

RESOLUTION NO. 2018-39

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS
INITIATING A PROCEEDING TO OBTAIN APPROVAL OF THE CITY OF
LOS ALTOS STORMWATER FEE INITIATIVE**

WHEREAS, the City of Los Altos is initiating the Stormwater Fee Initiative; and

WHEREAS, the City maintains and manages a municipal separate storm sewer system (“MS4”) that includes capital improvements, maintenance and operations, and activities to ensure compliance with all state and federal regulations associated with the National Pollutant Discharge Elimination System (“NPDES”); and

WHEREAS, the City’s MS4 is made up of a comprehensive drainage infrastructure system that includes man-made drainage elements such as curbs and gutters, ditches, culverts, pipelines, manholes, catch basins (inlets), and outfall structures in addition to the City’s natural creek system that serves as an integral part of the system; and

WHEREAS, the City, through its MS4, provides Stormwater services (“Services”) that include, but are not limited to, collecting, conveying, and managing Stormwater runoff from properties within the City; and

WHEREAS, the City adopted a Stormwater Master Plan in 2016 to better understand the condition and capacity of this critical infrastructure system, and found there to be needs for capital improvements of as much as \$29 million, and annual maintenance and operations of \$490,000; and

WHEREAS, the City does not have adequate funding to pay for the MS4 needs identified above, and in order to finance these needs the City would need to enact a Stormwater Fee in compliance with Article XIII D of the Constitution, which would require a ballot proceeding; and

WHEREAS, the City Council authorized SCI Consulting Group to perform a rate study and draft a Stormwater Fee Report (“Fee Report”) to determine the amount of the fees on various parcels of land that would, in compliance with Article XIII D of the Constitution, finance the high- and medium-priority capital improvement program, the operations and maintenance needs, and the NPDES compliance needs.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Los Altos hereby approves

SECTION 1. INTENTION TO SEEK APPROVAL OF A PROPERTY RELATED FEE. The City intends to seek property owner approval of a proposed property related fee to fund the Services (“Stormwater Fee”), pursuant to Article XIII D, Section 6 of the California Constitution.

SECTION 2. FEE REPORT. SCI Consulting Group has prepared and submitted to the City a Fee Report concerning the proposed Stormwater Fee. The Fee Report has been made,

filed with the City and duly considered by the City Council and is hereby deemed sufficient and approved. The Fee Report shall stand as the Fee Report for all subsequent proceedings under and pursuant to this resolution. Reference is hereby made to the Fee Report for the following: (a) a description of the Services; (b) the identification of the parcels upon which a Stormwater Fee is proposed; (c) the proportional cost of the Services attributable to each parcel; (d) the amount of the Stormwater Fee proposed for each parcel; and (e) the basis upon which the amount of the proposed Stormwater Fee was calculated.

SECTION 3. TOTAL AMOUNT OF STORMWATER FEE. The proposed Stormwater Fee, if approved, would collect approximately \$1,133,000 in Fiscal Year 2019-20.

SECTION 4. STORMWATER SERVICES. The proposed Stormwater Fee will provide funds for the high-priority and moderate-priority capital improvement program and additional operations and maintenance activities as detailed in the 2016 Los Altos Stormwater Master Plan, as well as activities to help ensure City compliance with all state and federal clean water requirements under the National Pollutant Discharge Elimination System permits issued by the San Francisco Bay Regional Water Quality Control Board.

SECTION 5. PUBLIC HEARING. A noticed public hearing shall be held before this Council at the City Council chambers at One North San Antonio Road in Los Altos, California, and is tentatively planned for March 12, 2019, at 7:00 p.m. for the purpose of conducting a hearing and to consider all protests of property owners regarding the proposed Stormwater Fee and this Council's determination whether the public interest, convenience and necessity require the Services. The date set forth above for the public hearing may be delayed without returning for additional approval by the Council, provided that such date is not less than forty-five (45) days after the mailing of the notice required and described in Section 6 below.

SECTION 6. NOTICE OF PUBLIC HEARING. The City Clerk is hereby directed to cause notice of the hearing ordered hereof ("Notice") to be given in accordance with law by mailing, postage prepaid in the United States mail, and such Notice shall be deemed to have been given when so deposited in the mail. The Notice shall be mailed to all record owners, who shall be those persons whose names and addresses appear on the last equalized secured property tax assessment roll for the County of Santa Clara, or in the case of any public entity, the representative of such public entity at the address thereof known to the City Clerk or SCI Consulting Group. The Notice shall be mailed not less than forty-five (45) days before the date of the public hearing.

SECTION 7. MAJORITY PROTEST. If written protests against the proposed Stormwater Fee are presented to the Council by a majority of owners of the identified parcels before the end of the public hearing, the Stormwater Fee shall not be imposed. Otherwise, this Council may authorize the City to proceed with a property owner ballot proceeding.

SECTION 8. DESCRIPTION OF THE PROPOSED STORMWATER FEE. Information regarding the Stormwater Fee, including but not limited to the amount of the Stormwater Fee proposed to be imposed upon each parcel, the basis upon which the amount of the proposed Stormwater Fee was calculated, the reason for the Stormwater Fee,

and other elements of the Stormwater Fee shall be described in the Fee Report, Notice of Public Hearing, Ballot Guide and/or Ballot.

SECTION 9. FISCAL CONTROLS. All revenues received from the proposed Stormwater Fee shall be spent only to fund the Services. Stormwater Fee revenues received will be deposited into a separate account or fund.

SECTION 10. COST-OF-LIVING ADJUSTMENT MECHANISM. If approved by property owners, the Stormwater Fee shall be imposed annually. The Stormwater Fee may be adjusted in future years by an amount equal to the annual change in the Consumer Price Index ("CPI") for All Urban Consumers in the area including Santa Clara County, not to exceed 3% (three percent) per year without a further vote or balloting process, any excess CPI can be held in "reserve" to be used in future years when the CPI is less than 3%.

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution passed and adopted by the City Council of the City of Los Altos at a meeting thereof on the 9th day of October, 2018 by the following vote:

AYES:	BRUINS, LEE ENG, MORDO, PEPPER, PROCHNOW
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE



Jean Mordo, MAYOR

Attest:



Jon Maginot, CMC, CITY CLERK