

**CITY OF FERNDALE – HUMBOLDT COUNTY CALIFORNIA – U.S.A.  
STUDY SESSION**

Location:	City Hall	Date:	February 4, 2020
	834 Main Street	Time:	<b>3:15pm – 5:15pm</b>
	Ferndale CA 95536	Posted:	January 30, 2020

CALL STUDY SESSION TO ORDER – Mayor

REVIEW AND DISCUSS

- a. Propose Sewer Rates and Equivalent Dwelling Units (EDU's)  
Presentation by Paul Gregson

ADJOURN STUDY SESSION

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# RATE STUDY

CITY OF FERNDALE

# TOPICS

- RATES
  - LOCAL SEWER RATES
  - REVIEW COST TABLE
  - INFLATION
  - FLEXIBILITY IN SETTING RATE
- FISCAL SUSTAINABILITY PLAN
- EQUIVALENT DWELLING UNITS
- PROPOSITION 218

## SEWER RATE COMPARISON

Sewer Service Provider	Residential Monthly Rate	Monthly Revenue	Population Served
Scotia <sup>(1)</sup>	\$64.00	\$28,670	850
City of Ferndale	\$66.02	\$67,367	1,372
City of Rio Dell <sup>(2)</sup>	\$71.39	\$102,314	3,408
City of Fortuna <sup>(3)</sup>	\$64.58	\$286,167	12,000
McKinleyville Community Services District <sup>(4)</sup>	\$50.00	\$291,639	15,998
City of Arcata <sup>(5)</sup>	\$80.10	\$396,563	19,000
Humboldt Community Services District <sup>(4)</sup>	\$60.00	\$424,921	20,032
City of Eureka <sup>(6)</sup>	\$88.47	\$751,067	27,177

<sup>(1)</sup> Water User Rate Analysis, Town of Scotia, SHN, 2015 ,proposed sewer rate.

<sup>(2)</sup> City of Rio Dell website (base rate and water use surcharge)

<sup>(3)</sup> City of Fortuna's base rate with 800 CF of water used (\$38.75 + 300 CF at \$8.61/CF)

<sup>(4)</sup> Water and Wastewater Rate Study, McKinleyville Community Services District, 2018; Rate assumes 800 CF/month of water used.

<sup>(5)</sup> City of Arcata's base rate with 800 CF of water used (\$49.62 + 400 CF at \$7.62\*4)

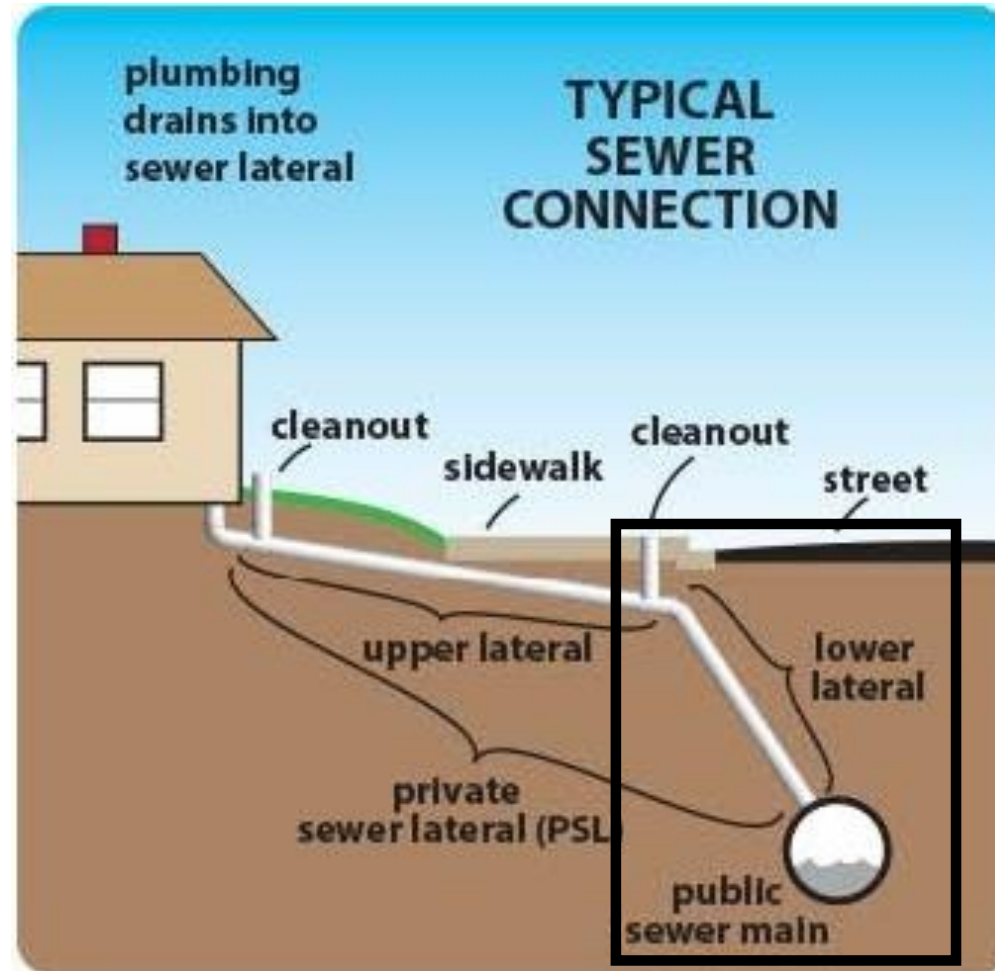
<sup>(6)</sup> Water and Sewer Rate and Connection Fee Study, City of Eureka, 2017

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# RATE STUDY

- WHAT GOES INTO A RATE
- FLEXIBILITY – ITEMS AND TIMING
- CURRENT PROPOSED RATE
- ROAD AND OTHER UTILITIES

# SEWER AND LATERAL



# FRANCIS STREET



# FRANCIS STREET SEWER REPLACEMENT





# FRANCIS STREET SEWER AND WATER



# FRANCIS STREET – UNDERGROUND PROJECT



# EQUIVALENT DWELLING UNITS (EDUs)

- AN EDU IS THE AMOUNT OF SEWAGE A RESIDENCE GENERATES PER DAY. EDUs VARY BETWEEN COMMUNITIES
- WHY DO WE USE EDUs?
- METHODS TO ESTIMATE EDU
  - WINTER WATER USAGE (December, January February)
  - EDU TABLES
- STRENGTH AND WEAKNESS OF EACH
- CONSIDER AN ORDINANCE REQUIRING ADUs AND JDUs TO PAY FOR 0.5 EDUs

# FISCAL SUSTAINABILITY PLAN (FSP)

- FSP REQUIRES AN ENGINEERING STAMP
- NEED TO UPDATE PREVIOUS PLAN
  - SOME SEWER REPLACEMENT CANNOT BE FUNDED BY A GRANT
  - MOST STREET WILL NEED TO BE REPAVED
    - FUNDING MAY BE AVAILABLE TO PAVE AND REPAVE THE STREETS

# PROPOSITION 218

- PASSED IN 1996
- Voter Approval on Taxes. Prop. 218 requires all local governments, including charter cities, to get majority voter approval for new or increased general taxes.
- Antelope Valley, City of Palmdale – California supreme court rules that water and sewer rates are a property tax and rate increases require a vote.

# PROPOSITION 218 REQUIREMENTS

- Assessment must be present in a report prepared and stamped by an Engineer.
- Agency (City Council) will set the amount of the increase and a public hearing date for assessment. Agency will also create guidelines for assessment vote.
- Agency must provide written 45 days' notice of public hearing, and mail ballots, to recorded owner of each property affected by the assessment.
- City to prepare envelopes and ballots for assessment vote.
- Declare City Hall a polling booth.
- Tabulate the votes in public view.
- If there are more yes votes than no votes it passes and then must go before the City Council for a vote to enact.

# REVIEW

- I&I STUDY
- POND STUDY
- SOLIDS HANDLING
- UV STUDY (CHANNEL STUDY)
- FISCAL SUSTAINABILITY PLAN
- RATE STUDY
- CEQA