDER GOVERNMENT CODE SECTION 54953 IN ORDER TO PROTECT PUBLIC HEALTH AND SAFETY OF ATTENDEES.

Consistent with Government Code Section 54953, this City Council Meeting will be held via teleconference only and will not be physically open to the public. City Councilmembers and staff will teleconference into the meeting by audio and/or video. The meeting will be conducted via Zoom.

Below is information on how the public may observe and participate in the meeting.

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- To access the meeting by computer / smartphone, go to:
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To Participate in the Meeting by Providing Public Comment:

- **For Special Meetings, Public Comment is limited to items on the Agenda.**
- **During the Meeting:** Live verbal public comments may be made by members of the public joining the meeting via Zoom. Zoom access information is provided above. Use the "raise hand" feature (for those joining by phone, press *9 to "raise hand") during the public comment period for the agenda item you wish to address. The City Clerk will call on people to speak by name provided or last 4 digits of phone number for dial-in attendees. Please clearly state your full name for the record at the start of your public comment.
- **Before the Meeting:** Written public comments for the record may be submitted in advance

by 12:00 p.m. on the meeting date by email to: publiccomment@pacificagov and will be made part of the written record but will not be read verbally at the meeting. Written public comments submitted by email should adhere to the following:

- Clearly indicate the **Meeting Date** and **Agenda Item No.**
- Include the submitter's **full name**

Written public comments received by 12:00 p.m. on the meeting date will be provided in their entirety to the City Council prior to the meeting and will be made part of the written record but will not be read verbally at the meeting. Written public comments will be posted to the City's website for review prior to the meeting.

Alternative Ways to Watch the Meeting:

The primary method for observing and participating in the meeting is via the zoom link or phone number listed above, however, there are alternative ways to watch the meeting:

- Watch on TV on local cable channel 26
- Watch a Live Stream of the meeting by following <https://www.cityofpacificagov/LiveStream> or www.pacificcoast.tv

Note: The methods of observing the meeting or providing public comments may be altered or the meeting may be cancelled, if needed. You may check on the status of the meeting by visiting the City's website at www.cityofpacificagov for any updates or changes, should they occur.

6:00 PM OPEN SESSION

Call to Order

Roll Call

Reading of Land Acknowledgment

The City of Pacifica acknowledges that we occupy the unceded ancestral homeland of the Ramaytush Ohlone peoples, who are the original inhabitants of the San Francisco Peninsula. We honor the Ramaytush Ohlone peoples for their enduring commitment to Mother Earth. As the Indigenous protectors of this land and in accordance with their traditions, the Ramaytush Ohlone have never ceded, lost, nor forgotten their responsibilities as the caretakers of this place, as well as for all peoples who reside in their traditional territory. We affirm their sovereign rights as First Peoples and wish to pay our respects to the ancestors, elders, and relatives of the Ramaytush Ohlone peoples.

Salute to the Flag led by Councilmember Vaterlaus

CONSIDERATION

1. A Resolution of the City Council of the City of Pacifica Stating Its Intention to Hold a Public Hearing and Consider Updating the City's Sewer Service Charges Beginning Tax Year 2022-2023 for a 5-year period from FY 2022/23 to FY 2026/27 and Provide Direction on Sewer Capacity Fees Related to Accessory Dwelling Units.

PROPOSED ACTION: Move to Adopt a Resolution of the City Council of the City of Pacifica Stating Its Intention to Hold a Public Hearing and Consider Updating the City's Sewer Service Charges Beginning Tax Year 2022-2023 for a 5-year period from FY

2022/23 to FY 2026/27 and Provide Direction on Sewer Capacity Fees Related to Accessory Dwelling Units.

ADJOURN

NOTICE: If you challenge a city's zoning, planning or other decision in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to, the public hearing. Judicial review of any city administrative decision may be had only if a petition is filed with the court not later than the 90th day following the date upon which the decision becomes final. Judicial review of environmental determinations may be subject to a shorter time period for litigation, in certain cases 30 days following the date of the final decision

The City of Pacifica will provide assistance for disabled citizens upon at least 24 hours advance notice to the City Manager's Office (650) 738-7301, or send request via email to: scoffey@pacifica.gov if you need sign language assistance or written material printed in a larger font or taped, advance notice is necessary. All meeting rooms are accessible to the disabled.

The Pacifica Municipal Code is available on line at the City's website (www.cityofpacifica.org/municode);

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- Assembly Member Kevin Mullin, 1528 South El Camino Real, Suite 302 San Mateo, CA 94402 (650) 349-2200
- Congresswoman Jackie Speier, 155 Bovet Road, Suite 780, San Mateo CA 94402 (650) 342-0300
- Senator Alex Padilla, B03 Russell Senate Office Building, Washington DC 20510 (202) 224-3553
- Senator Dianne Feinstein, #1 Post Street, Suite 2450, San Francisco CA 94104 (415) 393-0707
- President Joseph R. Biden, 1600 Pennsylvania Ave. NW, Washington DC 20500

CITY COUNCIL

- Mayor Mary Bier, mbier@pacifica.gov
- Mayor pro Tem Tygarjas Bigstycyk, tbigstycyk@pacifica.gov
- Councilmember Mike O'Neill, mo'neill@pacifica.gov
- Councilmember Sue Vaterlaus, svaterlaus@pacifica.gov
- Councilmember Sue Beckmeyer, sbeckmeyer@pacifica.gov



**CITY OF PACIFICA
COUNCIL AGENDA SUMMARY REPORT**

2/15/2022

SUBJECT:

A Resolution of the City Council of the City of Pacifica Stating Its Intention to Hold a Public Hearing and Consider Updating the City’s Sewer Service Charges Beginning Tax Year 2022-2023 for a 5-year period from FY 2022/23 to FY 2026/27 and Provide Direction on Sewer Capacity Fees Related to Accessory Dwelling Units.

RECOMMENDED ACTION:

Move to Adopt a Resolution of the City Council of the City of Pacifica Stating Its Intention to Hold a Public Hearing and Consider Updating the City’s Sewer Service Charges Beginning Tax Year 2022-2023 for a 5-year period from FY 2022/23 to FY 2026/27 and Provide Direction on Sewer Capacity Fees Related to Accessory Dwelling Units.

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BACKGROUND/DISCUSSION:

Every five years, the City completes a wastewater rate study to determine the rate increases that are necessary to meet the Wastewater Division’s (Wastewater) operating costs, projected Capital Improvement Program (CIP) and expected yearly consumer price index increases. The previous Council adoption of a resolution stating the intention to consider updating the City’s sewer charges was in March 2017 with final rate adoption in May 2017. This past year, as in 2017, the City completed a sewer rate study by Bartle Wells Associates (“BWA”), who specializes in wastewater financing. The sewer rate study focuses on the financial need for two major components of the City’s wastewater system, which are noted below:

- 1) The **Collection System** that is comprised of the sewer mains, collector mains, and trunk lines and the pump stations that carry the wastewater to the sewage treatment plant; and
- 2) The **Calera Creek Water Recycling Plant** (“the Plant”) that was designed in 1991 and became operational in 2000. The Plant is designed to treat an average daily dry weather design

flow of 4 million gallons per day (MGD) and a peak hourly wet weather discharge capacity of 20 MGD to Calera Creek. It employs an innovative sequencing batch reactor (SBR) that combine the basins for aeration and clarification, which are separate basins at conventional wastewater treatment plants. Moreover, the Plant was one of the first fully automated plants in the San Francisco Bay Area designed for nutrient removal and helped pioneer the use of ultraviolet (UV) disinfection for wastewater effluent in California. Furthermore, it was also one of the first plants using ATAD technology (autothermal thermophilic aerobic digesters) for the generation of Class A sludge in California.

Both the Collection System and the Plant are supported by rate payer revenue. Due to the age of the Plant and Collection System infrastructure (which is exposed to a harsh coastal environment), stringent regulatory requirements and vendor phase-out of parts, the City's sewer treatment infrastructure is faced with the monetary need for capital replacement and maintenance. Therefore, sewer rate increases are proposed to provide adequate funding for capital replacement and addressing costs related to consumer price index (CPI) increases and operation needs.

The Proposed Rates

The proposed rate revisions and the calculation methodology that supports the rates are set forth in a wastewater rate study conducted by BWA (See Attachments 1, 2 and 7). A rate increase of 3.5%/year is proposed to cover Wastewater operations, maintenance, capital projects, consumer price index (CPI) increases and debt service. Rates are projected for a 10-year period for forecasting purposes from FY2022/23 to FY2031/32; however, the rate increase approval is for a 5-year period from FY2022/23 to FY2026/27

Residential Rates

Residential customers pay a rate per hundred cubic feet (hcf) of water consumption subject to a minimum charge.

The method for estimating water consumption for single-family and multi-family residences is to multiply total water consumption during the billing year by 90% (0.90).

Generally, the water consumption estimate for a user is the user's total water consumption for the six (6) bi-monthly water billing periods ending with the billing period for February of the calendar year during which the charges will be levied. This twelve (12) month period is known as the "billing year."

Commercial Rates

Commercial customers pay a rate per hundred cubic feet (hcf) of water consumption multiplied by a strength factor based on the customer classification. Rates are subject to a minimum charge.

The "billing year" for commercial rates is the same as for residential rates. However, schools with mixed water use (drinking water and irrigation) may apply to have their flow estimate calculated as six (6) times the average consumption of the following bimonthly periods: (i) March and April, (ii) May and June, (iii) ½ billed during November and December, and (iv) January and February.

Why are the sewer rates increasing?

The proposed rate increase is based on anticipated expenditures for the operation, maintenance, repair, and management of the entire wastewater system as well as the

construction of capital projects and estimated CPI. In addition, staff is proposing three key changes to the Wastewater program related to projections of the developed FY2022/23 to FY2031/32 10-year Capital Improvement Program (CIP). These changes include the following:

- Increase the amount of Collection System repair to address stormwater entering the sewer collection piping through age-related problem connections/cracks (infiltration and inflow) by more than 2x the amount completed in the previous 10 years.
- Increase the amount of Plant equipment replacement by 4x the amount completed in the previous 10 years.
- Augment the Wastewater Engineering staff by reclassifying one position to a higher-level manager position and adding one position to deliver the increased proposed CIP.

The total cost of the proposed Wastewater CIP over the 10-year period will be approximately \$120M. Staff believes the increases to the CIP is necessary due to age deterioration of the wastewater infrastructure in both the Collections System and at the Plant. Engineering augmentation, which will be discussed in more detail below, would be necessary to deliver this larger CIP due to the increased engineering workload.

For fiscal year 2021-2022, \$14,000,000 has been budgeted to ensure continued smooth operations of the Plant and Collection System to include plant operations and maintenance, collection system operations and maintenance, CPI increases and debt service.

How can the City save money on Wastewater operation and maintenance costs?

The City's Wastewater Capital Improvement Program is geared towards reducing operation and maintenance costs at the Plant and Collection System. For example, additional repairs to the City's Collection System to reduce infiltration and inflow into the system can prevent the Plant from treating unnecessary sewer flow. Averaging low rain and high rain years, it is estimated that the City treats 100 million gallons of unnecessary flow from stormwater mixed with sewage each year. The cost of treating this level of extra flow is estimated to be \$700,000 per year or more. The proposed CIP projects targeting reduction of I/I will help to minimize this cost.

The Plant also has CIP projects planned to lower costs. The Plant started a project in 2021 to repair and upgrade its existing photovoltaic system with a better system that allows for more energy savings. It is anticipated the cost saving following completion of the photovoltaic project upgrade will be approximately \$200,000 per year. Another Plant CIP project that will help save money is the replacement of the aging ultraviolet disinfection system. The new system is anticipated to use about 70% less energy. This, in addition to the realized savings from the new system efficiencies, will allow cost savings in the range of \$400,000 per year once the project is complete. More information related to the City's proposed CIP is provided in the paragraphs below.

Changes to City's Adopted 5-Year Wastewater CIP FY2021/22 to FY2025/26

As part of the public process related to the City's proposed update of the City's sewer service charge, it is important to not only discuss the new 10-year CIP projection from FY2022/23 to FY2031/32, but also to highlight changes that are proposed related to the City's previously adopted 5-year Wastewater CIP. The previously adopted CIP started in FY2021/22 and projected CIP work through FY 2025/26. The Council adopted the City's 5-year CIP for FY 2021/22 to 2025/26 in June of 2021 as part of the City's yearly budget process. As noted above, staff is proposing changes to the CIP, some of which change the previously adopted CIP projections to address the increased infiltration and inflow (I/I) the system is experiencing and the age deterioration of Wastewater infrastructure at both the Plant and Collection System

(Attachment 3).

For the Collection System, the following changes to the adopted CIP are proposed that will increase capital project work on the system or reflect increased costs from the previously adopted 5-year CIP:

- FY22 to FY 26: Collection system repairs to address I/I -\$6.9M increase
- FY22: Linda Mar/Rockaway Pump Stations - \$300K increase
- FY22: Sharp Park Pump Station - \$1M increase
- FY24: Force main Condition Assessment - \$75K (new)
- FY25: Relocation of Sewer Mainline SF RV Park - \$1.2M increase

Changes to the City's adopted 5-year CIP related to the Plant include moving forward equipment work on the critical path and moving out work that is non-critical. Prioritized projects related to the adopted CIP that increased in cost include the Ultraviolet Disinfection System Upgrade and the SCADA system that are discussed in detail further down in this report. The Vehicle Storage and Office Facility project is proposed to move out to FY2029, as this project is less critical. Moving out the storage/office facility helped to minimize the Plant related cost impacts from the prioritized projects related to the adopted Wastewater 5-Year CIP allowing for a minimal cost change from the adopted CIP (+\$80K) related to the Plant.

Proposed 10-Year FY2022/23 to FY2031/32 Wastewater CIP Recommendations

As noted, part of the rate assessment is related to the projection of the developed FY2022/23 to FY2031/32 10-year Capital Improvement Program that is provided in Attachment 3. This developed 10-year CIP includes the recommendation for City's next FY 2022/23 to FY 2026/27 5-year CIP (to be brought to Council for approval during the upcoming budget discussions) and the projection of the CIP for another five-year period from FY 2027/28 to FY 2031/32. The below discussion highlights major projects for the Collection System and Plant that are proposed for the upcoming FY 2022/23 to FY 2026/27 5-year CIP. The proposed 5-year CIP starting in FY 2022/23 will increase the amount of CIP work from the previously adopted CIP by approximately \$25M. \$15M of this is allocated for upgrades to the Collection System and Plant and \$10M for protecting the sewer infrastructure in Sharp Park. In addition to the discussion of the proposed upcoming 5-year CIP, the information below provides a general discussion of projects forecasted in the out years through FY 2031/32

Collection System Capital Projects

The City's wastewater collection system is aging. Sewer age ranges from sewers constructed in the 1940s and 1950s, to more recently repaired and rehabilitated sewers in locations like the Pedro Point area. The three main pump stations (Linda Mar, Rockaway, and Sharp Park) are also aging. To address aging assets and improve system operation, the City constructed the Wet Weather Equalization Basin as well as continued the lateral grants and ongoing sewer cleaning programs. These improvements and programs also comply with the Cease and Desist Order (CDO) issued to the City by the Regional Water Quality Control Board (RWQCB) in May of 2011, and the Consent Decree (CD) entered into with the RWQCB in June 2011.

The City recently completed an assessment of the pump stations and updated the City's Collection System Master Plan (Master Plan). Based on this information and the recent storm events that have highlighted the impact of infiltration/inflow (I/I) into the City's Collection System, a more robust rehabilitation program is recommended for the upcoming years related to the Collection System. In addition, the Master Plan, which was approved by Council in October 2021, noted that the critical Beach Boulevard gravity sewer main line and Sharp Park pump

station are vulnerable assets from sea level rise/climate change without protection. The Master Plan stated that the City's Wastewater Division should assist the City-led protection efforts for this area discussed in the Beach Boulevard Infrastructure Resiliency Project's (BBIRP) Multi-Hazard Risk Assessment (MHRA) and noted supporting the BBIRP would be a cost-effective way to protect the sewer infrastructure in this area of Sharp Park. In line with this discussion, the rate study includes the \$40M identified in the BBIRP MHRA as the cost of relocating this infrastructure. This funding would be used to support the BBIRP that will protect the sewer infrastructure in this area.

For the proposed 5-Year CIP from FY2022/23 to FY2026/27, which will be recommended for Council approval during the upcoming budget process, staff have estimated the total cost of the Collection System capital projects, including \$10M to support the BBIRP, is \$35M. The following are the major projects that need to be completed during this period:

- Collection System I/I Repairs and Rehabilitation*

Recent storm water events in October 2021 have brought to light the need to expedite sewer repair and rehabilitation of aging sewers to confront the detrimental impacts of extreme storm events. Extreme storm events may become more frequent which would be in line with the trends attributed to climate change. To meet this challenge, the City is proposing a robust sewer repair and rehabilitation program over the next ten years. For the proposed 5-year FY2022/23 to FY2026/27 CIP, the program will focus in the Lower Linda Mar area (sewers constructed in the 1950s) and East Rockaway area (sewers constructed in the 1940s). Implementing this program will reduce rainfall related I/I into the sewers thereby reducing the wet weather impacts on downstream equipment at the Linda Mar and Rockaway Pump Stations and the Plant.
- Pump Station (PS) Repair and Rehabilitation*

Currently, the City is beginning a project at the Linda Mar Pump Station to replace aging electrical systems. The program also includes pump station improvements proposed for the three main pump stations (Linda Mar, Rockaway, and Sharp Park). For FY2022/23 to FY2026/27, the program will focus on the electric improvement completion, pump replacement and screen rebuild at the Linda Mar PS and odor control, mainline relocation, wet well improvements and screen rebuild at the Sharp Park PS, with screen rebuild at the Rockaway PS.

Forecasts for Collection System improvements in future years, from FY2027/28 to FY2031/32, are projected to be \$48M and generally include sewer repair and rehabilitation of Vallemar and Fairway Park to address I/I and support of the BBIRP to protect the Sharp Park sewer infrastructure. During the FY2022/23 to FY2031/32 10-year CIP, Collection System pipeline I/I repair and rehabilitation are projected to more than double from the previous 10-year period.

Wastewater Treatment Plant Capital Projects

The Plant is an aged but well-maintained facility. Most of its major equipment have been around since the beginning of operation and some have been replaced or rebuilt through the years. It has been an on-going process of repairing and replacing pumps, blowers, valves, motors and other mechanical and electrical equipment. Because of the age of the Plant, many of the existing systems have now reached their life cycle and major upgrades are needed. For FY2022/23 to FY2026/27, the total cost of the Plant's capital projects is projected to be \$25M. The following are the major projects that need to be completed during this 5-year period:

- Ultraviolet Disinfection System Upgrade*

The Plant currently uses Trojan UV4000, a medium- pressure Ultraviolet (UV) radiation lamp system, for disinfection. The system was installed in the year 2000 and the manufacturer will begin discontinuation of replacement parts in the near future. Since the disinfection is the most important process of wastewater treatment, it is imperative that the system be upgraded as soon as possible. A UV System Feasibility Study (Study) was completed in November 2021 to determine the best alternative for a replacement. The new UV system will be energy efficient, reliable, easy to maintain and most of all be able to fit within a limited footprint. The Study identified new complexities of construction that included building temporary disinfection infrastructure, new electrical building and electrical equipment. Due to this and the rising cost of raw materials and labor, the original estimated cost of \$4.7 million escalated to \$11.4 million based on the Study.

- *Plant Supervisory Control and Data Acquisition (SCADA) and Programmable Logic Controller (PLC) Upgrade*

In 2019, the City's consultant, Woodard & Curran, completed an assessment of the Plant's SCADA system which concluded that much of the system components are no longer supported by the manufacture and at risk of potential failure without available replacement parts. Additionally, software versions are out of date, which could present risks related to cybersecurity, specifically exploitation of vulnerabilities in older software revisions. This project will replace the current PLC (to address the issue of manufacturer parts phase-out) to the Control Logix platform, upgrade the existing computers and HMI software to the latest Microsoft platform, install a secure remote access system with hardware and software, install appropriate SCADA and Internet Cybersecurity equipment and standards, and complete other improvements needed. This will be a multi-phased project to ensure no disruption in the Plant's operation.
- *Plant Photovoltaic System Improvement*

The City of Pacifica commissioned the Plant 350 kWp Solar Photovoltaic Project in late 2006. In 2017, the inverter for the fixed solar panel array failed and became non-operational. In 2021, Panasonic paid the City to buy out the remaining 10-year warranty for the solar modules. Also in 2021, the construction to replace the existing 100 kWp fixed array with 132 kWp system commenced. This project is expected to be completed by Spring 2022. The 2nd phase of the project will replace the remaining 200 kWp system with a system allowing for 30% more power output and is planned for FY2024/25.
- *Plant Headworks Feasibility and Improvements*

A plant's headworks plays a crucial role in the pretreatment of influent for any wastewater treatment facility. It protects the operation of downstream equipment and enhances the efficiency of the overall wastewater treatment process. Because all wastewater debris removal starts at the headworks, proper screening and debris removal is imperative to the entire wastewater system. At the Plant, the headworks consist of an influent channel and mechanical vortex grit removal.

However, because of its age, the influent channel has deteriorated, and the mechanical vortex grit removal has not been performing well due to material build-up in the Sequencing Batch Reactor (SBR) and Autothermal Thermophilic Aerobic Digestion (ATAD) basins requiring costly cleaning activities. This Project will rebuild the influent channel, replace the mechanical vortex grit removal and add bar screening facilities at the Plant to augment the existing screening at the pump stations.

- Plant Electrical Condition Assessment and Improvements**
 The Plant’s electrical system has been updated as needed but is aging with some existing replacement parts no longer available. This project consists of conducting a condition assessment of the electrical system to identify improvements. Improvements will include replacement of two existing 900 KW emergency generators, upgrade of existing transfer switches, and other electrical improvements.

Forecasts for the Plant’s improvements in future years, from FY2027/28 to FY2031/32, are projected to be \$11M and generally include continuation of the Headworks improvements and the Vehicle Storage and Office Facility project. The storage and office facility has been moved further out on the schedule to allow staff to concentrate on more critical projects. During the FY 2022/23 to FY 2031/32 10-year CIP, Plant equipment replacement is projected to increase by 4 times from the previous 10-year period.

Wastewater Engineering Staff Augmentation

Currently, Wastewater only has one engineer, a Senior Civil Engineer who administers both the Collection System’s and the Plant’s capital projects. To deliver the needed Wastewater CIP for both the Collection System and Plant, which is averaging approximately \$60M over each 5-year period of the forecasted 10-year CIP, an augmentation to Wastewater engineering is necessary. The proposed 3.5% increase to the sewer rates (discussed below) includes this augmentation. The restructuring would begin in FY 2022/23 and includes reclassifying the Senior Civil Engineer position to a Wastewater Engineering Manager (Manager) position. Additionally, one (1) new staff position is proposed for a Wastewater Assistant/Associate Engineer. Along with managing the new Wastewater Assistant/Associate Engineer position, the Manager will hire and manage multiple consultant program/construction managers for the proposed increased CIP work and the Manager position will also take on their own project management work. Staff will recommend these staffing changes (reclassifying Senior Civil Engineer to Wastewater Engineering Manager and adding a Wastewater Assistant/Associate Engineer) to the Council during the budget discussion for FY2022/23. The fiscal impact for reclassifying the Senior Civil Engineer to a Wastewater Engineering Manager and adding a full-time Wastewater Assistant/Associate Engineer is estimated to be \$350,000 annually, at top step. This cost is included in the rate increase.

Proposed Rates

Staff is recommending an increase to the City sewer rates over the next five years (see Table 1 below and Attachments 1, 2 and 7).

BWA projects 3.5% per year rate increases are required each year for the next 5 years (FY 2022/23 to FY 2026/27). Projections include 0.5% growth estimated based on projected development.

TABLE 1 - SUMMARY OF PROPOSED CHARGES

	Current	Maximum Proposed Rate*				
		2022-23	2023-24	2024-25	2025-26	2026-27
Percent Increase		3.5%	3.5%	3.5%	3.5%	3.5%
Rate**	\$18.8137 3	\$19.4722 1	\$20.1537 4	\$20.8591 2	\$21.5891 9	\$22.3448 1
Minimum Annual Rate	\$903.06	\$934.67	\$967.38	\$1,001.24	\$1,036.28	\$1,072.55

** per hundred cubic feet (hcf) or 1 water unit

BWA projects an initial loan of \$31.6M is required in FY2022/23 to fund the capital program. An

additional \$52.4M is estimated to be required in FY2026/27 for three years of capital, primarily to fund the Beach Boulevard Infrastructure Resiliency Project (total est. cost is \$40M over four years, beginning in FY2026/27) and other projects. For projection purposes, the loan terms are estimated at 4% interest, 30 years, with 1.5% issuance fees. However, staff will also review other funding options such as the Clean Water State Revolving Fund (CWSRF), Water Infrastructure Finance and Innovation Act (WIFIA) or other loans that can provide lower rates. Staff will be providing the Council with more information related to loan funding during the City's upcoming budget review process.

The financial projections are designed to meet a minimum operating reserve target of 90 days and least 1.25x debt service coverage (calculated as net revenues / annual debt service). The City is projected to have very strong debt service coverage of at least 1.43x throughout the projection period.

Rate comparison

The City's average monthly rate for a single-family home is currently \$94.07 (based on 5 water units). The regional average is \$96.70, based on BWA's most recent survey for 2021/22 (See Attachment 4). The proposed 3.5% increase would increase the average monthly rate to \$97.36, a \$3.29 increase (\$39.48 increase over a year).

Rate setting process

The rate setting process follows the Proposition 218 noticing requirements for utilities. All record owners and customers of record will receive a notification in the mail 45 days prior to the sewer rate public hearing, which is scheduled for Monday, April 11, 2022. The City must mail the required notice to all property owners in the City, a copy of which is attached as Attachment 6. A majority protest vote of 50% plus 1 of total parcels subject to the rates would be necessary to prevent the proposed increase. (See Attachments 5 and 6)

Capacity Fee Study

BWA has also completed a Capacity Fee study for the City (Attachment 8). Capacity fees are the one-time fee property developers pay to connect to the City's wastewater system. The City's current fee was adopted in 1974 and has been escalated annually by inflation. The City currently charges \$3,825 per single family home, one of the lowest of the surveyed cities in the region (the regional average for BWA's 2021/22 survey was \$10,063.)

BWA updated the City's wastewater capacity fees with the goals of developing fees that recover the full cost of wastewater system infrastructure assets and planned facilities expenditures that benefit new or expanded development to help ensure that growth pays its own way. BWA recommends that the City charge capacity fees based on meter size to reflect difference in wastewater demand between customer classes that have varying meter sizes (increased sizes demanding more water and producing more wastewater). This meter-based capacity fee structure aligns with industry trends in wastewater connection fees and closely resembles North Coast County Water District's meter-based water capacity fee changes.

Single-Family Home

BWA calculated a wastewater capacity fee of \$652.16 per drainage fixture unit. The typical single-family home is estimated to have 19 drainage fixture units. BWA's developed fee for a single-family home (SFD) is \$12,391. While the proposed fee comes in slightly above average for the region, this fee is reasonable compared to the regional average of \$10,063 because many of the surveyed agencies have outdated fees that likely would be higher if newly updated.

Accessory Dwelling Units (ADU)

Similar to many regional agencies, Pacifica currently does not charge sewer capacity fees for accessory dwelling units. To comply with state law, BWA recommends capacity fees be changed on a \$/drain fixture unit (SFD are charged per home). BWA conducted a survey of the regional agencies which do charge for accessory dwelling units and found that the average charge for an example 12 fixture unit accessory dwelling is \$6,024. Should the City implement the proposed charge for accessory dwelling units, a 12 fixture unit accessory dwelling connection would cost \$7,826. While above average for the region, the charge would still be well below the highest of \$12,876 charged by Montara WSD and \$8,867 by Castro Valley SD. Although Union Sanitary District and Benicia were on the lower cost end of the survey, both base their costs on square footage. BWA survey assumes that a 12 fixture unit accessory dwelling unit would be equivalent to 500 square feet of floor area to compare square footage charges with fixture unit charges; should the assumed square footage be higher per fixture unit, those agencies shown on the low end of the survey would show a higher cost. Staff is requesting Council provide direction on sewer capacity fees related to Accessory Dwelling Units and if capacity fees should be implemented for ADU's. Staff will provide a range of options regarding ADU capacity fee implementation during the Council presentation on this item.

To provide notice of the proposed changes to sewer capacity fees, staff will publish a notice of the proposed change 10 days prior to a public hearing on the issue. In addition, staff will notify developers who have requested notification from the City 14 days before the public hearing, as required by state law. Staff will also notify developers on the Active Planning Application List. Staff anticipates holding the public hearing for the capacity fee changes on April 11, 2022.

Next Steps/Proposed Schedule

Should Council adopt a resolution stating its intention to hold a public hearing and consider updating the City's sewer service charges beginning tax year 2022-2023 for a 5-year period, the following is the anticipated schedule related to the sewer rate revision and capacity fee (Attachment 5):

- Mailing of Property Owner Notices of Rate Revision - By February 25, 2022
- Advertise Public Hearing for Rate Revision/Capacity Fee - By March 30, 2022
- Public Hearing/1st Reading of Ordinance (Rate Revision/Capacity Fee) - April 11, 2022
- Adoption of Ordinance (Rate Revision/Capacity Fee) - April 25, 2022

ALTERNATIVE ACTION:

The Council may choose not to adopt the Resolution of the City Council of the City of Pacifica Stating Its Intention to Hold a Public Hearing and Consider Updating the City's Sewer Charges Beginning Tax Year 2022-2023 and instead instruct staff to come back with additional information/changes Council may desire.

RELATION TO CITY COUNCIL GOALS AND WORK PLAN:

Adoption of the Resolution of the City Council of the City of Pacifica Stating Its Intention to Revise the City's Sewer Charges Beginning Tax Year 2022-2023 is consistent with the following Council adopted Goals:

- **Stewardship of City Infrastructure and Maintaining a Safe Community:** This Adoption of the Resolution of the City Council of the City of Pacifica Stating Its Intention to Revise the City's Sewer Charges Beginning Tax Year 2022-2023 is the first step necessary to ensure sufficient funding to maintain operations and maintenance of sewer collection system, pump stations, and the Calera Creek Water

Recycling Plant.

FISCAL IMPACT:

The fiscal impact for FY2022/23 will be a revenue generation of \$18.2M or a 4% increase from the prior year for Sewer Funds 34 and 18. The 4% increase is based on the 3.5% rate payer increase plus an additional 0.5% increase to revenues that is projected to be paid through new development. The increased rates will provide the wastewater program with a total of \$98.7 million over the five years to address capital replacement and increased costs.

As noted, the City's current single-family capacity fees are \$3,825 per unit. Updated capacity fees will generate an additional \$8,566 per new single-family connection. Based on 0.5% growth per year or 64 connections, the increased fee could generate an additional \$548,224 per year.

ORIGINATED BY:

Public Works - Wastewater Division
Finance Department

ATTACHMENT LIST:

Attachment1 - SewerServiceCharges2022-27 (PDF)
Attachment2 - Bill Impacts (PDF)
Attachment3 - CIP (PDF)
Attachment4-Rate Survey (PDF)
Attachment5-Schedule2022 (PDF)
Attachment6-Notice of PublicHearing (PDF)
Attachment7 - Pacifica Wastewater Rates Memo (PDF)
Attachment8 - Pacifica Wastewater Capacity Fee Report (PDF)



RESOLUTION NO. _

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PACIFICA STATING ITS INTENTION TO HOLD A PUBLIC HEARING AND CONSIDER UPDATING THE CITY'S SEWER CHARGES BEGINNING TAX YEAR 2022-2027

WHEREAS, the City of Pacifica levies charges for sewer services pursuant to Chapter 6 of Title 6 of the Pacifica Municipal Code and pursuant to Section 5470 *et seq.* of the California Health & Safety Code; and

WHEREAS, the City periodically reviews the rate of such charges to determine that the charges will fully fund the City's sewer enterprise and proportionately and fairly allocate the costs of providing sewer service; and

WHEREAS, the City has determined that rate revisions will be required in order to maintain the required level of funding; and

WHEREAS, the City Council desires to initiate proceedings, pursuant to Proposition 218 to revise the charges that will be effective beginning in the 2022-2023 tax year.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PACIFICA THAT:

Section 1. The foregoing recitals are all true and correct.

Section 2. The City Council proposes to schedule a public hearing to consider the imposition of the rate structure shown in Exhibit "A" to this Resolution, which is incorporated herein by reference.

Section 3. The City Council directs staff to schedule a public hearing at which all interested persons shall be permitted to present oral and written testimony with respect to the proposed rate revision. The City Council further directs staff to give notice of the hearing in the manner required by law. The City will accept and tabulate protests against the proposed rate revision pursuant to the procedures set forth in Exhibit "B" to this Resolution, which is incorporated herein by reference.

• • • • •

PASSED AND ADOPTED at a special meeting of the City Council of the City of Pacifica, California, held on the 15th day of February 2022, by the following vote:

- AYES**, Councilmembers:
- NOES**, Councilmembers:
- ABSENT**, Councilmembers:
- ABSTAIN**, Councilmembers:

Mary Bier, Mayor

ATTEST:

APPROVED AS TO FORM:

Sarah Coffey, City Clerk

Michelle Kenyon, City Attorney

EXHIBIT "A"
PROPOSED NEW RATE SCHEDULE

I. Consumption-Based Charge

Annual sewer charges shall be based upon water consumption that is in conformity with the rate measurement formulas set forth in this article and shall be charged at \$19.47221 per 100 cubic feet of water consumption, effective July 1, 2022; \$20.15374 per 100 cubic feet of water consumption, effective July 1, 2023; \$20.85912 per 100 cubic feet of water consumption, effective July 1, 2024; \$21.58919 per 100 cubic feet of water consumption, effective July 1, 2025; and \$22.34481 per 100 cubic feet of water consumption, effective July 1, 2026.

II. Minimum Rate

Regardless of use, the minimum rate for any user shall be \$934.67 per year for FY 2022-23. The \$934.67 minimum rate shall also be the sewer charge applied to new sewer connection permits obtained after July 1 for that particular fiscal year ending June 30, 2023.

Regardless of use, the minimum rate for any user shall be \$967.38 per year for FY 2023-24. The \$967.38 minimum rate shall also be the sewer charge applied to new sewer connection permits obtained after July 1 for that particular fiscal year ending June 30, 2024.

Regardless of use, the minimum rate for any user shall be \$1,001.24 per year for FY 2024-25. The \$1,001.24 minimum rate shall also be the sewer charge applied to new sewer connection permits obtained after July 1 for that particular fiscal year ending June 30, 2025.

Regardless of use, the minimum rate for any user shall be \$1,036.28 per year for FY 2025-26. The \$1,036.28 minimum rate shall also be the sewer charge applied to new sewer connection permits obtained after July 1 for that particular fiscal year ending June 30, 2026.

Regardless of use, the minimum rate for any user shall be \$1,072.55 per year for FY 2026-27. The \$1,072.55 minimum rate shall also be the sewer charge applied to new sewer connection permits obtained after July 1 for that particular fiscal year ending June 30, 2027.

Other than those mentioned above, no other changes are proposed to existing rates, rate calculation methodologies, or rate application methodologies.

EXHIBIT "B"

GUIDELINES FOR THE SUBMISSION AND TABULATION OF PROTESTS

Submission of Protests

1. Any property owner or customer of record may submit a written protest to the City Clerk, either by delivery to the office of the City Clerk or by submitting the protest at the public hearing. Protests must be received by the end of the public hearing. No postmarks will be accepted.
2. Each protest must identify the affected property (by assessor's parcel number or street address) and include the original signature of the property owner or customer of record. Email protests cannot be accepted. Although oral comments at the public hearing will not qualify as a formal protest unless accompanied by a written protest, the City Council welcomes input from the community during the public hearing on the proposed fees.
3. Only one protest will be counted per parcel and any one protest submitted in accordance with these rules will be sufficient to count as a protest for that property.
4. In order to be valid a protest must bear the original signature of the property owner with respect to the property identified on the protest or the customer of record for that parcel. Protests not bearing the original signature of a property owner or customer of record shall not be counted.
5. Any person who submits a protest may withdraw it by submitting to the City Clerk a written request that the protest be withdrawn. The withdrawal of a protest shall contain sufficient information to identify the affected parcel and the name of the property owner or record customer who submitted both the protest and the request that it be withdrawn.
6. A fee protest proceeding is not an election.
7. To ensure transparency and accountability in the fee protest tabulation, protests shall constitute disclosable public records from and after the time they are received.

Tabulation of Protests.

1. The City Clerk shall determine the validity of all protests. The City Clerk shall not accept as valid any protest if the City Clerk determines that any of the following conditions exist:
 - a. The protest does not identify a property served by the City.
 - b. The protest does not bear an original signature of the property owner of the parcel identified on the protest or the customer of record for that parcel.
 - c. The protest does not state its opposition to the proposed fees.
 - d. The protest was not received by the City Clerk before the close of the public hearing on the proposed fees.
 - e. A request to withdraw the protest is received prior to the close of the public hearing on the proposed fees.
3. The City Clerk's decision that a protest is not valid or does not apply to a specific fee shall constitute a final action of the City and shall not be subject to any internal appeal.

4. A majority protest exists if written protests are timely submitted and not withdrawn by the property owners of, or customers with respect to, a majority of the properties subject to the proposed fee.
5. At the conclusion of the public hearing, the City Clerk shall complete the tabulation of all protests received, including those received during the public hearing and shall report the results of the tabulation to the City Council upon completion. If review of the protests received demonstrates that the number received is manifestly less than one-half of the parcels served by the City with respect to the fee which is the subject of the protest, then the Clerk may advise the City Council of the absence of a majority protest without determining the validity of all protests.

ATTACHMENT 1

PROPOSED SEWER SERVICE CHARGES FY 2022-23 to 2026-27

Proposed FY 2026-27	\$22.34481/100 cubic feet of water consumption (Increase of 3.5%)
Proposed FY 2025-26	\$21.58919/100 cubic feet of water consumption (Increase of 3.5%)
Proposed FY 2024-25	\$20.85912/100 cubic feet of water consumption (Increase of 3.5%)
Proposed FY 2023-24	\$20.15374/100 cubic feet of water consumption (Increase of 3.5%)
Proposed FY 2022-23	\$19.47221/100 cubic feet of water consumption (Increase of 3.5%)

Sewer Charge:

FY 2021-22	\$18.81373/100 cubic feet of water consumption (Increase of 7.0%)
FY 2020-21	\$17.58293/100 cubic feet of water consumption (Increase of 7.0%)
FY 2019-20	\$16.43264/100 cubic feet of water consumption (Increase of 8.0%)
FY 2018-19	\$15.21541/100 cubic feet of water consumption (Increase of 8.0%)
FY 2017-18	\$14.08834/100 cubic feet of water consumption (Increase of 8.0%)
FY 2016-17	\$13.04476/100 cubic feet of water consumption (Increase of 4.28%)
FY 2015-16	\$12.50867/100 cubic feet of water consumption (Increase of 2.94%)
FY 2014-15	\$12.15128/100 cubic feet of water consumption (Increase of 2.9%)
FY 2013-14	\$11.81632/100 cubic feet of water consumption (no change)

CFOWC = Cubic Feet of Water Consumption

FY 2012-13 \$11.81632/100 CFOWC.	FY 2005-06 \$6.94083/100 CFOWC.	FY 1998-99 \$3.96437/100 CFOWC.
FY 2011-12 \$10.63211/100 CFOWC.	FY 2004-05 \$6.47862/100 CFOWC.	FY 1997-98 \$3.89008/100 CFOWC.
FY 2010-11 \$10.28208/100 CFOWC.	FY 2003-04 \$5.38619/100 CFOWC.	FY 1996-97 \$3.52/100 CFOWC.
FY 2009-10 \$9.75568/100 CFOWC.	FY 2002-03 \$4.69754/100 CFOWC.	FY 1995-96 \$3.38/100 CFOWC.
FY 2008-09 \$9.51463/100 CFOWC.	FY 2001-02 \$4.67424/100 CFOWC.	FY 1994-95 \$3.07/100 CFOWC.
FY 2007-08 \$8.01056/100 CFOWC.	FY 2000-01 \$4.27433/100 CFOWC.	FY 1993-94 \$2.87/100 CFOWC.
FY 2006-07 \$7.33488/100 CFOWC.	FY 1999-00 \$4.37985/100 CFOWC.	FY 1992-93 \$2.70/100 CFOWC.

CALCULATION YEAR FY 2022-23

(March of the previous year thru February of the current year):

March 2021 thru February 2022

MEASUREMENT PERIOD FOR RESIDENTIAL CUSTOMERS:

Water billings from **March 2021 thru February 2022.**

RESIDENTIAL CALCULATION:

Actual Annual Water Consumption x 90% x \$19.47221 = Sewer Service Charge

MINIMUM SEWER SERVICE CHARGE:

48 Annual Units of Water Consumption x \$19.47221 = \$934.67
 Prior year minimum charge = \$903.06

MEASUREMENT PERIOD FOR COMMERCIAL CUSTOMERS:

Actual Annual Water Consumption.

COMMERCIAL CALCULATION:

Actual Annual Water Consumption x \$19.47221 x strength factor = Sewer Service Charge.

COMMERCIAL STRENGTH FACTORS:

Car Washes	0.90
Cleaners	1.20
Laundromats	0.75
Restaurants with functioning grease traps	1.60
Restaurants without functioning grease traps	1.80
Gymnasiums	0.90
Any other commercial use	1.00

Section 6-6.401 through 6-6.407 of the Pacifica Municipal Code addresses the assessment of Sewer Service Charges including the rate and the measurement periods for both residential and commercial customers.

Attachment: Attachment1 - SewerServiceCharges2022-27 (4881 : Resolution of Intent for Public Hearing for Sewer Rate and Capacity Fee

ATTACHMENT 2

**City of Pacifica
Proposed Annual Wastewater Rates 2022/23 - 2026/27**

	Current	Maximum Proposed Rate				
		2022-23	2023-24	2024-25	2025-26	2026-27
Percent Increase		3.5%	3.5%	3.5%	3.5%	3.5%
Residential [1]	\$18.81373	\$19.47221	\$20.15374	\$20.85912	\$21.58919	\$22.34481
Commercial [2]	\$18.81373	\$19.47221	\$20.15374	\$20.85912	\$21.58919	\$22.34481
Minimum Charge	\$903.06	\$934.67	\$967.38	\$1,001.24	\$1,036.28	\$1,072.55

1 - units calculated using total annual use multiplied by 0.9

2 - units calculated using total annual water use multiplied by strength factor

Commerical Strength Factors

Car Washes	0.9
Cleaners	1.2
Laundromats	0.75
Restaurants with grease traps	1.6
Restaurants without grease traps	1.8
Gymnasiums	0.9
All other commercial use	1.0

ATTACHMENT 3

CAPITAL IMPROVEMENT PROJECTS (COST IN THOUSAND DOLLARS)												
PROJECT	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	TOTALS
COLLECTION SYSTEMS												
Linda Mar Pump Station Upgrade	\$ 1,475	\$ 590	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,065
Linda Mar Pump Station - Bar Screen Rebuild	\$ -	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150
Linda Mar Pump Station - New Washer/Compactor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 160	\$ 160
Rockaway PS Upgrade (Formerly Rockaway PS Upgrade FY 20-21)	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100
Rockaway PS - Bar Screen Rebuild	\$ -	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150
Sharp Park Pump Station Facility Improvements Project	\$ 500	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000
Sharp Park Pump Station Bar Screen Rebuild	\$ -	\$ 250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250
Sharp Park Pump Station - New Washer/Compactor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 160	\$ 160
Anza Pump Station Rebuild	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000
Sewer System Master Plan Update Phase 2	\$ 20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90	\$ -	\$ -	\$ -	\$ -	\$ 110
Collection System Projects	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,100
Lateral Grant Assistance	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,100
Relocation of Sewer Mainline at SF RV Park	\$ -	\$ -	\$ 200	\$ 2,400	\$ 1,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,800
Collection System R&R Project Lower Linda Mar 1	\$ -	\$ -	\$ 492	\$ 2,786	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,278
Collection System R&R Project Lower Linda Mar 2	\$ -	\$ -	\$ -	\$ 492	\$ 2,786	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,278
Collection System R&R Project Lower Linda Mar 3	\$ -	\$ -	\$ -	\$ -	\$ 492	\$ 2,786	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,278
Collection System R&R Project Fremont, Linda Mar Blvd & Catalina Ave	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 210	\$ 1,190	\$ -	\$ -	\$ -	\$ -	\$ 1,400
Collection System R&R Project Vallemar 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557	\$ 3,152	\$ -	\$ -	\$ -	\$ 3,709
Collection System R&R Project Vallemar 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557	\$ 3,152	\$ -	\$ -	\$ 3,709
Collection System R&R Project Vallemar 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557	\$ 3,152	\$ -	\$ 3,709
Collection System R&R Project Vallemar 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557	\$ 3,152	\$ 3,709
Collection System R&R Project Fairway Park 1 & 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 990	\$ 990
Rockaway Beach Ave (San Sewer) 1&2	\$ -	\$ -	\$ 506	\$ 2,863	\$ 506	\$ 2,863	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,738
Forcemain Condition Assessment	\$ -	\$ -	\$ -	\$ 75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75
Linda Mar Pump Station Jockey Pump Upgrade	\$ -	\$ 50	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200
Collection System Projects	\$ 3,295	\$ 3,890	\$ 1,548	\$ 8,816	\$ 5,184	\$ 6,059	\$ 2,037	\$ 3,909	\$ 3,909	\$ 3,909	\$ 4,662	\$ 47,218
Total Collection System Projects FY 2022-27	\$ 25,497											
Total Collection System Projects FY 2027-32	\$ 18,426											

CAPITAL IMPROVEMENT PROJECTS (COST IN THOUSAND DOLLARS)												
PROJECT	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	TOTALS
WASTEWATER TREATMENT PLANT												
Digesters - ATAD Modification Phase 3	\$ 175	\$ 150	\$ -	\$ -	\$ 100	\$ -	\$ -	\$ 100	\$ -	\$ -	\$ 100	\$ 625
CCWRP Pump Replacement	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 550
CCWRP Centrifuges	\$ 25	\$ 50	\$ -	\$ -	\$ -	\$ 250	\$ -	\$ -	\$ -	\$ 250	\$ -	\$ 575
CCWRP SCADA and PLC Upgrade	\$ 200	\$ 400	\$ 400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000
Calera Creek and Wetlands Maintenance	\$ 75	\$ -	\$ 30	\$ -	\$ 30	\$ -	\$ -	\$ 30	\$ -	\$ 30	\$ -	\$ 195
CCWRP Parking Lot Restoration	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100
CCWRP Roof Improvements	\$ -	\$ -	\$ 200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200
CCWRP Laboratory Room Improvement	\$ 25	\$ -	\$ -	\$ -	\$ 25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25	\$ 75
CCWRP Security & Gate System	\$ 70	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70
CCWRP Blower Replacement	\$ 30	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 530
San Pedro Creek & Pacifica State Beach TMDL, BMP, Monitoring Plan	\$ 10	\$ 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20
CCWRP Arc Flash Hazard Analysis	\$ 65	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65
CCWRP R&R Project	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 550
CCWRP R&R Project - Transformer Upgrade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CCWRP R&R Project - Grit Classifier Upgrade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CCWRP R&R Project - Sand Filter Upgrade	\$ 170	\$ 150	\$ -	\$ -	\$ 750	\$ 750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,820
Ultraviolet Disinfection System Upgrade	\$ 122	\$ 3,760	\$ 2,980	\$ 4,570	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,432
CCWRP Photovoltaic System Improvement Project	\$ 280	\$ 100	\$ -	\$ 1,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,480
CCWRP Process Optimization Projects	\$ 50	\$ 100	\$ -	\$ -	\$ 100	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 550
Sewer Rate Study for FY 2022-2027	\$ 20	\$ -	\$ -	\$ -	\$ -	\$ 50	\$ 20	\$ -	\$ -	\$ -	\$ 50	\$ 140
CCWRP R&R Project - Drain Pump Station Piping Replacement	\$ 40	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140
CCWRP R&R Project - Plant Effluent Pipe Line Spot Repair	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100
CCWRP Electrical Condition Assessment and Improvements	\$ 50	\$ 100	\$ 1,100	\$ 1,150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,400
CCWRP Environmental Compliance Project	\$ 50	\$ -	\$ -	\$ -	\$ 50	\$ -	\$ -	\$ -	\$ 50	\$ -	\$ -	\$ 150
CCWRP Admin Building Elevator Assessment	\$ 40	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140
CCWRP Headworks Feasibility and Improvements	\$ 50	\$ 100	\$ 300	\$ -	\$ 1,500	\$ 3,500	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 10,450
CCWRP Vehicle Storage and Office Facility	\$ 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400	\$ 4,000	\$ -	\$ 4,417
CCWRP Projects	\$ 1,764	\$ 5,170	\$ 5,160	\$ 6,970	\$ 2,805	\$ 4,850	\$ 5,220	\$ 330	\$ 650	\$ 4,505	\$ 350	\$ 37,774
Total Wastewater Treatment Plant Projects FY 2022-27	\$ 24,955											
Total Wastewater Treatment Plant Projects FY 2027-32	\$ 11,055											

Collection System and Wastewater Treatment Plant Projects	\$ 5,059	\$ 9,060	\$ 6,708	\$ 15,786	\$ 7,989	\$ 10,909	\$ 7,257	\$ 4,239	\$ 4,559	\$ 8,414	\$ 5,012	\$ 84,992
Collection System and Wastewater Treatment Plant Projects FY 2022-27	\$ 50,452											
Collection System and Wastewater Treatment Plant Projects FY 2027-32	\$ 29,481											

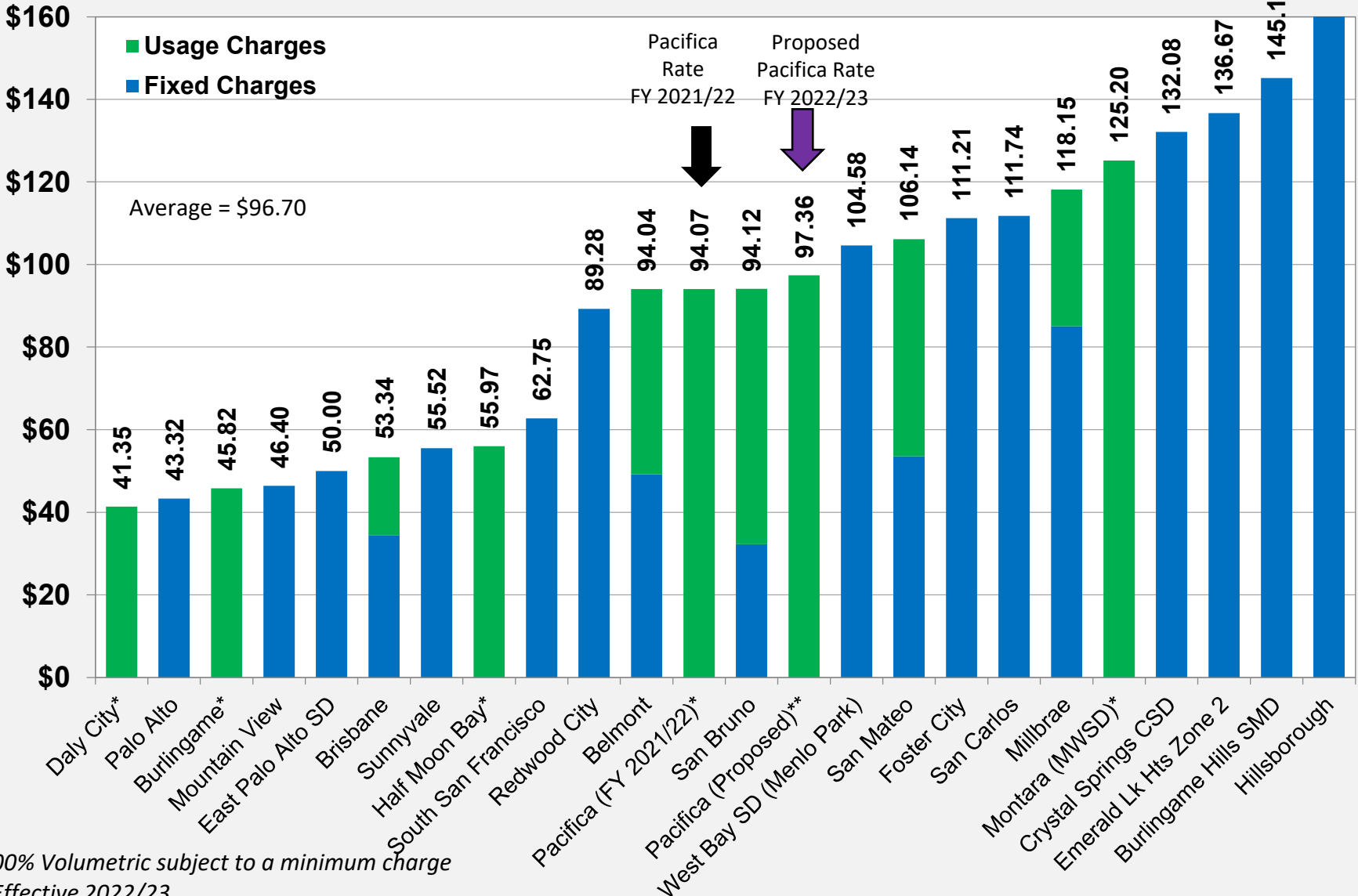
CAPITAL IMPROVEMENT PROJECTS (COST IN THOUSAND DOLLARS)												
PROJECT	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	TOTALS
OTHER												
540 Crespi Drive Tree Replacement	\$ 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10
Beach Blvd Infrastructure Resiliency Project	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ 40,000
Other Wastewater Projects	\$ 10	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ 40,010
Total Wastewater Other Projects FY 2022-27	\$ 10,000											
Total Wastewater Other Projects FY 2027-32	\$ 30,000											

Attachment: Attachment3 - CIP [Revision 1] (4881 : Resolution of Intent for Public Hearing for Sewer Rate and Capacity Fee Discussion)

ATTACHMENT 4

Single Family Residential Monthly Sewer Bills 2021/22

Based on flat rate or 5 hcf of monthly winter water use



*100% Volumetric subject to a minimum charge
 **Effective 2022/23

Attachment: Attachment4-Rate Survey (4881 : Resolution of Intent for Public Hearing for Sewer Rate and

City of Pacifica
2022 Calendar for Sewer Rate and Capacity Fee Proceedings

Action Date	Action	Agenda/Publication Deadline
2/15/22	Adoption of Resolution of Intention for Rate Revision * [†] <i>Required Docs: Resolution of Intention & Proposed Rate Schedule</i>	2/10/22
2/25/22	Last Day to Mail Notices of Rate Revision (Cal. Const. Art. XIID, Sec. 6(a)) <i>Required Docs: Notice</i>	>= forty-five days before hearing
3/30/22	Last Day to Advertise Hearing of Rate Revision Ordinance <i>Required Docs: Notice</i>	>= ten days before hearing (Notify Newspaper by 3/16/22 or minimum 14 days prior to publication)
3/30/22	Last Day to Advertise Hearing of Capacity Fee Revision Ordinance <i>Required Docs: Notice</i>	>= ten days before hearing (Notify Newspaper by 3/16/22 or minimum 14 days prior to publication)
4/11/22	Hearing & First Reading of Rate Revision Ordinance (H&S Code Sec. 5471) <i>Required Docs: Rate Ordinance</i>	4/7/22
4/11/22	Hearing & First Reading of Capacity Fee Ordinance (H&S Code Sec. 5471) <i>Required Doc: Capacity Ordinance</i>	4/7/22
4/25/22	Adoption of Rate Revision Ordinance * [†] (GC Sec. 36934)	4/21/22 >= five days after first reading
4/25/22	Adoption of Capacity Fee Revision Ordinance * [†] (GC Sec. 36934)	4/21/22 >= five days after first reading
6/15/22 ^{††}	Last Day for First Publication of Notice of Report Filing (H&S Code Sec. 5473.1; GC Sec. 6066) <i>Required Doc: Report & Notice of Report Filing</i>	>= fourteen days after hearing (Notify Newspaper by 6/1/22 or minimum 14 days prior to publication)
6/22/22 ^{††}	First Day for Second Publication of Notice of Report Filing (GC Sec. 6066)	>= five days after first publication (Notify Newspaper by 6/8/22 or minimum 14 days prior to publication)
6/30/22	Data Transmittal to County (H&S Code Sec. 5473.4) <i>Required Doc: Data Transmittal</i>	statutory deadline (July 31)

* Only required notice is standard 72-hour agenda notice

[†] May be placed on consent calendar

^{††} Publication date – Based on Wednesday publications



Scenic Pacifica
Incorporated Nov. 22, 1957

CITY OF PACIFICA

170 Santa Maria Avenue • Pacifica, California 94044-2506
www.cityofpacifica.org

MAYOR
Mary Bier

MAYOR PRO TEM
Tygarjas Bigstycck

COUNCIL
Sue Beckmeyer
Mike O'Neill
Sue Vaterlaus

City of Pacifica Notice of Public Hearing

PROPOSED SEWER SERVICE CHARGES

NOTICE IS HEREBY GIVEN that at 7:00 PM on April 11, 2022, in the Council Chambers located at 2212 Beach Boulevard, Pacifica, CA 94044, the City Council of the City of Pacifica (“City”) will hold a public hearing to consider revisions to its sewer service charges that will be effective beginning fiscal year 2022-2023. The City anticipates that the public hearing will be conducted in-person at Council Chambers at the address listed above. However, if the City Council has not resumed in-person meetings due to conditions relating to COVID-19, then the hearing will be conducted via teleconference. Anyone wishing to attend the hearing should confirm the location by reviewing the Agenda for the April 11, 2022 Council meeting, which shall be published 72 hours prior to the meeting.

If approved, you will see the sewer service charges appear at the new rate on your property tax bills issued later in 2022. The sewer service charge is a usage fee, charged for ongoing sewer services, and is placed on the property tax bills annually and collected by the County Controller’s Office.

The City imposes its sewer service charges to fund the City’s costs of operating and maintaining the sewer collection and sewage treatment systems, as well as to pay debt service used to finance the construction of that system. Sewer service charge proceeds may not be used by the City for any other purpose. The proposed revisions to the sewer service charges were calculated to ensure that all sewer users are paying rates that are proportionate to the each user’s costs of service. The proposed rate revisions and calculation methodology that will be considered by the City Council (described briefly below) are based on a wastewater rate study (“Study”) conducted by Bartle Wells Associates (“BWA”). The Study is available on the City’s website (https://www.cityofpacifica.org/depts/pw/wwt/wastewater_rate_study.asp)

YOUR OPPORTUNITY TO GET INVOLVED

You are invited to present oral or written testimony to the City Council at the public hearing on April 11, 2022. You may also present the City Clerk with a written protest against the proposed charges, either in person or by mail, prior to the close of the public hearing. A written protest must (1) identify the affected property either by address, Assessor’s Parcel Number, or customer account number; (2) include the original signature and name of the record owner or customer submitting the protest; and (3) indicate opposition to the proposed sewer rates. Only protests received by mail or in person prior to the close of the public hearing will be counted. If written protests against the proposed charges are presented by a majority of parcels subject to the charges, then the City Council will not impose the proposed charges.

You are hereby notified, pursuant to Government Code, section 53759, that any judicial action or proceeding to attack, review, set aside, void, validate, or annul the City Council’s adoption of the proposed sewer rates must be commenced within 120 days of the effective date or of the date of the final passage, adoption, or approval of the ordinance or resolution adopting the sewer rates.

SUMMARY OF PROPOSED CHARGES

	Current	Maximum Proposed Rate				
		2022-23	2023-24	2024-25	2025-26	2026-27
Percent Increase		3.5%	3.5%	3.5%	3.5%	3.5%
Rate*	\$18.81373	\$19.47221	\$20.15374	\$20.85912	\$21.58919	\$18.81373
Minimum Annual Rate	\$903.06	\$934.67	\$967.38	\$1,001.24	\$1,036.28	\$1,072.55

*Rate per 100 cubic feet of estimated water consumption.

The proposed sewer rate increases are necessary to address the City's increased capital improvement and operating costs, including, without limitation, The sewer service rates are based on water consumption. The formula used by the City for residential customers is designed to exclude water consumption that does not involve the sewer system, such as light landscaping. Most non-residential customers are charged using their actual annual water consumption because they typically have lower outdoor/non-sewer water use. The calculation for the proposed sewer rates is based on the analysis set forth in the BWA Study.

ADDITIONAL INFORMATION

Method for Estimating Consumption. Generally, the water consumption estimate for a user shall be that user's total water consumption for the six (6) bi-monthly water billing periods ending with the billing period for February of the calendar year during which the charges will be levied. This twelve (12) month period is known as the "billing year."

Residential Users. The proposed method for estimating water consumption for single-family and multi-family residences is to multiply total water consumption during the billing year by 90% (0.90). This proposed method would replace the current method of using the wet months as a factor in the residential calculation.

Users with substantial irrigation requirements. Any nonresidential user with substantial irrigation requirements may be able to apply to have his or her flow estimate recalculated based on criterion in City Municipal Code Section 6-6.407. Applications submitted will be subject to the procedures and requirements set forth in the City's Municipal Code.

Users with multiple meters. If a user has more than one water meter at a service location, and one or more of those meters measures only water used for landscaping purposes, the meter usage for landscaping purposes will be excluded.

Schools with mixed water use. Schools with mixed water use (drinking water and irrigation) may apply to have their flow estimate calculated as six (6) times the average consumption of the following bimonthly periods: (i) March and April, (ii) May and June, (iii) ½ billed during November and December, and (iv) January and February.

Strength Multipliers.

Estimated water consumption of certain non-residential sewer users, such as restaurants, laundromats and car washes, is multiplied by a "strength multiplier" that takes into account additional costs associated with certain types of effluent.

Car Washes, 0.9	Gymnasiums, 0.9	Restaurants w/o functioning grease traps, 1.8
Cleaners, 1.2	Laundromats, 0.75	Restaurants with functioning grease traps, 1.6 All Others, 1.0

If you have any questions about the proposed rates, or would like to review the BWA rate study, please feel free to contact Maria Aguilar at (650) 738-4660 or

https://www.cityofpacificacounty.gov/depts/pw/wwt/wastewater_rate_study.asp



BARTLE WELLS ASSOCIATES
INDEPENDENT PUBLIC FINANCE ADVISORS

2625 Alcatraz Ave, #602
Berkeley, CA 94705
Tel 510 653 3399
www.bartlewells.com

DATE: January 26th, 2022

TO: Lisa Petersen, Director of Public Works

FROM: Douglas Dove, President
Michael DeGroot, Financial Analyst

SUBJECT: Wastewater Rate Study

MEMORANDUM

Introduction

Bartle Wells Associates (BWA) has been retained by the City of Pacifica to evaluate the City's current wastewater rates and make recommendations on rate increases. At a public hearing, on May 8, 2017, the City adopted 5 years of rate increases from FY 2017/18 through 2021/22. The City now wants to update its wastewater rates for the next five years to reflect current costs of service.

Current Wastewater Rates

Pacifica's adopted wastewater rates are listed in Table 1. Rates have been implemented as adopted and the final increase was implemented July 1st, 2021.

BWA recommends continuing the current billing practices. Generally, the water consumption estimate for a user is the user's total water consumption for the six (6) bi-monthly water billing periods ending with the billing period for February of the calendar year during which the charges will be levied. This twelve (12) month period is known as the "billing year."

The method for estimating water consumption for single-family and multi-family residences is to multiply total water consumption during the billing year by 90% (0.90). 10% of usage is estimated to be used for irrigation based on an analysis of billing data and BWA's experience with coastal community's water usage.

The City's minimum charge is based on 48 units and is applied to the lowest user through the median user, who consumes 48 units per year. The minimum charge is designed to recover a minimum of 60% of projected sewer revenues before factoring in usage. The minimum charge reflects the cost profile of the sewer enterprise, which is heavily fixed regardless of wastewater flows.

Any nonresidential user with substantial irrigation requirements may be able to apply to have his or her flow estimate recalculated based on criterion in City Municipal Code Section 6-6.407.

Applications submitted will be subject to the procedures and requirements set forth in the City's Municipal Code. If a user has more than one water meter at a service location, and one or more of those meters measures only water used for landscaping purposes, the meter usage for landscaping purposes will be excluded.

Schools with mixed water use (drinking water and irrigation) may apply to have their flow estimate calculated as six (6) times the average consumption of the following bimonthly periods: (i) March and April, (ii) May and June, (iii) ½ billed during November and December, and (iv) January and February.

Operations and Maintenance Expenses

Table 2 shows the projected operations and maintenance expenses for the City's WWTP and collection system. BWA projects that operations and maintenance expenses will increase 3% per year from the City's FY 2022/23 budget.

Outstanding Debt Service

The City had four outstanding debt obligations as of January 1st, 2021, as shown in Table 3. Importantly, one of the debt issuances was recently paid off, and one of the City's debts will be paid off within the rate study projection period: the 1997 State of California Water Resource Control Board Loan final payment was July 2021, and the 2014 Wastewater Revenue Refunding Bonds final payment is in 2026. The payoff of these loans will free up \$1.8 MM to \$2 MM of cash flow for future debt service or to cash fund capital projects.

Loan Balances as of January 1st, 2021:

- 1997 State of California Water Resource Control Board Loan: \$2.1 MM principal outstanding (paid off July 1st, 2021)
- 2012 Loan and Installment Agreement: \$4.3MM principal outstanding
- 2014 Wastewater Revenue Refunding Bonds: \$6.7 MM principal outstanding
- 2017 Wastewater Revenue Bond: \$22.1 MM principal outstanding

Capital Improvement Program

The City's wastewater capital program is shown in Table 4. Total planned capital projects in the rate period amount to \$125 MM, with \$47.2 MM in collection system capital, \$37.8 MM in WWTP capital projects, and \$40 MM for the Beach Blvd Infrastructure Resiliency Project. The capital program averages \$11.4 MM per year with the largest annual capital expenditure at \$20.9 MM in FY 2026/27.

Financial Projections

Table 5 shows the wastewater cashflow projection from FY 2021/22 to FY 2031/32. BWA projects that rate increases of 3.5% per year are required each year for the next 5 years (FY

2022/23 to FY 2026/27) to meet the City's wastewater expenses. Projections include 0.5% growth estimated based on projected development.

BWA projects a loan of \$31.6 MM is required in FY 2022/23 to fund the capital program. An additional \$52.4 MM is estimated to be required in FY 2026/27 for three years of capital, primarily to fund the Beach Boulevard Infrastructure Resiliency Project & Other Coastal Projects (total est. project cost is \$40 MM over four years, beginning in FY 2026/27.) For projection purposes, the loan terms are estimated at 4% interest, over 30 years, with 1.5% issuance fees.

The financial projections are designed to meet a minimum operating reserve target of 90 days with at least 1.25x debt service coverage (calculated as net revenues / annual debt service). The City is projected to have very strong debt service coverage of at least 1.43x throughout the projection period. These financial targets are based on industry standard metrics to obtain a high credit rating and qualify for debt financing.

Chart A shows a graphical presentation of the 10-year financial projections.

Rate Survey

Chart B shows a regional sewer rate survey for FY 2021/22. The surveyed average monthly sewer bill for a single family home using 5 hcf per month is \$96.70. The City's sewer rates compare favorably with regional agencies and are in the average range at \$94.07.

Wastewater Strength Factors

Table 6 shows the derivation of the wastewater strength factors. Based on a detailed review of wastewater enterprise costs, system costs are allocated 44% to flow, 28% to biological oxygen demand (BOD) and 28% total suspended solids (TSS). BWA uses this formula to calculate the strength factors for each customer class based on their estimated wastewater strength characteristics in milligrams per liter (mg/l).

Proposed Rate Schedule

Table 7 shows the proposed wastewater rate schedule for the next 5 years (FY 2022/23 to FY 2026/27).

**Table 1
City of Pacifica
Adopted Annual Wastewater Rates 2017/18 - 2021/22**

<i>Rate Increase %</i>		8%	8%	8%	7%	7%
	<u>\$/hcf</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>
Residential [1]	\$13.04476	\$14.08834	\$15.21541	\$16.43264	\$17.58293	\$18.81373
Commercial [2]	\$13.04476	\$14.08834	\$15.21541	\$16.43264	\$17.58293	\$18.81373
Minimum Charge	\$626.14	\$676.24	\$730.34	\$788.76	\$843.98	\$903.06

Commerical Strength Factors

Car Washes	0.9
Cleaners	1.2
Laundromats	0.75
Restaurants with grease traps	1.6
Restaurants without grease traps	1.8
Gymnasiums	0.9
All other commercial use	1.0

1 - units calculated using total annual use multiplied by 0.9
 2 - units calculated using total annual water use multiplied by strength factor

Table 2
City of Pacifica
Expense Detail - Operations and Maintenance

EXPENSE	FY 2021-22 BUDGET	FY 22-23 PROPOSED	Escalation %	projected										
				FY 23-24 PROPOSED	FY 24-25 PROPOSED	FY 25-26 PROPOSED	FY 26-27 PROPOSED	FY 27-28 PROPOSED	FY 28-29 PROPOSED	FY 29-30 PROPOSED	FY 30-31 PROPOSED	FY 31-32 PROPOSED		
FUND 18														
Operations & Maintenance														
18.940741.51200	\$ 1,197,627	\$ 1,408,556	3.0%	\$1,450,813	\$1,494,337	\$1,539,167	\$1,585,342	\$1,632,902	\$1,681,889	\$1,732,346	\$1,784,317	\$1,837,846		
18.940741.51200.0275	\$ 68,000	\$ 68,000	3.0%	\$70,040	\$72,141	\$74,305	\$76,535	\$78,831	\$81,196	\$83,631	\$86,140	\$88,725		
18.940741.51300	\$ 80,000	\$ 80,000	3.0%	\$82,400	\$84,872	\$87,418	\$90,041	\$92,742	\$95,524	\$98,390	\$101,342	\$104,382		
18.940741.51400	\$ 80,000	\$ 80,000	3.0%	\$82,400	\$84,872	\$87,418	\$90,041	\$92,742	\$95,524	\$98,390	\$101,342	\$104,382		
18.940741.51500	\$ 289,913	\$ 298,611	3.0%	\$307,569	\$316,796	\$326,300	\$336,089	\$346,172	\$356,557	\$367,254	\$378,271	\$389,619		
18.940741.51500.0275	\$ 17,452	\$ 17,452	3.0%	\$17,976	\$18,515	\$19,070	\$19,642	\$20,232	\$20,839	\$21,464	\$22,108	\$22,771		
18.940741.51600	\$ 295,968	\$ 304,847	3.0%	\$313,993	\$323,413	\$333,115	\$343,108	\$353,402	\$364,004	\$374,924	\$386,172	\$397,757		
18.940741.51600.0275	\$ 17,816	\$ 18,351	3.0%	\$18,901	\$19,468	\$20,052	\$20,654	\$21,274	\$21,912	\$22,569	\$23,246	\$23,944		
18.940741.51606	\$ 2,600	\$ 3,000	3.0%	\$3,090	\$3,183	\$3,278	\$3,377	\$3,478	\$3,582	\$3,690	\$3,800	\$3,914		
18.940741.51608	\$ 4,000	\$ 4,000	3.0%	\$4,120	\$4,244	\$4,371	\$4,502	\$4,637	\$4,776	\$4,919	\$5,067	\$5,219		
18.940741.51700	\$ 14,000	\$ 14,000	3.0%	\$14,420	\$14,853	\$15,298	\$15,757	\$16,230	\$16,717	\$17,218	\$17,735	\$18,267		
18.940741.52102	\$ 1,400,000	\$ 1,500,000	3.0%	\$1,545,000	\$1,591,350	\$1,639,091	\$1,688,263	\$1,738,911	\$1,791,078	\$1,844,811	\$1,900,155	\$1,957,160		
18.940741.52103	\$ 78,000	\$ 80,000	3.0%	\$82,400	\$84,872	\$87,418	\$90,041	\$92,742	\$95,524	\$98,390	\$101,342	\$104,382		
18.940741.52104	\$ 104,000	\$ 107,120	3.0%	\$110,334	\$113,644	\$117,053	\$120,565	\$124,181	\$127,907	\$131,744	\$135,696	\$139,767		
18.940741.52105	\$ 34,000	\$ 34,000	3.0%	\$35,020	\$36,071	\$37,153	\$38,267	\$39,415	\$40,598	\$41,816	\$43,070	\$44,362		
18.940741.52220	\$ 78,000	\$ 80,340	3.0%	\$82,750	\$85,233	\$87,790	\$90,423	\$93,136	\$95,930	\$98,808	\$101,772	\$104,825		
18.940741.52300	\$ 38,000	\$ 38,000	3.0%	\$39,140	\$40,314	\$41,524	\$42,769	\$44,052	\$45,374	\$46,735	\$48,137	\$49,581		
18.940741.52300.0275	\$ 3,000	\$ 3,000	3.0%	\$3,090	\$3,183	\$3,278	\$3,377	\$3,478	\$3,582	\$3,690	\$3,800	\$3,914		
18.940741.52325	\$ 22,000	\$ 23,000	3.0%	\$23,690	\$24,401	\$25,133	\$25,887	\$26,663	\$27,463	\$28,287	\$29,136	\$30,010		
18.940741.52340	\$ 60,000	\$ 60,000	3.0%	\$61,800	\$63,654	\$65,564	\$67,531	\$69,556	\$71,643	\$73,792	\$76,006	\$78,286		
18.940741.52340.0275	\$ 7,000	\$ 7,000	3.0%	\$7,210	\$7,426	\$7,649	\$7,879	\$8,115	\$8,358	\$8,609	\$8,867	\$9,133		
18.940741.52341	\$ 100,000	\$ 130,000	3.0%	\$133,900	\$137,917	\$142,055	\$146,316	\$150,706	\$155,227	\$159,884	\$164,680	\$169,621		
18.940741.52342	\$ 275,000	\$ 280,000	3.0%	\$288,400	\$297,052	\$305,964	\$315,142	\$324,597	\$334,335	\$344,365	\$354,696	\$365,336		
18.940741.52343	\$ 120,000	\$ 100,000	3.0%	\$103,000	\$106,090	\$109,273	\$112,551	\$115,927	\$119,405	\$122,987	\$126,677	\$130,477		
18.940741.52344	\$ 140,000	\$ 120,000	3.0%	\$123,600	\$127,308	\$131,127	\$135,061	\$139,113	\$143,286	\$147,585	\$152,012	\$156,573		
18.940741.52400	\$ 5,000	\$ 5,000	3.0%	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524		
18.940741.52401	\$ 30,000	\$ 20,000	3.0%	\$20,600	\$21,218	\$21,855	\$22,510	\$23,185	\$23,881	\$24,597	\$25,335	\$26,095		
18.940741.52402	\$ 10,000	\$ 10,000	3.0%	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048		
18.940741.52403	\$ 10,000	\$ 10,000	3.0%	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048		
18.940741.52404	\$ 10,000	\$ 10,000	3.0%	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048		
18.940741.52405	\$ 10,000	\$ 10,000	3.0%	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048		
18.940741.52406	\$ 10,000	\$ 10,000	3.0%	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048		
18.940741.52407	\$ 10,000	\$ 10,000	3.0%	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048		
18.940741.52408	\$ 10,000	\$ 10,000	3.0%	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048		
18.940741.52409	\$ 10,000	\$ 10,000	3.0%	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048		
18.940741.52450	\$ 10,000	\$ 10,000	3.0%	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048		
18.940741.52491	\$ 30,000	\$ 30,000	3.0%	\$30,900	\$31,827	\$32,782	\$33,765	\$34,778	\$35,822	\$36,896	\$38,003	\$39,143		
18.940741.52499	\$ 15,000	\$ 15,000	3.0%	\$15,450	\$15,914	\$16,391	\$16,883	\$17,389	\$17,911	\$18,448	\$19,002	\$19,572		
18.940741.52500	\$ 15,000	\$ 15,000	3.0%	\$15,450	\$15,914	\$16,391	\$16,883	\$17,389	\$17,911	\$18,448	\$19,002	\$19,572		
18.940741.52501	\$ 40,000	\$ 40,000	3.0%	\$41,200	\$42,436	\$43,709	\$45,020	\$46,371	\$47,762	\$49,195	\$50,671	\$52,191		
18.940741.52502	\$ 17,000	\$ 17,000	3.0%	\$17,510	\$18,035	\$18,576	\$19,134	\$19,708	\$20,299	\$20,908	\$21,535	\$22,181		
18.940741.52700	\$ 20,000	\$ 20,000	3.0%	\$20,600	\$21,218	\$21,855	\$22,510	\$23,185	\$23,881	\$24,597	\$25,335	\$26,095		
18.940741.52800	\$ 60,000	\$ 60,000	3.0%	\$61,800	\$63,654	\$65,564	\$67,531	\$69,556	\$71,643	\$73,792	\$76,006	\$78,286		
18.940741.52800.0275	\$ 1,000	\$ 1,000	3.0%	\$1,030	\$1,061	\$1,093	\$1,126	\$1,159	\$1,194	\$1,230	\$1,267	\$1,305		
18.940741.52818	\$ 60,000	\$ 60,000	3.0%	\$61,800	\$63,654	\$65,564	\$67,531	\$69,556	\$71,643	\$73,792	\$76,006	\$78,286		
18.940741.52828	\$ 190,000	\$ 100,000	3.0%	\$103,000	\$106,090	\$109,273	\$112,551	\$115,927	\$119,405	\$122,987	\$126,677	\$130,477		
18.940741.53781	\$ 707,000	\$ 728,210	3.0%	\$750,056	\$772,558	\$795,735	\$819,607	\$844,195	\$869,521	\$895,606	\$922,475	\$950,149		
18.940741.53782	\$ 14,000	\$ 14,000	3.0%	\$14,420	\$14,853	\$15,298	\$15,757	\$16,230	\$16,717	\$17,218	\$17,735	\$18,267		
18.940741.53785	\$ 1,019,979	\$ 1,000,000	3.0%	\$1,030,000	\$1,060,900	\$1,092,727	\$1,125,509	\$1,159,274	\$1,194,052	\$1,229,874	\$1,266,770	\$1,304,773		
18.940741.55130	\$ 30,000	\$ 30,000	3.0%	\$30,900	\$31,827	\$32,782	\$33,765	\$34,778	\$35,822	\$36,896	\$38,003	\$39,143		
18.940741.59155	\$ 10,000	\$ 10,000	3.0%	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048		
TOTAL OPERATIONS & MAINTENANCE EXP.	\$ 6,880,356	\$ 7,114,487		\$ 7,327,922	\$ 7,547,759	\$ 7,774,192	\$ 8,007,418	\$ 8,247,640	\$ 8,495,070	\$ 8,749,922	\$ 9,012,419	\$ 9,282,792		

FUND 18		FY 2021-22	FY 22-23	Escalation %	projected									
		BUDGET	PROPOSED		FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29	FY 29-30	FY 30-31	FY 31-32	
<i>Collection Systems Maintenance</i>														
18.940742.51200	Salaries - Regular	\$ 1,697,450	\$ 1,923,373	3.0%	\$1,981,074	\$2,040,507	\$2,101,722	\$2,164,773	\$2,229,717	\$2,296,608	\$2,365,506	\$2,436,472	\$2,509,566	
18.940742.51300	Salaries - Part-time	\$ 5,000	\$ 15,000	3.0%	\$15,450	\$15,914	\$16,391	\$16,883	\$17,389	\$17,911	\$18,448	\$19,002	\$19,572	
18.940742.51400	Salaries - Overtime	\$ 80,000	\$ 82,400	3.0%	\$84,872	\$87,418	\$90,041	\$92,742	\$95,524	\$98,390	\$101,342	\$104,382	\$107,513	
18.940742.51500	Retirement	\$ 42,377	\$ 43,648	3.0%	\$44,957	\$46,306	\$47,695	\$49,126	\$50,600	\$52,118	\$53,681	\$55,292	\$56,951	
18.940742.51600	Benefits	\$ 517,986	\$ 533,526	3.0%	\$549,532	\$566,018	\$582,998	\$600,488	\$618,503	\$637,058	\$656,169	\$675,855	\$696,130	
18.940742.51606	Shoe Allowance	\$ 3,600	\$ 3,600	3.0%	\$3,708	\$3,819	\$3,934	\$4,052	\$4,173	\$4,299	\$4,428	\$4,560	\$4,697	
18.940742.51608	Car Allowance	\$ 4,000	\$ 4,000	3.0%	\$4,120	\$4,244	\$4,371	\$4,502	\$4,637	\$4,776	\$4,919	\$5,067	\$5,219	
18.940742.51700	Conferences & Training	\$ 17,000	\$ 17,000	3.0%	\$17,510	\$18,035	\$18,576	\$19,134	\$19,708	\$20,299	\$20,908	\$21,535	\$22,181	
18.940742.52103	Utility - Water	\$ 500	\$ 500	3.0%	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	\$652	
18.940742.52105	Telephone	\$ 11,000	\$ 11,000	3.0%	\$11,330	\$11,670	\$12,020	\$12,381	\$12,752	\$13,135	\$13,529	\$13,934	\$14,353	
18.940742.52300	Departmental Expense	\$ 23,000	\$ 23,000	3.0%	\$23,690	\$24,401	\$25,133	\$25,887	\$26,663	\$27,463	\$28,287	\$29,136	\$30,010	
18.940742.52300.0275	Departmental Expense COVID	\$ 1,000	\$ 1,000	3.0%	\$1,030	\$1,061	\$1,093	\$1,126	\$1,159	\$1,194	\$1,230	\$1,267	\$1,305	
18.940742.52325	Operating Software	\$ 5,000	\$ 5,000	3.0%	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524	
18.940742.52340	WWTP Operations Supplies	\$ 98,000	\$ 98,000	3.0%	\$100,940	\$103,968	\$107,087	\$110,300	\$113,609	\$117,017	\$120,528	\$124,143	\$127,868	
18.940742.52340.0275	WWTP Operations Supplies COVID	\$ 7,000	\$ 7,000	3.0%	\$7,210	\$7,426	\$7,649	\$7,879	\$8,115	\$8,358	\$8,609	\$8,867	\$9,133	
18.940742.52342	WWTP Chemical Expense	\$ 10,000	\$ 10,000	3.0%	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048	
18.940742.52485	Maintenance - CMMS	\$ 32,600	\$ 32,600	3.0%	\$33,578	\$34,585	\$35,623	\$36,692	\$37,792	\$38,926	\$40,094	\$41,297	\$42,536	
18.940742.52490.0000.000	Maintenance - Easement	\$ 10,000	\$ 10,000	3.0%	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048	
18.940742.52492.0000.000	Maintenance - Anza PS	\$ 5,000	\$ 5,000	3.0%	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524	
18.940742.52493.0000.000	Maintenance - Brighton PS	\$ 5,000	\$ 5,000	3.0%	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524	
18.940742.52494.0000.000	Maintenance - Linda Mar PS	\$ 21,000	\$ 21,000	3.0%	\$21,630	\$22,279	\$22,947	\$23,636	\$24,345	\$25,075	\$25,827	\$26,602	\$27,400	
18.940742.52495.0000.000	Maintenance - Rockaway PS	\$ 12,000	\$ 12,000	3.0%	\$12,360	\$12,731	\$13,113	\$13,506	\$13,911	\$14,329	\$14,758	\$15,201	\$15,657	
18.940742.52496.0000.000	Maintenance - Sharp Park PS	\$ 11,000	\$ 11,000	3.0%	\$11,330	\$11,670	\$12,020	\$12,381	\$12,752	\$13,135	\$13,529	\$13,934	\$14,353	
18.940742.52497.0000.000	Maintenance - Skyridge PS	\$ 5,300	\$ 5,300	3.0%	\$5,459	\$5,623	\$5,791	\$5,965	\$6,144	\$6,328	\$6,518	\$6,714	\$6,915	
18.940742.52498.0000.000	Maintenance - CCTV	\$ 10,600	\$ 10,600	3.0%	\$10,918	\$11,246	\$11,583	\$11,930	\$12,288	\$12,657	\$13,037	\$13,428	\$13,831	
18.940742.52499.0000.000	Maintenance - Root Foaming	\$ 20,000	\$ 20,000	3.0%	\$20,600	\$21,218	\$21,855	\$22,510	\$23,185	\$23,881	\$24,597	\$25,335	\$26,095	
18.940742.52501	Annual Motor Pool Exp	\$ 284,473	\$ 280,000	3.0%	\$288,400	\$297,052	\$305,964	\$315,142	\$324,597	\$334,335	\$344,365	\$354,696	\$365,336	
18.940742.52502	Annual Motor Pool Depr/Replacement	\$ -	\$ -	3.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
18.940742.52700	Rentals & Lease Exp	\$ 5,300	\$ 5,300	3.0%	\$5,459	\$5,623	\$5,791	\$5,965	\$6,144	\$6,328	\$6,518	\$6,714	\$6,915	
18.940742.52800	Contractual Services	\$ 60,000	\$ 61,800	3.0%	\$63,654	\$65,564	\$67,531	\$69,556	\$71,643	\$73,792	\$76,006	\$78,286	\$80,635	
18.940742.52800.0275	Contractual Services COVID	\$ 1,000	\$ 1,000	3.0%	\$1,030	\$1,061	\$1,093	\$1,126	\$1,159	\$1,194	\$1,230	\$1,267	\$1,305	
18.940742.55130	Capital Outlay - Mach/Equip	\$ 60,000	\$ 60,000	3.0%	\$61,800	\$63,654	\$65,564	\$67,531	\$69,556	\$71,643	\$73,792	\$76,006	\$78,286	
	TOTAL COLLECTION SYSTEM MAIN EXP.	\$ 3,066,186	\$ 3,318,647		\$ 3,418,206	\$ 3,520,752	\$ 3,626,375	\$ 3,735,166	\$ 3,847,221	\$ 3,962,638	\$ 4,081,517	\$ 4,203,962	\$ 4,330,081	

Attachment: Attachment7 - Pacifica Wastewater Rates Memo [Revision 1] (4881 : Resolution of Intent for Public Hearing for Sewer Rate and

Table 3 City of Pacifica Debt Service									
		<i>total payment (principal + interest)</i>							
Loan	Source	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
2012 Loan and Installment Agreement	WW Charge Fund	\$447,334	\$447,161	\$446,983	\$446,798	\$446,607	\$446,408	\$446,203	\$446,031
1997 State of California Water Resource Control Board Loan	WW Charge Fund	2,065,919	2,065,919	2,065,919	2,065,919				
2014 Wastewater Revenue Refunding Bonds	WW Charge Fund	337,000	337,000	337,000	337,000	1,819,000	1,816,125	1,814,375	1,808,625
2017 Wastewater Revenue Bonds	WW Charge Fund	<u>1,061,600</u>	<u>1,061,600</u>	<u>1,061,600</u>	<u>1,061,600</u>	<u>1,670,975</u>	<u>1,668,975</u>	<u>1,670,350</u>	<u>1,669,975</u>
Total Debt Service		\$3,911,853	\$3,911,680	\$3,911,502	\$3,911,317	\$3,936,582	\$3,931,508	\$3,930,928	\$3,924,631

Attachment: Attachment7 - Pacifica Wastewater Rates Memo [Revision 1] (4881 : Resolution of Intent for

TABLE 4 - CAPITAL IMPROVEMENT PROJECTS (COST IN THOUSAND DOLLARS)

PROJECT	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	TOTALS
COLLECTION SYSTEMS												
Linda Mar Pump Station Upgrade	\$ 1,475	\$ 590	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,065
Linda Mar Pump Station - Bar Screen Rebuild	\$ -	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150
Linda Mar Pump Station - New Washer/Compactor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 160	\$ 160
Rockaway PS Upgrade (Formerly Rockaway PS Upgrade FY 20-21)	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100
Rockaway PS - Bar Screen Rebuild	\$ -	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150
Sharp Park Pump Station Facility Improvements Project	\$ 500	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000
Sharp Park Pump Station Bar Screen Rebuild	\$ -	\$ 250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250
Sharp Park Pump Station - New Washer/Compactor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 160	\$ 160
Anza Pump Station Rebuild	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000
Sewer System Master Plan Update Phase 2	\$ 20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90	\$ -	\$ -	\$ -	\$ -	\$ 110
Collection System Projects	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,100
Lateral Grant Assistance	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,100
Relocation of Sewer Mainline at SF RV Park	\$ -	\$ -	\$ 200	\$ 2,400	\$ 1,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,800
Collection System R&R Project Lower Linda Mar 1	\$ -	\$ -	\$ 492	\$ 2,786	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,278
Collection System R&R Project Lower Linda Mar 2	\$ -	\$ -	\$ -	\$ 492	\$ 2,786	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,278
Collection System R&R Project Lower Linda Mar 3	\$ -	\$ -	\$ -	\$ -	\$ 492	\$ 2,786	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,278
Collection System R&R Project Fremont, Linda Mar Blvd & Catalina Ave	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 210	\$ 1,190	\$ -	\$ -	\$ -	\$ -	\$ 1,400
Collection System R&R Project Vallemar 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557	\$ 3,152	\$ -	\$ -	\$ -	\$ 3,709
Collection System R&R Project Vallemar 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557	\$ 3,152	\$ -	\$ -	\$ 3,709
Collection System R&R Project Vallemar 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557	\$ 3,152	\$ -	\$ 3,709
Collection System R&R Project Vallemar 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557	\$ 3,152	\$ 3,709
Collection System R&R Project Fairway Park 1 & 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 990	\$ 990
Rockaway Beach Ave (San Sewer) 1&2	\$ -	\$ -	\$ 506	\$ 2,863	\$ 506	\$ 2,863	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,738
Forcemain Condition Assessment	\$ -	\$ -	\$ -	\$ 75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75
Linda Mar Pump Station Jockey Pump Upgrade	\$ -	\$ 50	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200
Collection System Projects	\$ 3,295	\$ 3,890	\$ 1,548	\$ 8,816	\$ 5,184	\$ 6,059	\$ 2,037	\$ 3,909	\$ 3,909	\$ 3,909	\$ 4,662	\$ 47,218
Total Collection System Projects FY 2022-27		\$				25,497						
Total Collection System Projects FY 2027-32							\$				18,426	

CAPITAL IMPROVEMENT PROJECTS (COST IN THOUSAND DOLLARS)

PROJECT	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	TOTALS
WASTEWATER TREATMENT PLANT												
Digesters - ATAD Modification Phase 3	\$ 175	\$ 150	\$ -	\$ -	\$ 100	\$ -	\$ -	\$ 100	\$ -	\$ -	\$ 100	\$ 625
CCWRP Pump Replacement	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 550
CCWRP Centrifuges	\$ 25	\$ 50	\$ -	\$ -	\$ -	\$ 250	\$ -	\$ -	\$ -	\$ 250	\$ -	\$ 575
CCWRP SCADA and PLC Upgrade	\$ 200	\$ 400	\$ 400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000
Calera Creek and Wetlands Maintenance	\$ 75	\$ -	\$ 30	\$ -	\$ 30	\$ -	\$ -	\$ 30	\$ -	\$ 30	\$ -	\$ 195
CCWRP Parking Lot Restoration	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100
CCWRP Roof Improvements	\$ -	\$ -	\$ 200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200
CCWRP Laboratory Room Improvement	\$ 25	\$ -	\$ -	\$ -	\$ 25	\$ -	\$ -	\$ -	\$ -	\$ 25	\$ -	\$ 75
CCWRP Security & Gate System	\$ 70	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70
CCWRP Blower Replacement	\$ 30	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 530
San Pedro Creek & Pacifica State Beach TMDL, BMP, Monitoring Plan	\$ 10	\$ 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20
CCWRP Arc Flash Hazard Analysis	\$ 65	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65
CCWRP R&R Project	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 550
CCWRP R&R Project - Transformer Upgrade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CCWRP R&R Project - Grit Classifier Upgrade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CCWRP R&R Project - Sand Filter Upgrade	\$ 170	\$ 150	\$ -	\$ -	\$ 750	\$ 750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,820
Ultraviolet Disinfection System Upgrade	\$ 122	\$ 3,760	\$ 2,980	\$ 4,570	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,432
CCWRP Photovoltaic System Improvement Project	\$ 280	\$ 100	\$ -	\$ 1,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,480
CCWRP Process Optimization Projects	\$ 50	\$ 100	\$ -	\$ -	\$ 100	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 550
Sewer Rate Study for FY 2022-2027	\$ 20	\$ -	\$ -	\$ -	\$ -	\$ 50	\$ 20	\$ -	\$ -	\$ -	\$ 50	\$ 140
CCWRP R&R Project - Drain Pump Station Piping Replacement	\$ 40	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140
CCWRP R&R Project - Plant Effluent Pipe Line Spot Repair	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100
CCWRP Electrical Condition Assessment and Improvements	\$ 50	\$ 100	\$ 1,100	\$ 1,150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,400
CCWRP Environmental Compliance Project	\$ 50	\$ -	\$ -	\$ -	\$ 50	\$ -	\$ -	\$ -	\$ 50	\$ -	\$ -	\$ 150
CCWRP Admin Building Elevator Assessment	\$ 40	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140
CCWRP Headworks Feasibility and Improvements	\$ 50	\$ 100	\$ 300	\$ -	\$ 1,500	\$ 3,500	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 10,450
CCWRP Vehicle Storage and Office Facility	\$ 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400	\$ 4,000	\$ -	\$ 4,417
CCWRP Projects	\$ 1,764	\$ 5,170	\$ 5,160	\$ 6,970	\$ 2,805	\$ 4,850	\$ 5,220	\$ 330	\$ 650	\$ 4,505	\$ 350	\$ 37,774
Total Wastewater Treatment Plant Projects FY 2022-27		\$				24,955						
Total Wastewater Treatment Plant Projects FY 2027-32							\$				11,055	
Collection System and Wastewater Treatment Plant Projects	\$ 5,059	\$ 9,060	\$ 6,708	\$ 15,786	\$ 7,989	\$ 10,909	\$ 7,257	\$ 4,239	\$ 4,559	\$ 8,414	\$ 5,012	\$ 84,992
Collection System and Wastewater Treatment Plant Projects FY 2022-27		\$				50,452						
Collection System and Wastewater Treatment Plant Projects FY 2027-32							\$				29,481	

CAPITAL IMPROVEMENT PROJECTS (COST IN THOUSAND DOLLARS)

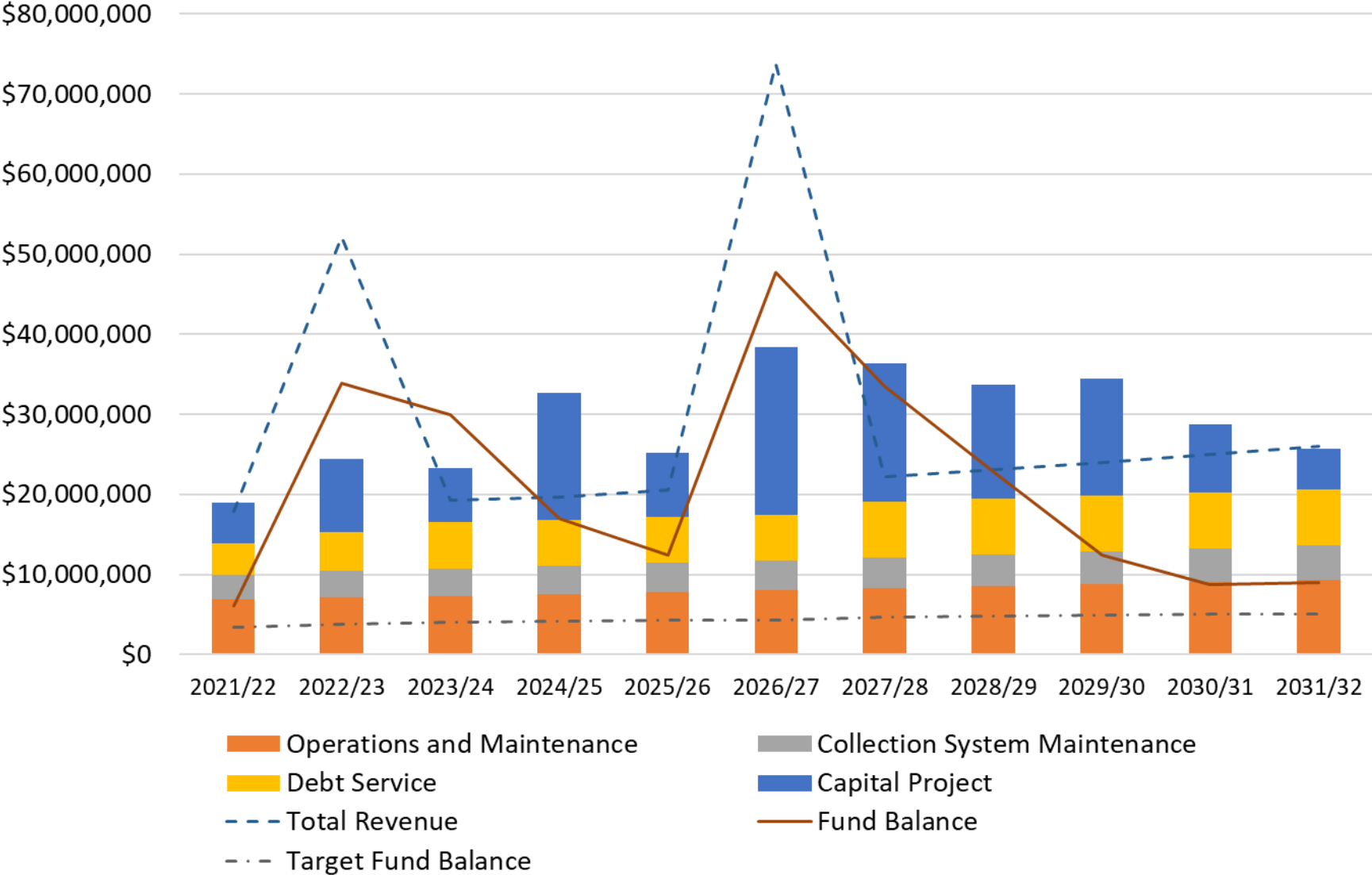
PROJECT	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	TOTALS
OTHER												
540 Crespi Drive Tree Replacement	\$ 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10
Beach Blvd Infrastructure Resiliency Project	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ 40,000
Other Wastewater Projects	\$ 10	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ 40,010
Total Wastewater Other Projects FY 2022-27		\$				10,000						
Total Wastewater Other Projects FY 2027-32							\$				30,000	

Attachment: Attachment7 - Pacifica Wastewater Rates Memo [Revision 1] (4881 : Resolution of Intent for Public Hearing for Sewer Rate and

Table 5 City of Pacifica Wastewater Cashflow Projection												
	2021/22	2022/23	2023/24	2024/25	2025/26	projected		2027/28	2028/29	2029/30	2030/31	2031/32
Beginning Fund Balance												
Unrestricted Charge Fund	\$6,359,443	\$10,415,877	\$47,292,020	\$50,009,416	\$52,868,979	\$56,194,679	\$112,480,186	\$115,526,298	\$119,102,026	\$123,229,422	\$127,936,777	
Unrestricted Construction Fund	\$777,246	-\$4,291,755	-\$13,351,755	-\$20,059,755	-\$35,845,755	-\$43,834,755	-\$64,743,755	-\$82,000,755	-\$96,239,755	-\$110,798,755	-\$119,212,755	
Total Unrestricted Funds	\$7,136,688	\$6,124,122	\$33,940,265	\$29,949,662	\$17,023,225	\$12,359,924	\$47,736,431	\$33,525,544	\$22,862,272	\$12,430,668	\$8,724,023	
% Rate Revenue Increase	7.0%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
% Capacity Fee Revenue Increase	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Growth	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
REVENUE												
Charge Fund Revenue												
Investment Earnings												
Sewer Service Charges	17,514,293	18,217,930	18,949,835	19,711,145	20,503,040	21,326,750	22,183,552	23,074,776	24,001,805	24,966,078	25,969,090	
New Loan 1 (4%, 30 Yrs, 1.5% Fees)		31,554,000										
New Loan 2 (4%, 30 Yrs, 1.5% Fees)						52,405,000						
Miscellaneous Income ¹		2,000,000										
Pension Obligation Bond Repayment	400,000	400,000	297,339									
Total Charge Fund Revenue	\$17,914,293	\$52,171,930	\$19,247,174	\$19,711,145	\$20,503,040	\$73,731,750	\$22,183,552	\$23,074,776	\$24,001,805	\$24,966,078	\$25,969,090	
TOTAL REVENUE	\$17,914,293	\$52,171,930	\$19,247,174	\$19,711,145	\$20,503,040	\$73,731,750	\$22,183,552	\$23,074,776	\$24,001,805	\$24,966,078	\$25,969,090	
EXPENSES												
Charge Fund Expenses												
Operations and Maintenance	\$6,880,356	\$7,114,487	\$7,327,922	\$7,547,759	\$7,774,192	\$8,007,418	\$8,247,640	\$8,495,070	\$8,749,922	\$9,012,419	\$9,282,792	
Collection System Maintenance	3,066,186	3,318,647	3,418,206	3,520,752	3,626,375	3,735,166	3,847,221	3,962,638	4,081,517	4,203,962	4,330,081	
New Loan 1 Debt Service	0	926,071	1,852,143	1,852,143	1,852,143	1,852,143	1,852,143	1,852,143	1,852,143	1,852,143	1,852,143	
New Loan 2 Debt Service	0	0				1,538,023	3,076,045	3,076,045	3,076,045	3,076,045	3,076,045	
State Loan	2,065,919	0	0	0	0	0	0	0	0	0	0	
Sewer Loan	446,798	446,607	446,408	446,203	446,031	445,769	445,540	445,303	445,057	444,803	444,540	
2014 Refunding Bond	337,000	1,819,000	1,816,124	1,814,375	1,808,625	1,998,875	0	0	0	0	0	
2017 Refunding Bond	1,061,600	1,670,975	1,668,975	1,670,350	1,669,975	1,667,850	1,668,850	1,667,850	1,669,725	1,669,350	1,671,600	
Total Charge Fund	\$13,857,859	\$15,295,787	\$16,529,778	\$16,851,582	\$17,177,340	\$17,446,243	\$19,137,439	\$19,499,048	\$19,874,409	\$20,258,723	\$20,657,201	
Construction Fund												
Capital Project ²	\$5,069,000	\$9,060,000	\$6,708,000	\$15,786,000	\$7,989,000	\$20,909,000	\$17,257,000	\$14,239,000	\$14,559,000	\$8,414,000	\$5,012,000	
Total Construction Fund	\$5,069,000	\$9,060,000	\$6,708,000	\$15,786,000	\$7,989,000	\$20,909,000	\$17,257,000	\$14,239,000	\$14,559,000	\$8,414,000	\$5,012,000	
TOTAL EXPENSES	\$18,926,859	\$24,355,787	\$23,237,778	\$32,637,582	\$25,166,340	\$38,355,243	\$36,394,439	\$33,738,048	\$34,433,409	\$28,672,723	\$25,669,201	
Net Revenue												
Charge Fund	\$4,056,434	\$36,876,143	\$2,717,396	\$2,859,563	\$3,325,700	\$56,285,507	\$3,046,113	\$3,575,728	\$4,127,396	\$4,707,355	\$5,311,889	
Construction Fund	-\$5,069,000	-\$9,060,000	-\$6,708,000	-\$15,786,000	-\$7,989,000	-\$20,909,000	-\$17,257,000	-\$14,239,000	-\$14,559,000	-\$8,414,000	-\$5,012,000	
Total Net Revenue	-\$1,012,566	\$27,816,143	-\$3,990,604	-\$12,926,437	-\$4,663,300	\$35,376,507	-\$14,210,887	-\$10,663,272	-\$10,431,604	-\$3,706,645	\$299,889	
Ending Fund Balance												
Unrestricted Operating Fund	\$10,415,877	\$47,292,020	\$50,009,416	\$52,868,979	\$56,194,679	\$112,480,186	\$115,526,298	\$119,102,026	\$123,229,422	\$127,936,777	\$133,248,666	
Unrestricted Capital Fund	-\$4,291,755	-\$13,351,755	-\$20,059,755	-\$35,845,755	-\$43,834,755	-\$64,743,755	-\$82,000,755	-\$96,239,755	-\$110,798,755	-\$119,212,755	-\$124,224,755	
Total Unrestricted Funds	\$6,124,122	\$33,940,265	\$29,949,662	\$17,023,225	\$12,359,924	\$47,736,431	\$33,525,544	\$22,862,272	\$12,430,668	\$8,724,023	\$9,023,912	
Total Unrestricted Fund Target (90 Days Charge Fund Expenses)	\$3,417,006	\$3,771,564	\$4,075,836	\$4,155,185	\$4,235,509	\$4,301,813	\$4,718,821	\$4,807,984	\$4,900,539	\$4,995,301	\$5,093,556	
# Days Funded	161	810	661	369	263	999	639	428	228	157	159	
Debt Service Coverage (Min 1.25x)	2.04	2.09	1.47	1.49	1.58	1.68	1.43	1.51	1.59	1.67	1.75	
Target Met	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	
1 - \$2 MM Anza pump station insurance reimbursement												
2 - Total Short and Long Term Capital Improvement Plan. Includes General Fund Transfers												

Attachment: Attachment7 - Pacifica Wastewater Rates Memo [Revision 1] (4881 : Resolution of Intent for

Chart A: Wastewater Projected Revenue, Expenses & Reserves



Attachment: Attachment7 - Pacifica Wastewater Rates Memo [Revision 1] (4881 : Resolution of Intent for

Table 6
City of Pacifica
Wastewater Strength Factors

Customer Class	Estimated Strength (mg/l)		Strength Factor (Rounded)
Residential	BOD	SS	
Single Family	175	175	1.0
Multi Family	175	175	1.0
Commercial			
Car Washes	30	230	0.9
Cleaners	300	160	1.2
Laundromats	100	95	0.75
Restaurants with grease traps	440	265	1.6
Restaurants without grease traps	550	300	1.8
Gymnasiums	150	150	0.9
Other commercial use	175	175	1.0

Formula:

$$\text{Strength Factor} = 44\% + (28\% * \text{BOD}(\text{MG/L})/175 + 28\% * \text{TSS}(\text{MG/L})/175)$$

Table 7
City of Pacifica
Proposed Annual Wastewater Rates 2022/23 - 2026/27

	Current	Maximum Proposed Rate				
		<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>
Percent Increase		3.5%	3.5%	3.5%	3.5%	3.5%
Residential [1]	\$18.81373	\$19.47221	\$20.15374	\$20.85912	\$21.58919	\$22.34481
Commercial [2]	\$18.81373	\$19.47221	\$20.15374	\$20.85912	\$21.58919	\$22.34481
Minimum Charge	\$903.06	\$934.67	\$967.38	\$1,001.24	\$1,036.28	\$1,072.55

1 - units calculated using total annual use multiplied by 0.9

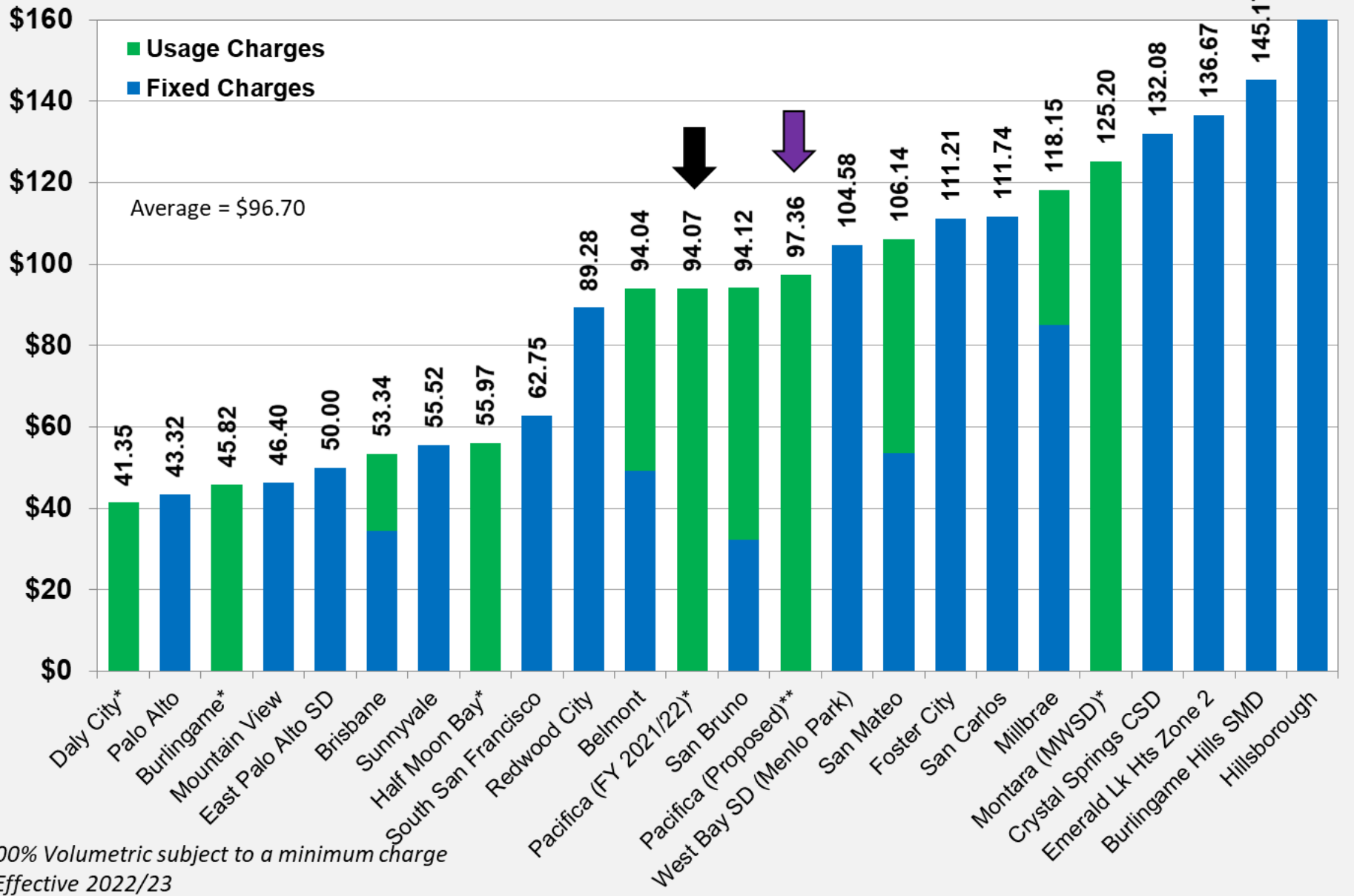
2 - units calculated using total annual water use multiplied by strength factor

Commerical Strength Factors

Car Washes	0.9
Cleaners	1.2
Laundromats	0.75
Restaurants with grease traps	1.6
Restaurants without grease traps	1.8
Gymnasiums	0.9
All other commercial use	1.0

Chart B: Single Family Residential Monthly Sewer Bills 2021/22

Based on flat rate or 5 hcf of monthly winter water use



*100% Volumetric subject to a minimum charge
 **Effective 2022/23

Attachment: Attachment7 - Pacifica Wastewater Rates Memo [Revision 1] (4881 : Resolution of Intent for

ATTACHMENT 8

CITY OF PACIFICA

Wastewater Capacity Fee Study

FINAL REPORT
February 4th, 2022

**BARTLE WELLS ASSOCIATES**

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Berkeley, CA 94705
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BARTLE WELLS ASSOCIATES
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Tel 510 653 3399
www.bartlewells.com

February 4th, 2022

City of Pacifica
170 Santa Maria Avenue
Pacifica, CA 94044

Attn: Lisa Petersen, Director of Public Works

Re: Wastewater Capacity Fee Study

Bartle Wells Associates (BWA) is pleased to submit to the City of Pacifica (City) the attached Wastewater Capacity Fee Study. The results of the study are a product of extensive review of public information and input from City Staff.

This study presents BWA's analysis of the costs of the City's wastewater infrastructure, assets and projects benefiting new development. The enclosed report recommends updating capacity fees to recover the benefit associated with new wastewater development within the City given the latest changes in wastewater assets, expected growth, and capital plan. BWA finds that the proposed fees follow generally accepted fee design criteria and adhere to the substantive requirements of California government code.

We have enjoyed working with the City on this study. Please contact us with any future questions about this study and the recommended capacity fee.

Sincerely,

BARTLE WELLS ASSOCIATES

Doug Dove, CIPFA
Principal

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Attachment: Attachment8 - Pacifica Wastewater Capacity Fee Report (4881 : Resolution of Intent for Public Hearing for Sewer Rate and

1 Introduction, Objectives, and Government Code

1.1 Introduction

Bartle Wells Associates (BWA) has been retained by the City of Pacifica (City) to evaluate the City's capacity fees as part of a comprehensive wastewater rate study. Key objectives of the study include (1) evaluating the City's current value of wastewater assets (2) developing a capacity fee that reflects the City's current assets and planned facilities expenditures, and (3) establishing a methodology for assessing fees for accessory dwelling units. BWA's recommended capacity fees align with industry standards and regional trends, while considering the City's need to address Accessory Dwelling Unit (ADU) developments.

The City of Pacifica contracted BWA to update the City's wastewater capacity fees with the goals of developing fees that:

- Recover the full cost of wastewater system infrastructure and assets that benefit new or expanded development to help ensure that growth pays its own way
- Equitably recover project costs associated with the increased capacity needs of the City
- Are consistent with industry-standard practices and methodologies
- Comply with government code

1.2 Government Code

Development impact fees are governed by California Government Code Section 66000 et. seq. This section of the Code was initially established by Assembly Bill 1600 (AB 1600) and is commonly referred to as the Mitigation Fee Act. A development impact fee is not a tax or special assessment but is instead a voluntary fee levied to defray the cost of public facilities needed to serve a new development.

Section 66013 of the Code specifically governs water and wastewater capacity fees. This section of the Code defines a "capacity charge" to mean "a charge for public facilities in existence at the time a charge is imposed or charges for new public facilities to be acquired or constructed in the future that are of proportional benefit to the person or property being charged." The Code distinguishes "capacity charges" from "connection fees" which are defined as fees for the physical facilities necessary to make a water or wastewater connection, such as costs related to installation of meters and pipelines from a new building to a water or wastewater main.

According to Section 66013, a water or wastewater capacity fee "shall not exceed the estimated reasonable cost of providing the service for which the fee or charge is imposed" unless approved by a two-thirds vote." As such, the capacity fees calculated in this report

represent the maximum fees that the City can levy. Section 66013 does not detail any specific methodology for calculating capacity fees.

Section 66016 of the Code identifies the procedural requirements for adopting or increasing water and wastewater capacity fees and Section 66022 summarizes the general process by which the fees can be legally challenged. The full text of Sections 66013, 66016 and 66022 are attached in **Appendix B**.

1.3 Municipal Code Regarding Accessory Dwelling Units

According to Ordinance No 854-C.S., an ordinance of the City Council of Pacifica, Sec 9-4.53 – Development standards for Accessory Dwelling Units (i) Utilities (2) “... the [accessory dwelling unit] connection may be subject to a connection fee or capacity charge that shall be proportionate to the burden of the proposed accessory dwelling unit upon the water or sewer system, based upon either its square feet or the number of its drainage fixture unit values, as defined in the Uniform Plumbing Code adopted and published by the International Association of Plumbing and Mechanical Officials...” BWA developed fees for Accessory Dwelling Units based on the 2021 Uniform Plumbing Code.

2 Capacity Fee Methodology

2.1 Current Wastewater Capacity Fees

The City’s current capacity fees are broken out into several categories: Connection Fees and Inflow and Infiltration Fees, Trunk Line Fees and Sewer Tap Fees – Per Tap. BWA evaluated the current cost for new customers to buy in to existing wastewater system capacity (which is currently shown as Connection Fees and Inflow/Infiltration Fees, Trunk Line Fees and Sewer Tap Fees.)

	2021/22 Capacity Fees, Adopted 1974, Escalated Annually		
	Single Family per unit	Multi-Family per unit	Commercial (for 12 fixture units)
Connection Fees	\$1,452	\$1,109	\$1,463
Inflow/Infiltration Fees ¹	801	801	801
Trunk Line Fees ²	1,098	1,098	1,098
Sewer Tap Fees - per tap	<u>474</u>	<u>474</u>	<u>474</u>
Total	\$3,825	\$3,482	\$3,836

1 - or \$1,706 per acre, whichever is higher
2 - or \$2,193 per acre, whichever is higher

Based on BWA's 2021/22 survey of single family capacity fees in surrounding wastewater agencies, the City's current single family (SFR) wastewater capacity fee is below the regional average SFR wastewater capacity fee of \$10,137. Pacifica's capacity fees are the lowest in the region. The full survey can be seen in **Appendix A**.

2.2 Proposed Wastewater Capacity Fees

This report develops updated wastewater capacity fees designed to equitably recover the costs of facilities and assets benefitting new development. The recommended fees are based on an average cost approach under which new or expanded connections would fund their proportionate share of costs (in current dollars) for capacity needed in existing and planned wastewater system facilities and assets. Under this approach, new connections pay for the average cost of facilities needed to serve that type of connection in the City's service area through buildout. Proposed fees assume 19 drainage fixture units per 1" or less connection, representing a typical family home.

	2022
Cost Per 1" Meter Equivalent Unit	\$12,391
Cost Per Fixture Unit ¹	\$652.16
Cost per Meter - 1" Base	
1" or less (Single Family Home)	\$12,391
1 1/2"	\$24,782
2"	\$39,651
3"	\$74,346
4"	\$123,910
6"	\$247,820
8"	\$396,512

1 - Assumes 19 Drainage Fixture Units per 1" or less connection

For 2022, BWA calculates wastewater capacity fees to be \$12,391 per meter equivalent unit, equal to one 1" or less water meter connection (the detailed calculation is shown in section 3.4 Wastewater Capacity Fee Calculation.) BWA recommends that the City charge capacity fees based on meter size to reflect differences in wastewater demand between customer classes that have varying meter sizes (typically demanding more water and producing more wastewater). This meter-based capacity fee structure aligns with industry trends in wastewater connection fees and closely resembles North Coast County Water District's meter-based water capacity fee charges. To comply with recent changes in state law, BWA also recommends that

capacity fees for accessory dwelling units are calculated on a \$/draining fixture unit (DFU) basis. The calculation is based on 19 draining fixture units per 1” or less single-family metered connection according to the 2021 Uniform Plumbing Code and is calculated to be \$652.16/DFU. Multi-family and commercial developments may also be charged on a \$/DFU basis to account for wastewater demand from these customers that varies from a typical single-family home with the same meter size.

Fees were calculated using the Average (Buy-In + Expansion) Cost Methodology, described in detail in this report.

2.3 Average Cost (Buy-In + Expansion) Approach

BWA recommends use of an *average cost approach* to calculate updated wastewater capacity fees. Under this approach, new connections buy in for a proportionate share of capacity needs in existing assets (buy-in) and the City’s schedule of planned capital improvements to wastewater system facilities and assets (expansion). The fees are calculated based on the total cost of facilities including the capital improvement plan, divided by the total number of customers that the City is projected to serve through build-out. Hence the fees recover the average cost of capacity in infrastructure and assets. The *average cost approach* is a widely used and accepted approach for calculating capacity fees.

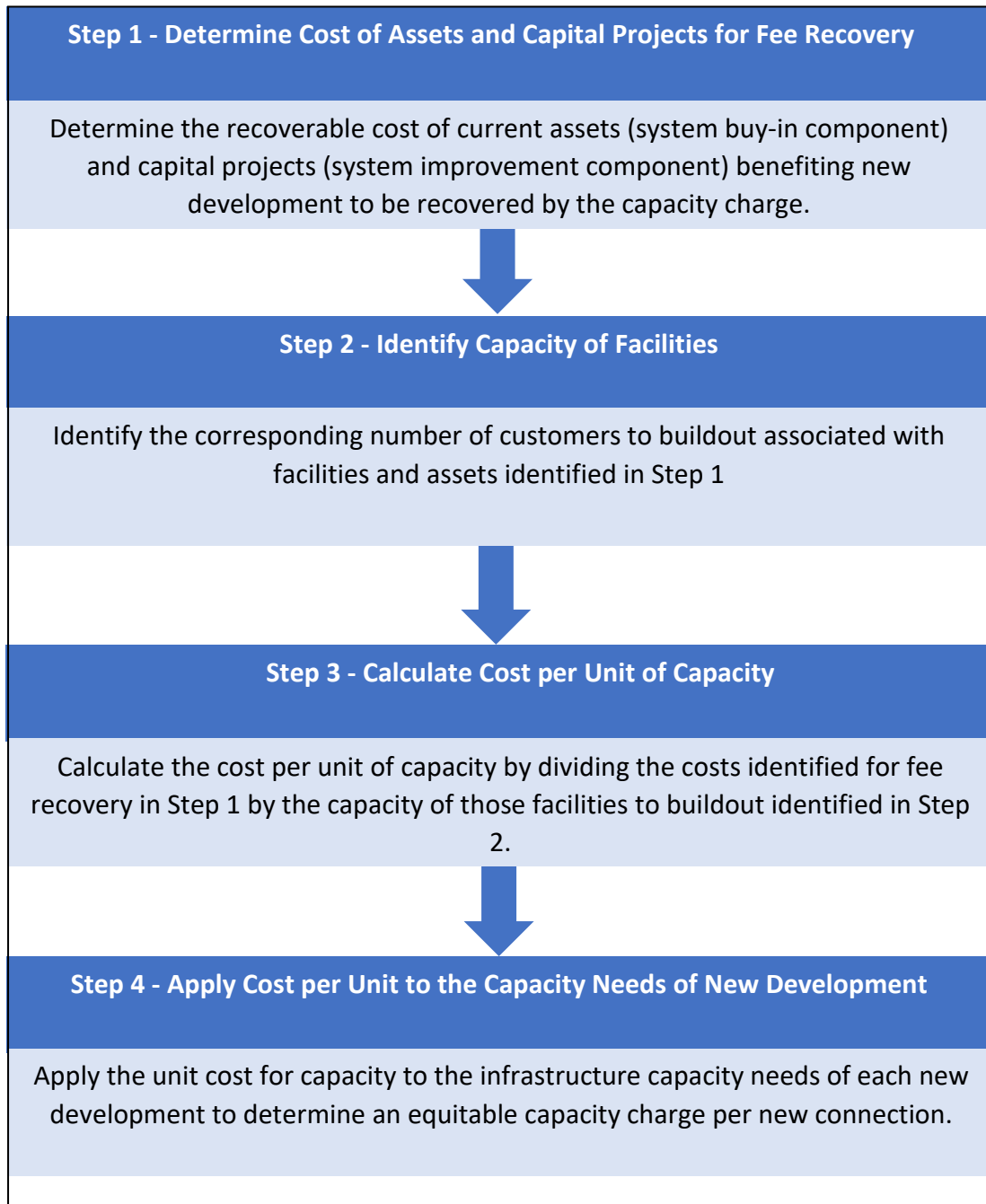
2.4 Facility Cost Valuation

There are several widely-used methods for valuing infrastructure and assets for cost recovery via capacity fees. BWA developed the capacity fees in this report using an asset valuation approach known as **Replacement Cost New Less Depreciation (RCNLD)** – This approach escalates the depreciated accounting book value of each asset escalated into current dollars based on the change in the Engineering News-Record (ENR) Construction Cost Index from each asset’s acquisition date. The ENR index is a widely-used index for determining construction cost inflation.

2.5 General Fee Methodology

The general methodology used to calculate updated wastewater capacity fees is summarized on the following page.

Capacity Charge Methodology



3 Wastewater Capacity Fee Calculation

3.1 System Buy-In Component – Existing Assets

Under the methodology described in section 2, updated wastewater capacity fees are designed to recover the cost of existing wastewater system facilities and assets (in current dollars) as well as the cost of system upgrades and expansion needed to serve the City through buildout. The table below shows a summary of BWA's evaluation of current assets escalated using the RCNLD

Method as described above. BWA estimates that the City's wastewater system has a current value of \$49,136,331 not including buildings, machinery, and equipment assets. This is the buy-in portion of the capacity fee calculation. A complete list of wastewater system assets and costs is included in the tables contained in **Appendix A**.

Asset Category	Net Present Value*
Land	\$8,797,741
Buildings ¹	0
Collection System	13,341,274
Machinery and Equipment ¹	0
Calera Creek Plant	<u>26,997,316</u>
Total	\$49,136,331

1 - Not included in capacity fee valuation

*Using Replacement Cost New Less Depreciation (RCNLD method)

3.2 System Expansion Component – Capital Improvement Plan

To account for capital improvement and expansion-related projects that will be part of the City's future asset value, the City's capital plan is included in the capacity fee calculation. A summary of the capital plan is shown below. The City's capital improvement plan is estimated to cost \$125,002,000. A detailed list of capital improvement plan projects is shown in the tables contained in **Appendix A**.

Description	Current Project Cost
Capital Plan	\$125,002,000
Total	\$125,002,000

3.3 Customer Base

The City's demographic data is shown in the table below. The City currently serves 12,393 wastewater connections, equal to 12,719 meter equivalent units of 1" or less water meters. Flow factors are determined by the American Water Works Association (AWWA).

Meter Equivalent Units - July 30, 2020

Meter Size (inches)	# of meters	Flow Factor for 1" Base	Meter Equivalent Units
5/8	11,242	1.0	11,242
3/4	317	1.0	317
1	608	1.0	608
1 1/2	69	2.0	138
2	72	3.2	230
3	7	6.0	42
4	3	10.0	30
6	4	20.0	80
8	1	32.0	32
Total	12,323		12,719

Conservatively assuming that the City is a slow-growth community, the City can expect 0.5% growth in new wastewater connections per year. As the City is mostly built out, BWA used a low growth assumption. In 20 years, the City will have approximately 1,334 additional meter equivalent units of 1" water meters or less as shown in the table below. Meter equivalent units that exist today will account for 90.51% of all wastewater customers, while the 1,334 future meters will account for 9.49% of all wastewater customers in 20 years, totaling 14,054 estimated meter equivalent units in 2041.

Meter Equivalent Units

Demographic Statistics	Existing Total (2021)	Projected Service Total (2041)*	Total Change (Cumulative)		Annualized Change (per year, 20 years)	
Meter Equivalent Units: Wastewater	12,719	14,054	1,334	10.49%	67	0.5%

*assumes 0.5% growth per year, slow-growth community

This projection will serve as the dividing factor for the proposed capacity fee calculation.

3.4 Wastewater Capacity Fee Calculation

BWA calculated the proposed wastewater capacity fee based on an average cost approach. The fee is designed to recover costs for:

- **System Buy-In Component - Existing Facilities & Assets:** To be reasonable and conservative, fee recovery accounts for the book value of the City's wastewater facilities escalated to current dollars using the ENR Construction Cost Index (RCNLD Method)
- **System Improvement Component - Capital Projects:** The fee recovers capital improvement project costs according to the City's Capital Improvement Plan. Total

costs for fee recovery are divided by the total number of customers in number of meter equivalent units through build-out, resulting in a fee of \$12,391 per meter equivalent unit. Fees for larger meters are escalated based on AWWA meter factor ratios using a 1" base. These fees do not include the physical cost of a wastewater connection. The new proposed capacity fees would place the City in the middle range for single-family capacity fees in the region, as shown in **Appendix A**.

BWA also calculated a cost per fixture unit for accessory dwelling units based on 19 drainage fixture units per 1" or less meter capacity, according to typical number of drainage fixtures per single family home and drainage fixture unit values in the 2021 Uniform Plumbing Code shown in the following table. This fixture unit approach may be used to estimate actual needed capacity in multi-family and accessory dwelling units, which may have less actual demand on the wastewater systems than the capacity of the 1" or less meters that would likely serve them.

Fixture Type	Quantity	DFU (1)	Total DFU
Bathtub(with or without shower)	1	2	2
Clothes Washer	1	3	3
Dishwasher	1	2	2
Lavatory	2	1	2
Shower (single)	1	2	2
Kitchen Sink	1	2	2
Toilet (1.6 gal per flush)	2	3	6
DFU's in a Typical Single Family Residence			19

1. DFU=Drainage Fixture Units as defined in Chapter 7 of the CA Plumbing Code
Source: 2021 Uniform Plumbing Code Table 702.1

As an example, consider the fee for a customer with an ADU that includes a lavatory, shower (single), kitchen sink, and toilet (1.6 gal per flush). The total fixture units would be calculated as the following (1+2+2+3=8 drainage fixture units). The cost per drainage fixture unit of \$652.16 would be multiplied by 8 to determine a total fee of \$5,217.28.

Fixture Type	Quantity	DFU (1)	Total DFU
Bathtub(with or without shower)	0	2	0
Clothes Washer	0	3	0
Dishwasher	0	2	0
Lavatory	1	1	1
Shower (single)	1	2	2
Kitchen Sink	1	2	2
Toilet (1.6 gal per flush)	1	3	3
DFU's in Example ADU			8

1. DFU=Drainage Fixture Units as defined in Chapter 7 of the CA Plumbing Code

3.5 Proposed 2022 Fee

A summary of the 2022 proposed fees is presented in the table below.

	2022
Cost Per 1" Meter Equivalent Unit	\$12,391
Cost Per Fixture Unit ¹	\$652.16
Cost per Meter - 1" Base	
1" or less (Single Family Home)	\$12,391
1 1/2"	\$24,782
2"	\$39,651
3"	\$74,346
4"	\$123,910
6"	\$247,820
8"	\$396,512

1 - Assumes 19 Drainage Fixture Units per 1" or less connection

Commercial Strength Adjustment: Fees listed above are for residential and standard strength commercial (175 mg/l BOD and 175 mg/l TSS). Commercial discharging lower or higher strength than standard should be adjusted by multiplying the standard strength fee by the calculated strength factor. The formula for calculating strength factor is:

$$\text{Strength Factor} = 44\% + (28\% * \text{BOD}(\text{mg/l}) / 175 + 28\% * \text{TSS}(\text{mg/l}) / 175)$$

4 Conclusion and Recommendations

4.1 Conclusion

BWA finds that the proposed fees follow generally accepted fee design criteria and adhere to the substantive requirements of the Government Code. The above proposed capacity fees, including an increase in the wastewater fee per meter equivalent unit and cost per drainage fixture unit, represent the most up to date and equitable distribution of cost for new development for the wastewater enterprise. The revised fee structure from cost per unit to cost per meter size will align the City's capacity fee structure with regional standards and the City's current water capacity fees. BWA recommends that the City adopt the proposed 2022 fees enclosed in this report by following the procedure to increase capacity fees as follows:

1. Create a nexus study to determine equitable capacity fees (Done by BWA)
2. Set date of a public hearing as required in Government Code
3. Send notice of hearing to developers if specifically requested in writing 14 days before the hearing.

4. Hold public hearing and adopt new capacity fees via Resolution
5. Fees may become effective not less than 30 days after adoption

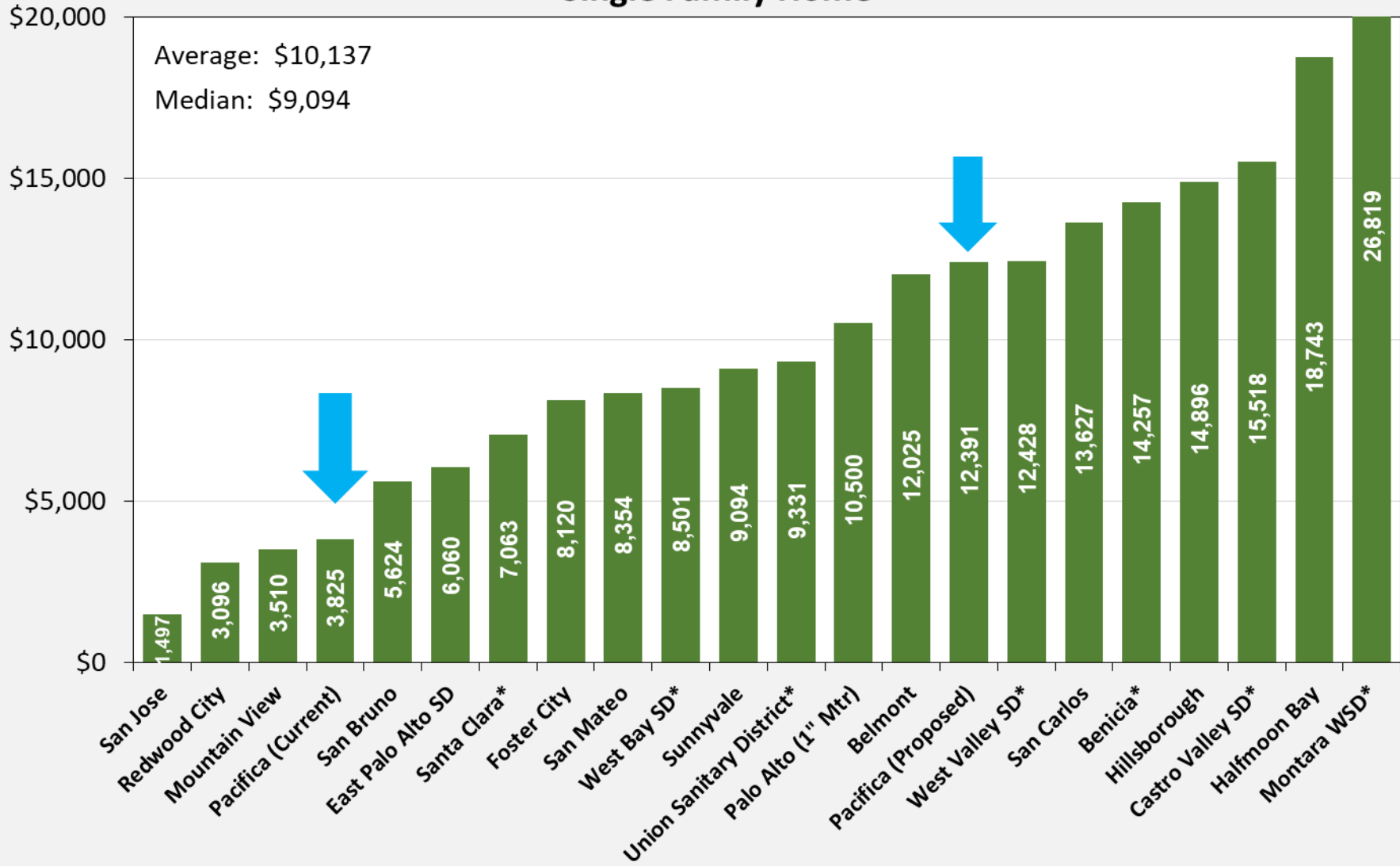
4.2 Future Fee Adjustments

In future years, BWA recommends that the City update its capacity fees annually by adjusting the fees by the change in the Engineering News-Record Construction Cost Index to account for future construction cost inflation. Additionally, the City should review and consider updating its capacity fees when substantial revisions are made to anticipated capital improvement costs or to substantial changes in projected demand. In general, BWA recommends that capacity fees be independently reviewed and/or updated approximately once every five years.

Appendix A – Supporting Tables for Wastewater Capacity Fees

Wastewater Capacity Charge Survey

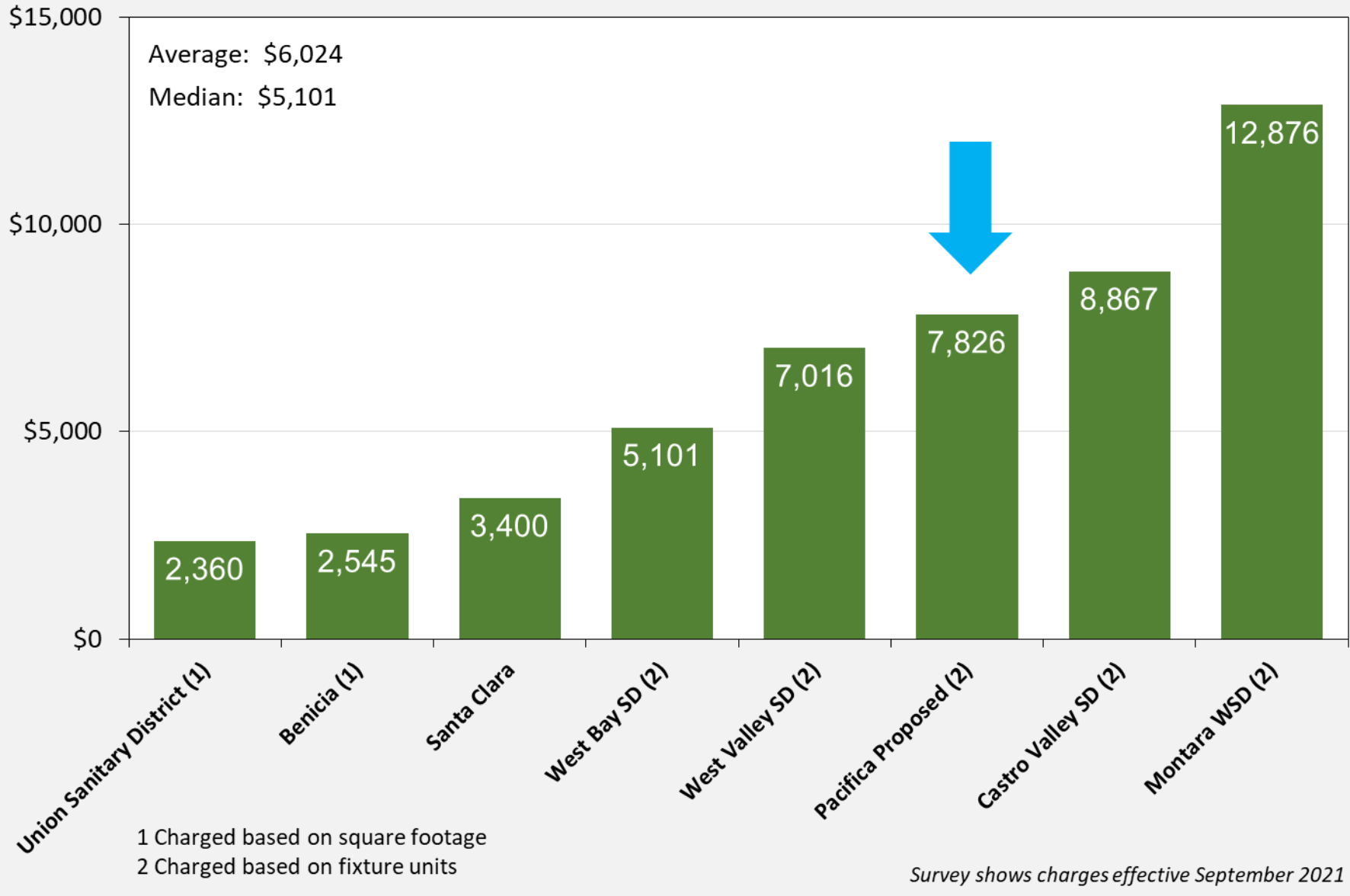
Single Family Home



*Agency lists a special charge for accessory dwelling units (ADUs) or additional fixture units

Survey shows charges effective September 2021

Wastewater Accessory Dwelling Unit Capacity Charge Survey Assumes 500 Square Feet, 12 Fixture Units



Attachment: Attachment 8 - Pacifica Wastewater Capacity Fee Report (4881 : Resolution of Intent for

CAPITAL IMPROVEMENT PROJECTS (COST IN THOUSAND DOLLARS)												
PROJECT	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	TOTALS
COLLECTION SYSTEMS												
Linda Mar Pump Station Upgrade	\$ 1,475	\$ 590	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,065
Linda Mar Pump Station - Bar Screen Rebuild	\$ -	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150
Linda Mar Pump Station - New Washer/Compactor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 160	\$ 160
Rockaway PS Upgrade (Formerly Rockaway PS Upgrade FY 20-21)	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100
Rockaway PS - Bar Screen Rebuild	\$ -	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150
Sharp Park Pump Station Facility Improvements Project	\$ 500	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000
Sharp Park Pump Station Bar Screen Rebuild	\$ -	\$ 250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250
Sharp Park Pump Station - New Washer/Compactor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 160	\$ 160
Anza Pump Station Rebuild	\$ 1,000	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000
Sewer System Master Plan Update Phase 2	\$ 20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90	\$ -	\$ -	\$ -	\$ -	\$ 110
Collection System Projects	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,100
Lateral Grant Assistance	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,100
Relocation of Sewer Mainline at SF RV Park	\$ -	\$ -	\$ 200	\$ 2,400	\$ 1,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,800
Collection System R&R Project Lower Linda Mar 1	\$ -	\$ -	\$ 492	\$ 2,786	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,278
Collection System R&R Project Lower Linda Mar 2	\$ -	\$ -	\$ -	\$ 492	\$ 2,786	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,278
Collection System R&R Project Lower Linda Mar 3	\$ -	\$ -	\$ -	\$ -	\$ 492	\$ 2,786	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,278
Collection System R&R Project Fremont, Linda Mar Blvd & Catalina Av	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 210	\$ 1,190	\$ -	\$ -	\$ -	\$ -	\$ 1,400
Collection System R&R Project Vallemar 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557	\$ 3,152	\$ -	\$ -	\$ -	\$ 3,709
Collection System R&R Project Vallemar 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557	\$ 3,152	\$ -	\$ -	\$ 3,709
Collection System R&R Project Vallemar 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557	\$ 3,152	\$ -	\$ 3,709
Collection System R&R Project Vallemar 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 557	\$ 3,152	\$ 3,709
Collection System R&R Project Fairway Park 1 & 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 990	\$ 990
Rockaway Beach Ave (San Sewer) 1&2	\$ -	\$ -	\$ 506	\$ 2,863	\$ 506	\$ 2,863	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,738
Forcemain Condition Assessment	\$ -	\$ -	\$ -	\$ 75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75
Linda Mar Pump Station Jockey Pump Upgrade	\$ -	\$ 50	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200
Collection System Projects	\$ 3,295	\$ 3,890	\$ 1,548	\$ 8,816	\$ 5,184	\$ 6,059	\$ 2,037	\$ 3,909	\$ 3,909	\$ 3,909	\$ 4,662	\$ 47,218
Total Collection System Projects FY 2022-27	\$ 25,497											
Total Collection System Projects FY 2027-32	\$ 18,426											
CAPITAL IMPROVEMENT PROJECTS (COST IN THOUSAND DOLLARS)												
PROJECT	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	TOTALS
WASTEWATER TREATMENT PLANT												
Digesters - ATAD Modification Phase 3	\$ 175	\$ 150	\$ -	\$ -	\$ 100	\$ -	\$ -	\$ 100	\$ -	\$ -	\$ 100	\$ 625
CCWRP Pump Replacement	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 550
CCWRP Centrifuges	\$ 25	\$ 50	\$ -	\$ -	\$ -	\$ 250	\$ -	\$ -	\$ -	\$ 250	\$ -	\$ 575
CCWRP SCADA and PLC Upgrade	\$ 200	\$ 400	\$ 400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000
Calera Creek and Wetlands Maintenance	\$ 75	\$ -	\$ 30	\$ -	\$ 30	\$ -	\$ -	\$ 30	\$ -	\$ 30	\$ -	\$ 195
CCWRP Parking Lot Restoration	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100
CCWRP Roof Improvements	\$ -	\$ -	\$ 200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200
CCWRP Laboratory Room Improvement	\$ 25	\$ -	\$ -	\$ -	\$ 25	\$ -	\$ -	\$ -	\$ -	\$ 25	\$ -	\$ 75
CCWRP Security & Gate System	\$ 70	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70
CCWRP Blower Replacement	\$ 30	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 530
San Pedro Creek & Pacifica State Beach TMDL, BMP, Monitoring Plan	\$ 10	\$ 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20
CCWRP Arc Flash Hazard Analysis	\$ 65	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65
CCWRP R&R Project	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 550
CCWRP R&R Project - Transformer Upgrade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CCWRP R&R Project - Grit Classifier Upgrade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CCWRP R&R Project - Sand Filter Upgrade	\$ 170	\$ 150	\$ -	\$ -	\$ 750	\$ 750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,820
Ultraviolet Disinfection System Upgrade	\$ 122	\$ 3,760	\$ 2,980	\$ 4,570	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,432
CCWRP Photovoltaic System Improvement Project	\$ 280	\$ 100	\$ -	\$ 1,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,480
CCWRP Process Optimization Projects	\$ 50	\$ 100	\$ -	\$ -	\$ 100	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 550
Sewer Rate Study for FY 2022-2027	\$ 20	\$ -	\$ -	\$ -	\$ -	\$ 50	\$ 20	\$ -	\$ -	\$ -	\$ 50	\$ 140
CCWRP R&R Project - Drain Pump Station Piping Replacement	\$ 40	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140
CCWRP R&R Project - Plant Effluent Pipe Line Spot Repair	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100
CCWRP Electrical Condition Assessment and Improvements	\$ 50	\$ 100	\$ 750	\$ 750	\$ 750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,400
CCWRP Environmental Compliance Project	\$ 50	\$ -	\$ -	\$ -	\$ 50	\$ -	\$ -	\$ -	\$ 50	\$ -	\$ -	\$ 150
CCWRP Admin Building Elevator Assessment	\$ 40	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140
CCWRP Headworks Feasibility and Improvements	\$ 50	\$ 100	\$ 300	\$ -	\$ 1,500	\$ 3,500	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 10,450
CCWRP Vehicle Storage and Office Facility	\$ 17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400	\$ 4,000	\$ -	\$ 4,417
CCWRP Projects	\$ 1,764	\$ 5,170	\$ 4,810	\$ 6,570	\$ 3,555	\$ 4,850	\$ 5,220	\$ 330	\$ 650	\$ 4,505	\$ 350	\$ 37,774
Total Wastewater Treatment Plant Projects FY 2022-27	\$ 24,955											
Total Wastewater Treatment Plant Projects FY 2027-32	\$ 11,055											
Collection System and Wastewater Treatment Plant Projects	\$ 5,059	\$ 9,060	\$ 6,358	\$ 15,386	\$ 8,739	\$ 10,909	\$ 7,257	\$ 4,239	\$ 4,559	\$ 8,414	\$ 5,012	
Collection System and Wastewater Treatment Plant Projects FY 2022-27	\$ 50,452											
Collection System and Wastewater Treatment Plant Projects FY 2027-32	\$ 29,481											
CAPITAL IMPROVEMENT PROJECTS (COST IN THOUSAND DOLLARS)												
PROJECT	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	TOTALS
OTHER												
540 Crespi Drive Tree Replacement	\$ 10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10
Beach Blvd Infrastructure Resiliency Project	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ 40,000
Other Wastewater Projects	\$ 10	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ 40,010
Total Wastewater Other Projects FY 2022-27	\$ 10,000											
Total Wastewater Other Projects FY 2027-32	\$ 30,000											

Attachment: Attachment8 - Pacifica Wastewater Capacity Fee Report (4881 : Resolution of Intent for Public Hearing for Sewer Rate and

WASTEWATER ASSETS

DESCRIPTION	#YEARS	ENR CCI (yearly average)	LATEST ENR (May 2021)	% INCREASE FROM ACQUISITION DATE	ORIGINAL COST	PRESENT VALUE AS OF May 2021	Depreciation As of 2021	DEPRECIATION PRESENT VALUE AS OF May 2021	RCNLD AS OF May 2021	USEFUL LIFE
LAND										
FY 95-96	1995	26	5,471	119%	\$4,014,412	\$8,797,741	\$0	\$0	\$8,797,741	
TOTAL LAND					\$4,014,412	\$8,797,741	\$0	\$0	\$8,797,741	
COLLECTION SYSTEM										
ANZA PUMP STATION										
FY 85-86	1985	36	4,195	11,990	186%	\$28,364	\$81,068	\$28,364	\$81,068	\$0 20
FY 86-87	1986	35	4,295	11,990	179%	\$88,600	\$247,336	\$88,600	\$247,336	\$0 20
FY 87-88	1987	34	4,406	11,990	172%	\$22,544	\$61,348	\$22,544	\$61,348	\$0 20
FY 88-89	1988	33	4,519	11,990	165%	\$1,455	\$3,860	\$1,455	\$3,860	\$0 20
FY 95-96	1995	26	5,471	11,990	119%	\$6,350	\$13,916	\$6,350	\$13,916	\$0 20
FY 96-97	1996	25	5,620	11,990	113%	\$3,885	\$8,288	\$3,885	\$8,288	\$0 20
FY 03-04	2003	18	6,694	11,990	79%	\$10,048	\$17,997	\$9,043	\$16,198	\$1,800 20
FY 04-05	2004	17	7,115	11,990	69%	\$108,092	\$182,152	\$91,878	\$154,829	\$27,323 20
FY 05-06	2005	16	7,446	11,990	61%	\$5,988	\$9,642	\$4,790	\$7,714	\$1,928 20
FY 06-07	2006	15	7,751	11,990	55%	\$8,351	\$12,918	\$6,263	\$9,689	\$3,230 20
FY 07-08	2007	14	7,966	11,990	51%	\$0	\$0	\$0	\$0	\$0 20
FY 08-09	2008	13	8,310	11,990	44%	\$1,739	\$2,509	\$1,130	\$1,631	\$878 20
FY 09-10	2009	12	8,570	11,990	40%	\$8,827	\$12,349	\$5,296	\$7,410	\$4,940 20
FY 10-11	2010	11	8,799	11,990	36%	\$2,679	\$3,651	\$1,473	\$2,008	\$1,643 20
FY 11-12	2011	10	9,070	11,990	32%	\$0	\$0	\$0	\$0	\$0 20
FY 12-13	2012	9	9,308	11,990	29%	\$8,249	\$10,626	\$3,712	\$4,782	\$5,844 20
ROCKAWAY PUMP STATION										
FY 85-86	1985	36	4,195	11,990	186%	\$1,158	\$3,310	\$1,158	\$3,310	\$0 20
FY 87-88	1987	34	4,406	11,990	172%	\$12,145	\$33,050	\$12,145	\$33,050	\$0 20
FY 88-89	1988	33	4,519	11,990	165%	\$27,286	\$72,396	\$27,286	\$72,396	\$0 20
FY 96-97	1996	25	5,620	11,990	113%	\$8,588	\$18,322	\$8,588	\$18,322	\$0 20
FY 97-98	1997	24	5,826	11,990	106%	\$80	\$165	\$80	\$165	\$0 20
FY 02-03	2002	19	6,538	11,990	83%	\$9,063	\$16,620	\$8,610	\$15,789	\$831 20
FY 03-04	2003	18	6,694	11,990	79%	\$11,762	\$21,067	\$10,586	\$18,961	\$2,107 20
FY 04-05	2004	17	7,115	11,990	69%	\$173	\$292	\$147	\$248	\$44 20
FY 05-06	2005	16	7,446	11,990	61%	\$13,959	\$22,477	\$11,167	\$17,982	\$4,495 20
FY 06-07	2006	15	7,751	11,990	55%	\$28,623	\$44,277	\$21,467	\$33,207	\$11,069 20
FY 07-08	2007	14	7,966	11,990	51%	\$1,874	\$2,821	\$1,312	\$1,974	\$846 20
FY 08-09	2008	13	8,310	11,990	44%	\$2,824	\$4,075	\$1,836	\$2,648	\$1,426 20
FY 09-10	2009	12	8,570	11,990	40%	\$1,882	\$2,633	\$1,129	\$1,580	\$1,053 20
FY 10-11	2010	11	8,799	11,990	36%	\$5,388	\$7,342	\$2,963	\$4,038	\$3,304 20
FY 11-12	2011	10	9,070	11,990	32%	\$22,365	\$29,565	\$11,183	\$14,782	\$14,782 20
FY 13-14	2013	8	9,547	11,990	26%	\$601	\$755	\$240	\$302	\$453 20
FY 18-19	2018	3	11,062	11,990	8%	\$57,877	\$62,732	\$8,682	\$9,410	\$53,322 20
FAIRWAY PUMP STATION										
SHARP PARK PUMP STATION										
FY 01-02	2001	20	6,343	11,990	89%	\$182,969	\$345,859	\$182,969	\$345,859	\$0 20
FY 02-03	2002	19	6,538	11,990	83%	\$163,873	\$300,523	\$155,679	\$285,497	\$15,026 20
FY 03-04	2003	18	6,694	11,990	79%	\$9,630	\$17,249	\$8,667	\$15,524	\$1,725 20
FY 05-06	2005	16	7,446	11,990	61%	\$2,448	\$3,942	\$1,958	\$3,154	\$788 20
FY 06-07	2006	15	7,751	11,990	55%	\$79,214	\$122,535	\$59,411	\$91,901	\$30,634 20
FY 07-08	2007	14	7,966	11,990	51%	\$64,958	\$97,771	\$45,471	\$68,439	\$29,331 20
FY 08-09	2008	13	8,310	11,990	44%	\$19,680	\$28,395	\$12,792	\$18,457	\$9,938 20
FY 09-10	2009	12	8,570	11,990	40%	\$4,584	\$6,413	\$2,750	\$3,848	\$2,565 20
FY 10-11	2010	11	8,799	11,990	36%	\$99,523	\$135,614	\$54,738	\$74,588	\$61,027 20
FY 11-12	2011	10	9,070	11,990	32%	\$13,010	\$17,198	\$6,505	\$8,599	\$8,599 20
FY 12-13	2012	9	9,308	11,990	29%	\$77,669	\$100,048	\$34,951	\$45,021	\$55,026 20
FY 15-16	2015	6	10,035	11,990	19%	\$21,214	\$25,347	\$6,364	\$7,604	\$17,743 20
FY 16-17	2016	5	10,338	11,990	16%	\$37,227	\$43,176	\$9,307	\$10,794	\$32,382 20
FY 17-18	2017	4	10,737	11,990	12%	\$65,689	\$73,355	\$13,138	\$14,671	\$58,684 20

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WASTEWATER ASSETS

DESCRIPTION	#YEARS	ENR CCI (yearly average)	LATEST ENR (May 2021)	% INCREASE FROM ACQUISITION DATE	ORIGINAL COST	PRESENT VALUE AS OF May 2021	Depreciation As of 2021	DEPRECIATION PRESENT VALUE AS OF May 2021)	RCNLD AS OF May 2021	USEFUL LIFE	
SKYRIDGE PUMP STATION											
FY 10-11	2010	11	8,799	11,990	36%	\$16,201	\$22,076	\$8,911	\$12,142	\$9,934	20
FY 11-12	2011	10	9,070	11,990	32%	\$9,755	\$12,895	\$4,878	\$6,448	\$6,448	20
FY 15-16	2015	6	10,035	11,990	19%	\$28,680	\$34,267	\$8,604	\$10,280	\$23,987	20
FY 18-19	2018	3	11,062	11,990	8%	\$24,262	\$26,297	\$3,639	\$3,945	\$22,352	20
BRIGHTON PUMP STATION											
FY 85-86	1985	36	4,195	11,990	186%	\$2,276	\$6,505	\$2,276	\$6,505	\$0	20
FY 96-97	1996	25	5,620	11,990	113%	\$5,412	\$11,546	\$5,412	\$11,546	\$0	20
FY 05-06	2005	16	7,446	11,990	61%	\$8,127	\$13,086	\$6,502	\$10,469	\$2,617	20
FY 06-07	2006	15	7,751	11,990	55%	\$3,738	\$5,782	\$2,804	\$4,337	\$1,446	20
FY 07-08	2007	14	7,966	11,990	51%	\$998	\$1,502	\$699	\$1,051	\$451	20
FY 08-09	2008	13	8,310	11,990	44%	\$0	\$0	\$0	\$0	\$0	20
FY 09-10	2009	12	8,570	11,990	40%	\$7,709	\$10,785	\$4,625	\$6,471	\$4,314	20
FY 10-11	2010	11	8,799	11,990	36%	\$20,886	\$28,460	\$11,487	\$15,653	\$12,807	20
FY 11-12	2011	10	9,070	11,990	32%	\$0	\$0	\$0	\$0	\$0	20
FY 12-13	2012	9	9,308	11,990	29%	\$6,926	\$8,922	\$3,117	\$4,015	\$4,907	20
FY 13-14	2013	8	9,547	11,990	26%	\$8,913	\$11,194	\$3,565	\$4,477	\$6,716	20
FY 17-18	2017	4	10,737	11,990	12%	\$77,924	\$87,018	\$15,585	\$17,404	\$69,614	20
FY 18-19	2018	3	11,062	11,990	8%	\$18,378	\$19,919	\$2,757	\$2,988	\$16,931	20
GENERAL COLLECTION SYSTEM											
FY 98-99	1998	23	5,920	11,990	103%	\$57,075	\$115,595	\$57,075	\$115,595	\$0	20
FY 01-02	2001	20	6,343	11,990	89%	\$9,598	\$18,143	\$9,598	\$18,143	\$0	20
FY 02-03	2002	19	6,538	11,990	83%	\$263,855	\$483,879	\$250,662	\$459,685	\$24,194	20
FY 03-04	2003	18	6,694	11,990	79%	\$20,650	\$36,987	\$18,585	\$33,288	\$3,699	20
FY 04-05	2004	17	7,115	11,990	69%	\$21,834	\$36,794	\$18,559	\$31,275	\$5,519	20
FY 05-06	2005	16	7,446	11,990	61%	\$83,112	\$133,831	\$66,490	\$107,065	\$26,766	20
FY 06-07	2006	15	7,751	11,990	55%	\$391,239	\$605,202	\$293,429	\$453,901	\$151,300	20
FY 07-08	2007	14	7,966	11,990	51%	\$29,548	\$44,474	\$20,684	\$31,132	\$13,342	20
FY 08-09	2008	13	8,310	11,990	44%	\$31,025	\$44,764	\$20,166	\$29,096	\$15,667	20
FY 09-10	2009	12	8,570	11,990	40%	\$547,346	\$765,768	\$328,408	\$459,461	\$306,307	20
FY 10-11	2010	11	8,799	11,990	36%	\$932,293	\$1,270,384	\$512,761	\$698,711	\$571,673	20
FY 11-12	2011	10	9,070	11,990	32%	\$889,766	\$1,176,209	\$444,883	\$588,104	\$588,104	20
FY 12-13	2012	9	9,308	11,990	29%	\$398,660	\$513,526	\$179,397	\$231,087	\$282,439	20
FY 13-14	2013	8	9,547	11,990	26%	\$2,153,962	\$2,705,123	\$861,585	\$1,082,049	\$1,623,074	20
FY 14-15	2014	7	9,806	11,990	22%	\$997,923	\$1,220,172	\$349,273	\$427,060	\$793,112	20
FY 15-16	2015	6	10,035	11,990	19%	\$252,540	\$301,737	\$75,762	\$90,521	\$211,216	20
FY 16-17	2016	5	10,338	11,990	16%	\$176,830	\$205,086	\$44,207	\$51,271	\$153,814	20
FY 17-18	2017	4	10,737	11,990	12%	\$3,742,457	\$4,179,168	\$748,491	\$835,834	\$3,343,334	20
FY 18-19	2018	3	11,062	11,990	8%	\$3,439,136	\$3,727,620	\$515,870	\$559,143	\$3,168,477	20
LINDA MAR FORCE MAIN											
FY 97-98	1997	24	5,826	11,990	106%	\$200,674	\$412,987	\$200,674	\$412,987	\$0	20
FY 98-99	1998	23	5,920	11,990	103%	\$127,227	\$257,676	\$127,227	\$257,676	\$0	20
FY 99-00	1999	22	6,059	11,990	98%	\$78,852	\$156,037	\$78,852	\$156,037	\$0	20
FY 01-02	2001	20	6,343	11,990	89%	\$254,893	\$481,813	\$254,893	\$481,813	\$0	20

WASTEWATER ASSETS

DESCRIPTION	#YEARS	ENR CCI (yearly average)	LATEST ENR (May 2021)	% INCREASE FROM ACQUISITION DATE	ORIGINAL COST	PRESENT VALUE AS OF May 2021	Depreciation As of 2021	DEPRECIATION PRESENT VALUE AS OF May 2021	RCNLD AS OF May 2021	USEFUL LIFE	
LINDA MAR PUMP STATION											
FY 85-86	1985	36	4,195	11,990	186%	\$17,378	\$49,669	\$17,378	\$49,669	\$0	20
FY 86-87	1986	35	4,295	11,990	179%	\$77,843	\$217,306	\$77,843	\$217,306	\$0	20
FY 87-88	1987	34	4,406	11,990	172%	\$931	\$2,534	\$931	\$2,534	\$0	20
FY 88-89	1988	33	4,519	11,990	165%	\$86,859	\$230,456	\$86,859	\$230,456	\$0	20
FY 90-91	1990	31	4,732	11,990	153%	\$1,096	\$2,777	\$1,096	\$2,777	\$0	20
FY 91-92	1991	30	4,835	11,990	148%	\$8,388	\$20,801	\$8,388	\$20,801	\$0	20
FY 92-93	1992	29	4,985	11,990	141%	\$119,516	\$287,460	\$119,516	\$287,460	\$0	20
FY 93-94	1993	28	5,210	11,990	130%	\$86,988	\$200,188	\$86,988	\$200,188	\$0	20
FY 95-96	1995	26	5,471	11,990	119%	\$28,188	\$61,775	\$28,188	\$61,775	\$0	20
FY 96-97	1996	25	5,620	11,990	113%	\$11,580	\$24,705	\$11,580	\$24,705	\$0	20
FY 00-01	2000	21	6,221	11,990	93%	\$9,650	\$18,599	\$9,650	\$18,599	\$0	20
FY 02-03	2002	19	6,538	11,990	83%	\$585,202	\$1,073,190	\$555,942	\$1,019,531	\$53,660	20
FY 03-04	2003	18	6,694	11,990	79%	\$13,141	\$23,537	\$11,827	\$21,184	\$2,354	20
FY 04-05	2004	17	7,115	11,990	69%	\$33,124	\$55,819	\$28,155	\$47,446	\$8,373	20
FY 05-06	2005	16	7,446	11,990	61%	\$1,275	\$2,053	\$1,020	\$1,642	\$411	20
FY 06-07	2006	15	7,751	11,990	55%	\$36,694	\$56,761	\$27,521	\$42,571	\$14,190	20
FY 07-08	2007	14	7,966	11,990	51%	\$32,656	\$49,152	\$22,859	\$34,406	\$14,746	20
FY 08-09	2008	13	8,310	11,990	44%	\$34,738	\$50,121	\$22,580	\$32,579	\$17,542	20
FY 09-10	2009	12	8,570	11,990	40%	\$84,127	\$117,698	\$50,476	\$70,619	\$47,079	20
FY 10-11	2010	11	8,799	11,990	36%	\$363,699	\$495,592	\$200,034	\$272,576	\$223,017	20
FY 11-12	2011	10	9,070	11,990	32%	\$12,585	\$16,636	\$6,293	\$8,318	\$8,318	20
FY 12-13	2012	9	9,308	11,990	29%	\$141,601	\$182,400	\$63,720	\$82,080	\$100,320	20
FY 13-14	2013	8	9,547	11,990	26%	\$290,443	\$364,762	\$116,177	\$145,905	\$218,857	20
FY 14-15	2014	7	9,806	11,990	22%	\$648,202	\$792,565	\$226,871	\$277,398	\$515,167	20
FY 15-16	2015	6	10,035	11,990	19%	\$21,214	\$25,347	\$6,364	\$7,604	\$17,743	20
FY 16-17	2016	5	10,338	11,990	16%	\$87,708	\$101,723	\$21,927	\$25,431	\$76,292	20
FY 17-18	2017	4	10,737	11,990	12%	\$46,987	\$52,470	\$9,397	\$10,494	\$41,976	20
FY 18-19	2018	3	11,062	11,990	8%	\$56,312	\$61,036	\$8,447	\$9,155	\$51,881	20
TOTAL COLLECTION SYSTEM						\$19,631,313	\$26,157,346	\$8,388,482	\$12,816,071	\$13,341,274	
CALERA CREEK PLANT											
FY 95-96	1995	26	5,471	11,990	119%	\$3,470,294	\$7,605,285	\$3,007,588	\$6,591,247	\$1,014,038	30
FY 96-97	1996	25	5,620	11,990	113%	\$6,278,969	\$13,395,778	\$5,232,474	\$11,163,148	\$2,232,630	30
FY 96-97	1996	25	5,620	11,990	113%	\$131,811	\$281,210	\$109,842	\$234,341	\$46,868	30
FY 97-98	1997	24	5,826	11,990	106%	\$20,358,392	\$41,897,578	\$16,286,714	\$33,518,062	\$8,379,516	30
FY 98-99	1998	23	5,920	11,990	103%	\$13,566,368	\$27,476,272	\$10,400,882	\$21,065,142	\$6,411,130	30
FY 99-00	1999	22	6,059	11,990	98%	\$3,071,885	\$6,078,829	\$2,252,716	\$4,457,808	\$1,621,021	30
FY 00-01	2000	21	6,221	11,990	93%	\$2,573,405	\$4,959,796	\$1,801,383	\$3,471,857	\$1,487,939	30
FY 01-02	2001	20	6,343	11,990	89%	\$316,253	\$597,800	\$210,835	\$398,533	\$199,267	30
FY 02-03	2002	19	6,538	11,990	83%	\$668,468	\$1,225,890	\$423,363	\$776,397	\$449,493	30
FY 03-04	2003	18	6,694	11,990	79%	\$91,583	\$164,038	\$54,950	\$98,423	\$65,615	30
FY 04-05	2004	17	7,115	11,990	69%	\$548,108	\$923,649	\$310,595	\$523,401	\$400,248	30
FY 05-06	2005	16	7,446	11,990	61%	\$2,191,599	\$3,529,019	\$1,168,853	\$1,882,143	\$1,646,875	30
FY 06-07	2006	15	7,751	11,990	55%	\$694,783	\$1,074,750	\$347,392	\$537,375	\$537,375	30
FY 07-08	2007	14	7,966	11,990	51%	\$617,475	\$929,384	\$288,155	\$433,712	\$495,671	30
FY 08-09	2008	13	8,310	11,990	44%	\$239,040	\$344,894	\$103,584	\$149,454	\$195,440	30
FY 09-10	2009	12	8,570	11,990	40%	\$162,007	\$226,657	\$64,803	\$90,663	\$135,994	30
FY 10-11	2010	11	8,799	11,990	36%	\$127,867	\$174,237	\$46,885	\$63,887	\$110,350	30
FY 11-12	2011	10	9,070	11,990	32%	\$466,421	\$616,576	\$155,474	\$205,525	\$411,051	30
FY 12-13	2012	9	9,308	11,990	29%	\$401,797	\$517,567	\$120,539	\$155,270	\$362,297	30
FY 13-14	2013	8	9,547	11,990	26%	\$104,835	\$131,660	\$27,956	\$35,109	\$96,551	30
FY 14-15	2014	7	9,806	11,990	22%	\$119,550	\$146,175	\$27,895	\$34,108	\$112,068	30
FY 15-16	2015	6	10,035	11,990	19%	\$442,687	\$528,927	\$88,537	\$105,785	\$423,142	30
FY 16-17	2016	5	10,338	11,990	16%	\$58,877	\$68,285	\$9,813	\$11,381	\$56,904	30
FY 17-18	2017	4	10,737	11,990	12%	\$56,187	\$62,744	\$7,492	\$8,366	\$54,378	30
FY 18-19	2018	3	11,062	11,990	8%	\$52,749	\$57,174	\$5,275	\$5,717	\$51,456	30
TOTAL CALERA CREEK PLANT						\$56,811,409	\$113,014,173	\$42,553,993	\$86,016,857	\$26,997,316	

Attachment: Attachment8 - Pacifica Wastewater Capacity Fee Report (4881 : Resolution of Intent for Public Hearing for Sewer Rate and

Appendix B – Government Code Pertaining to Capacity Fees

California Government Code
Key Sections Pertaining to Water & Wastewater Capacity Fees
Sections 66013, 66016, & 66022

66013

(a) Notwithstanding any other provision of law, when a local agency imposes fees for water connections or sewer connections, or imposes capacity charges, those fees or charges shall not exceed the estimated reasonable cost of providing the service for which the fee or charge is imposed, unless a question regarding the amount of the fee or charge imposed in excess of the estimated reasonable cost of providing the services or materials is submitted to, and approved by, a popular vote of two-thirds of those electors voting on the issue.

(b) As used in this section:

(1) "Sewer connection" means the connection of a structure or project to a public sewer system.

(2) "Water connection" means the connection of a structure or project to a public water system, as defined in subdivision (f) of Section 116275 of the Health and Safety Code.

(3) "Capacity charge" means a charge for public facilities in existence at the time a charge is imposed or charges for new public facilities to be acquired or constructed in the future that are of proportional benefit to the person or property being charged, including supply or capacity contracts for rights or entitlements, real property interests, and entitlements and other rights of the local agency involving capital expense relating to its use of existing or new public facilities. A "capacity charge" does not include a commodity charge.

(4) "Local agency" means a local agency as defined in Section 66000.

(5) "Fee" means a fee for the physical facilities necessary to make a water connection or sewer connection, including, but not limited to, meters, meter boxes, and pipelines from the structure or project to a water distribution line or sewer main, and that does not exceed the estimated reasonable cost of labor and materials for installation of those facilities.

(6) "Public facilities" means public facilities as defined in Section 66000.

(c) A local agency receiving payment of a charge as specified in paragraph (3) of subdivision (b) shall deposit it in a separate capital facilities fund with other charges received, and account for the charges in a manner to avoid any commingling with other moneys of the local agency, except for investments, and shall expend those charges solely for the purposes for which the

charges were collected. Any interest income earned from the investment of moneys in the capital facilities fund shall be deposited in that fund.

(d) For a fund established pursuant to subdivision (c), a local agency shall make available to the public, within 180 days after the last day of each fiscal year, the following information for that fiscal year:

- (1) A description of the charges deposited in the fund.
- (2) The beginning and ending balance of the fund and the interest earned from investment of moneys in the fund.
- (3) The amount of charges collected in that fiscal year.
- (4) An identification of all of the following:

(A) Each public improvement on which charges were expended and the amount of the expenditure for each improvement, including the percentage of the total cost of the public improvement that was funded with those charges if more than one source of funding was used.

(B) Each public improvement on which charges were expended that was completed during that fiscal year.

(C) Each public improvement that is anticipated to be undertaken in the following fiscal year.

(5) A description of each interfund transfer or loan made from the capital facilities fund. The information provided, in the case of an interfund transfer, shall identify the public improvements on which the transferred moneys are, or will be, expended. The information, in the case of an interfund loan, shall include the date on which the loan will be repaid, and the rate of interest that the fund will receive on the loan.

(e) The information required pursuant to subdivision (d) may be included in the local agency's annual financial report.

(f) The provisions of subdivisions (c) and (d) shall not apply to any of the following:

(1) Moneys received to construct public facilities pursuant to a contract between a local agency and a person or entity, including, but not limited to, a reimbursement agreement pursuant to Section 66003.

(2) Charges that are used to pay existing debt service or which are subject to a contract with a trustee for bondholders that requires a different accounting of the charges, or charges that are used to reimburse the local agency or to reimburse a person or entity who advanced funds under a reimbursement agreement or contract for facilities in existence at the time the charges are collected.

(3) Charges collected on or before December 31, 1998.

(g) Any judicial action or proceeding to attack, review, set aside, void, or annul the ordinance, resolution, or motion imposing a fee or capacity charge subject to this section shall be brought pursuant to Section 66022.

(h) Fees and charges subject to this section are not subject to the provisions of Chapter 5 (commencing with Section 66000), but are subject to the provisions of Sections 66016, 66022, and 66023.

(i) The provisions of subdivisions (c) and (d) shall only apply to capacity charges levied pursuant to this section.

(Amended by Stats. 2007, Ch. 94, Sec. 1. Effective January 1, 2008.)

66016

(a) Prior to levying a new fee or service charge, or prior to approving an increase in an existing fee or service charge, a local agency shall hold at least one open and public meeting, at which oral or written presentations can be made, as part of a regularly scheduled meeting. Notice of the time and place of the meeting, including a general explanation of the matter to be considered, and a statement that the data required by this section is available, shall be mailed at least 14 days prior to the meeting to any interested party who files a written request with the local agency for mailed notice of the meeting on new or increased fees or service charges. Any written request for mailed notices shall be valid for one year from the date on which it is filed unless a renewal request is filed. Renewal requests for mailed notices shall be filed on or before April 1 of each year. The legislative body may establish a reasonable annual charge for sending notices based on the estimated cost of providing the service. At least 10 days prior to the meeting, the local agency shall make available to the public data indicating the amount of cost, or estimated cost, required to provide the service for which the fee or service charge is levied, and the revenue sources anticipated to provide the service, including General Fund revenues. Unless there has been voter approval, as prescribed by Section 66013 or 66014, no local agency shall levy a new fee or service charge or increase an existing fee or service charge to an amount which exceeds the estimated amount required to provide the service for which

the fee or service charge is levied. If, however, the fees or service charges create revenues in excess of actual cost, those revenues shall be used to reduce the fee or service charge creating the excess.

(b) Any action by a local agency to levy a new fee or service charge or to approve an increase in an existing fee or service charge shall be taken only by ordinance or resolution. The legislative body of a local agency shall not delegate the authority to adopt a new fee or service charge, or to increase a fee or service charge.

(c) Any costs incurred by a local agency in conducting the meeting or meetings required pursuant to subdivision (a) may be recovered from fees charged for the services which were the subject of the meeting.

(d) This section shall apply only to fees and charges as described in Sections 51287, 56383, 65104, 65456, 65584.1, 65863.7, 65909.5, 66013, 66014, and 66451.2 of this code, Sections 17951, 19132.3, and 19852 of the Health and Safety Code, Section 41901 of the Public Resources Code, and Section 21671.5 of the Public Utilities Code.

(e) Any judicial action or proceeding to attack, review, set aside, void, or annul the ordinance, resolution, or motion levying a fee or service charge subject to this section shall be brought pursuant to Section 66022.

(Amended by Stats. 2006, Ch. 643, Sec. 19. Effective January 1, 2007.)

66022

(a) Any judicial action or proceeding to attack, review, set aside, void, or annul an ordinance, resolution, or motion adopting a new fee or service charge, or modifying or amending an existing fee or service charge, adopted by a local agency, as defined in Section 66000, shall be commenced within 120 days of the effective date of the ordinance, resolution, or motion.

If an ordinance, resolution, or motion provides for an automatic adjustment in a fee or service charge, and the automatic adjustment results in an increase in the amount of a fee or service charge, any action or proceeding to attack, review, set aside, void, or annul the increase shall be commenced within 120 days of the effective date of the increase.

(b) Any action by a local agency or interested person under this section shall be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

(c) This section shall apply only to fees, capacity charges, and service charges described in and subject to Sections 66013, 66014, and 66016.

(Amended by Stats. 2006, Ch. 643, Sec. 20. Effective January 1, 2007.
