

STATEMENT OF PROCEEDINGS  
COUNTY OF SAN DIEGO SANITATION DISTRICT  
REGULAR MEETING  
MEETING AGENDA  
**WEDNESDAY, JUNE 30, 2021, 9:00 AM**  
COUNTY ADMINISTRATION CENTER, ROOM 310  
1600 PACIFIC HIGHWAY  
SAN DIEGO, CA 92101

A. REGULAR SESSION: Meeting was called to order at 9:00 a.m.

PRESENT: Directors Nathan Fletcher, Chair; Nora Vargas, Vice-Chair; Joel Anderson, Terra Lawson-Remer; Jim Desmond; also, Andrew Potter, Clerk of the Board of Supervisors.

B. Non-Agenda Public Communication: No Speakers

NOTICE: THE BOARD OF SUPERVISORS MAY TAKE ANY ACTION WITH RESPECT TO THE ITEMS INCLUDED ON THIS AGENDA. RECOMMENDATIONS MADE BY COUNTY STAFF DO NOT LIMIT ACTIONS THAT THE BOARD OF SUPERVISORS MAY TAKE. MEMBERS OF THE PUBLIC SHOULD NOT RELY UPON THE RECOMMENDATIONS IN THE BOARD LETTER AS DETERMINATIVE OF THE ACTION THE BOARD OF SUPERVISORS MAY TAKE ON A PARTICULAR MATTER.

Supporting documentation and attachments for items listed on the agenda can be viewed online at [www.sandiegocob.com](http://www.sandiegocob.com) or in the Office of the Clerk of the Board of Supervisors at the County Administration Center, 1600 Pacific Highway, Room 402, San Diego, CA 92101.

**ASSISTANCE FOR PERSONS WITH DISABILITIES:**

Agendas and records are available in alternative formats upon request. Contact the Clerk of the Board of Supervisors office at 619-531-5434 with questions or to request a disability-related accommodation. Individuals requiring sign language interpreters should contact the Countywide ADA Title II Coordinator at (619) 531-4908. To the extent reasonably possible, requests for accommodation or assistance should be submitted at least 72 hours in advance of the meeting so that arrangements may be made. An area in the front of the room is designated for individuals requiring the use of wheelchair or other accessible devices.

**LANGUAGE TRANSLATION ASSISTANCE:**

Language translation services for public speakers are available upon request to the Clerk of the Board of Supervisors at least 72 hours prior to the meeting (refer to Board Policy A-139 for additional information). Please contact the Clerk of the Board's office at (619) 531-5434 or via e-mail at [publiccomment@sdcounty.ca.gov](mailto:publiccomment@sdcounty.ca.gov).

**Agenda Items**

<b>Agenda #</b>	<b>Subject</b>
1.	NOTICED PUBLIC HEARING: PUBLIC HEARING TO APPROVE FEES AND CHARGES FOR FISCAL YEAR 2021-22 TAX ROLL OF SAN DIEGO COUNTY SANITATION DISTRICT, CAMPO WATER MAINTENANCE DISTRICT, AND COUNTY SERVICE AREA NO. 137 - LIVE OAK SPRINGS WATER SYSTEM  (RELATES TO BOARD OF SUPERVISORS AGENDA NO. 01)

**1. SUBJECT: NOTICED PUBLIC HEARING:  
PUBLIC HEARING TO APPROVE FEES AND CHARGES FOR  
FISCAL YEAR 2021-22 TAX ROLL OF SAN DIEGO COUNTY  
SANITATION DISTRICT, CAMPO WATER MAINTENANCE  
DISTRICT, AND COUNTY SERVICE AREA NO. 137- LIVE OAK  
SPRINGS WATER SYSTEM (DISTRICTS: 1 & 2)**

**OVERVIEW**

The San Diego County Sanitation District (Sanitation District) is an independent special district that provides sanitary sewer service to approximately 36,000 customers in eight service areas in the unincorporated region. The County of San Diego (County) Board of Supervisors serves as the Sanitation District's Board of Directors. The Campo Water Maintenance District (Water District) is a County special district that provides water service to approximately 300 customers in the unincorporated community of Campo in District 2 through two independent service zones, Campo Hills (220 customers) and Rancho del Campo (75 customers). The County Service Area No. 137 - Live Oak Springs Water System (CSA 137) is a County special district that provides water service to approximately 90 customers in the unincorporated community of Boulevard in District 2. Sanitation District annual sewer service charges and annual water service charges for both the Campo Hills zone of the Water District and CSA 137 are collected on the property tax roll. Service charges for the Rancho del Campo zone are billed directly to customers.

On April 12, 2017 (SA1), the Board of Directors of the Sanitation District approved a five-year sewer rate package through Fiscal Year (FY) 2021-22. Today's recommended action is to place these charges on the tax roll for FY 2021-22 and does not change the previously approved five-year sewer rate package. The sewer rate package included a schedule of rates to achieve full cost recovery by FY 2021-22, an annual \$4.0 million capital improvement program, establishment of a \$3.0 million emergency reserve fund, and an annual pass-through adjustment to recover increases in wastewater treatment and disposal charges from the City of San Diego. Per the approved sewer rate schedule in the sewer rate package, sewer service charges for FY 2021-22 for single-family residential customers will increase from \$474.26 to \$516.95 per equivalent dwelling unit (EDU). An EDU is a standard unit of measure based on the average volume of wastewater flow generated by a typical single-family residential dwelling. The Sanitation District Fee Ordinance additionally provides for the collection of a pass-through charge to recover increases in treatment costs paid to the City of San Diego. For FY 2021-22, no increases to previously budgeted treatment costs are anticipated and thus no pass-through charges will be collected in FY 2021-22.

On November 11, 2020 (03), the Board of Supervisors approved a three-year water rate package for Live Oak Springs Water System (CSA 137) through FY 2022-23. Today's recommended action is to place these charges on the tax roll for FY 2021-22 and does not change the previously approved three-year water rate package for Live Oak Springs. The water rate package included a schedule of rates to achieve full-cost recovery of operational costs. Water charges are comprised of two components, a fixed base charge and a variable consumption charge. The approved three-year water rates include a base charge and a consumption charge. The base charge for FY 2021-22 will increase from \$93.22 to \$96.48. The variable consumption charge includes a two-tiered rate structure based on the amount of water a customer uses measured in hundred cubic feet (HCF), where one HCF is equal to

approximately 748 gallons. For Tier 1 (up to 4 HCF per month), the rate will increase from \$10.28 to \$10.64 per HCF. Tier 1 represents typical indoor water usage for a household with two occupants as defined by the California Water Board. For Tier 2 (over 4 HCF per month), the rate will increase from \$12.79 to \$13.24 per HCF.

On April 6, 2011 (01), the Board of Supervisors approved water rates for customers of the Campo Hills zone of the Campo Water District. Today's recommended action is to place these charges on the tax roll for FY 2021-22 and does not change the previously approved water rates for Campo Hills, and the approved FY 2021-22 fixed rate is unchanged from the previous fiscal year at \$1,320 per year for residential and commercial customers. Service charges for both the Sanitation District and the Campo Hills zone of the Campo Water District have historically been collected on the tax roll. Service charges for the 75 customers in the Rancho del Campo zone of the Campo Water District are billed directly to customers on a monthly basis. The CSA 137 service charges for the Live Oak Springs Water System were set and approved based on collection through the tax roll beginning in FY 2021-22. Placing annual service charges on the tax roll minimizes administrative costs by eliminating the need for monthly billing and payment collection, and those savings are passed along to the customers when the annual fee is established.

If the proposed action to place the previously approved Sanitation District and Water District service charges on the tax roll is approved, the Sanitation District Board of Directors and/or Board of Supervisors may respectively choose to make a determination to reduce the proposed charges as described in the tax roll report and that determination shall be final. If the previously approved sewer charges are reduced to match the amount that was collected last year, it would result in reduced revenue for the Sanitation District of approximately \$2,297,987. The reduced revenue would be mitigated by a proportional reduction in preventative maintenance and capital improvement projects in FY 2021-22 for the maintenance of the aging infrastructure, increasing the risk of potential infrastructure failures and sewage spills. If the previously approved water charges for Live Oak Springs Water System (CSA 137) are reduced to match the amount that was collected last year, it would result in reduced revenue of approximately \$5,200. The reduced revenue would be mitigated by a proportional reduction in services in FY 2021-22, such as field reviews of the water system by staff to ensure the water system is operating properly, which would increase the risk of potential infrastructure failures and interruptions in water service. A public hearing is required to levy sewer and water service charges on the property tax roll. This is a request to conduct a public hearing on the San Diego County Sanitation District, Campo Water Maintenance District, and County Service Area No. 137-Live Oak Springs Water System tax roll reports, and to adopt resolutions approving collection of sewer and water service charges on the FY 2021-22 tax roll.

## **RECOMMENDATION(S)**

### **CHIEF ADMINISTRATIVE OFFICER**

**Acting as the Board of Directors of the San Diego County Sanitation District:**

Adopt a Resolution entitled:

**RESOLUTION AUTHORIZING SEWER SERVICE CHARGES FOR FISCAL YEAR 2021-22 TO BE COLLECTED ON THE TAX ROLL (Attachment D).**

## **EQUITY IMPACT STATEMENT**

The San Diego County Sanitation District, Campo Water Maintenance District, and County Service Area No. 137-Live Oak Springs Water System provide vital water and sewer services to several unincorporated communities of the county. These services protect public health

and safety and improve the economic interest of local communities. The proposed resolutions to collect service charges based on approved water and sewer rates on the tax roll minimizes administrative costs by eliminating the need for monthly billing and payment collection, and those savings are passed along equally to customers when the annual fee is established. Based on community feedback received at public meetings during the rate setting process, actions to reduce charges while maintaining a level of service that provides reliable, safe, and sustainable wastewater collection and water supply for the communities, such as collecting service charges on the tax roll, were supported by the majority of community members. The proposed action will have a direct impact on communities throughout the unincorporated areas of Alpine, Boulevard (Live Oak Springs), Campo, East Otay Mesa, Julian, Lakeside, Pine Valley, Spring Valley, and Winter Gardens.

### **FISCAL IMPACT**

Funds for the proposed action are included in the Fiscal Year 2021-22 Operational Plan in the Department of Public Works San Diego County Sanitation District (Sanitation District), Campo Water Maintenance District, and County Service Area No. 137 - Live Oak Springs Water System (CSA 137). The annual sewer and water service charges from customers will generate approximately \$27.3 million in revenue for the Sanitation District, \$0.3 million for the Campo Water Maintenance District, \$0.2 million for CSA 137. Effective July 1, 2021, the sewer rate will reflect the increase approved by the Board of Directors of the Sanitation District on April 12, 2017 (SA1); the CSA 137 water rate will reflect the increase approved by the Board of Supervisors on November 11, 2020 (03); the water rate will reflect no increase for Campo Water Maintenance District per Board of Supervisor adopted ordinance on April 6, 2011 (01). There will be no change in net General Fund cost and no additional staff years.

### **BUSINESS IMPACT STATEMENT**

N/A

(RELATES TO BOARD OF SUPERVISORS AGENDA NO. 01)

### **ACTION:**

ON MOTION of Director Fletcher, seconded by Director Vargas, the Board of Directors of the San Diego County Sanitation District closed the hearing and took action as recommended, on Consent, adopting Resolution No. 21-117, entitled: RESOLUTION AUTHORIZING SEWER SERVICE CHARGES FOR FISCAL YEAR 2021-22 TO BE COLLECTED ON THE TAX ROLL.

AYES: Vargas, Anderson, Lawson-Remer, Fletcher, Desmond

There being no further business, the Board of Directors of the San Diego County Sanitation District adjourned at 10:15 a.m.

ANDREW POTTER  
Clerk of the Board of Directors  
of Sanitation District

Notes By: Rodriguez

NOTE: This Statement of Proceedings sets forth all actions taken by the County of San Diego Board of Directors of the Sanitation District on the matters stated, but not necessarily the chronological sequence in which the matters were taken up.

WEDNESDAY, JUNE 30, 2021

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