



AGENDA REPORT

Public Works

DATE:	July 1, 2025
TO:	Mayor Martinez and Members of the City Council
FROM:	Daniel Chavarria, PE, Director of Public Works Mary Phelps, Water Resource Division Manager
Subject:	Public Hearing for the Collection of the Sanitary and Storm Fees for Fiscal Year 2025-26
FINANCIAL IMPACT:	The resolution allows for approximately \$32,750,000 in wastewater enterprise revenues and \$1,975,000 in stormwater enterprise revenues to be collected with the 2025-26 property taxes. These funds are used to pay all expenditures related to the operation and maintenance of the wastewater and stormwater services including debt services on existing wastewater bond obligations.
PREVIOUS COUNCIL ACTION:	July 2, 2024
STATEMENT OF THE ISSUE:	The City provides wastewater and stormwater collection services which are funded through the collection of annual fees. City staff is recommending that the City Council adopt a resolution authorizing the City to collect these annual sanitary and storm sewer fees for Fiscal Year 2025-26 as a separate line item on the property tax rolls, as has been the practice for several years.
RECOMMENDED ACTION:	HOLD a public hearing and ADOPT a resolution approving a report of sewer service charges for Fiscal Year 2024-25 allowing for the sanitary and stormwater fees to be collected on the annual 2025-26 tax rolls – Public Works (Mary Phelps/Daniel Chavarria 510-620-6594).

DISCUSSION:

The City's wastewater and stormwater collection and treatment services are managed as business enterprises and are separate from the City's General Fund. The City collects fees to fund these services, which are levied on the property tax rolls.

The proposed resolution has been prepared pursuant to provisions of Chapter 12.20 of the Richmond Municipal Code (RMC), which provides that sanitary and storm sewer service charges may be collected in the same manner, at the same time, and together with the general and real property taxes of the City of Richmond (Attachment 1).

Article XII, Chapter 12.20.060 (b) (Sewer System Fees) of the RMC provides that the City Manager shall cause a written report for each fiscal year to be prepared and filed with the City Clerk, which shall contain a legal description, in the manner in which real property is described on the assessment roll of the City of Richmond, of each premises receiving sewer service as of the first Monday in March preceding such fiscal year. The report shall show the sewer service charges for each premises for such fiscal year.

The City Manager has directed the Director of Public Works to prepare the report for Council review and adoption. The report will be posted to the City's website and will also be available in the City Clerk's Office (Attachment 2).

The sanitary sewer rates, listed in Table 1, will remain unchanged for Fiscal Year (FY) 2025-26. The last rate increase was for FY 2024-25 (Attachment 3).

Table 1

Single Unit Residential	Multi-Unit Residential
\$1,121/SSU (Sanitary Sewer Rate)	\$964/SSU (Sanitary Sewer Rate)
\$ 32/SSU (Storm Sewer Rate)	\$32/SSU (Storm Sewer Rate)
Commercial & Industrial (based on flow, but not less than \$671/facility)	
\$87.00 per IWU (1 IWU = 1,000 cu.ft. wastewater discharged)	
\$1.841 per lbs. BOD	
\$0.859 per lbs. TSS	

Terms Defined

SSU – Sanitary Sewer Unit (Single Family Dwelling/Multi-family Dwelling (per unit)

IWU – Industrial Waste Unit (1,000 cu. ft. of Industrial Wastewater discharged)

BOD – Biochemical Oxygen Demand (strength of pollutant in wastewater discharged measured in mg/L)

TSS – Total Suspended Solids (strength of pollutant in wastewater discharged measured in mg/L)

DOCUMENTS ATTACHED:

Attachment 1 - Resolution

Attachment 2 - City Manager's Report (prepared by Director of Public Works)

Attachment 3 - Ordinance 09-20 N.S. - Richmond Municipal Code Chapter 12.20
Attachment 4 - Public Hearing Notice (published in local newspapers)