

Agenda Report

TO: CITY COUNCIL

June 9, 2003

THROUGH: Legislative Committee (June 3, 2003)

FROM: City Manager

SUBJECT: Support of Assembly Constitutional Amendment 10 (Harman) – *Storm Water Fees. Proposition 218*

RECOMMENDATION

It is recommended that the City Council:

1. Support ACA 10 (Harman) – *Storm Water Fees. Proposition 218.*
2. Authorize the Mayor to send letters to the appropriate authorities stating Pasadena's position

BILL SUMMARY

Existing law, established by approval of Proposition 218, requires local voter approval of certain property-related fees. Proposition 218 exempts certain types of fees, such as those for water, sewer and garbage, from the voter approval requirement of Proposition 218. When the initiative that became Proposition 218 was originally drafted, the issue of storm water permit compliance and how to fund such programs was not as significant as it is today.

Sponsored by the Planning and Conservation League, ACA 10 would include fees for storm water management programs to those voter approval exemptions already included in Proposition 218. If passed by the Legislature, ACA 10 would be placed on a statewide ballot and would need statewide voter approval to become State law.

BILL STATUS

Assembly Constitutional Amendment 10 was heard in the Assembly Elections, Redistricting and Constitutional Committee on May 20, 2003, it was adopted and re-referred to the Assembly Committee on Appropriations.

BACKGROUND

The City of Pasadena has grappled with how to fund storm water programs in order to meet the requirements of new National Pollutant Discharge Elimination System (NPDES) permits issued by regional water quality control boards.

The controversial issues associated with the NPDES requirements include the reduction of various contaminants in storm water, including trash, metals, bacteria and other elements. It is unknown how the impacted cities will comply but one very costly possibility is the construction of small treatment plants for all major storm drains.

At the time that Proposition 218 was approved, storm and urban runoff were not a major consideration of local governments. The recent implementation of NPDES permit requirements under the Federal Clean Water Act, as well as a dramatic increase in beach closures in recent years, have significantly raised the profile of the importance of mitigating storm water and urban runoff pollution.

If passed, ACA 10 would allow an increase to storm drain fees as one potential funding source for compliance with NPDES requirements. Therefore, it would be easier for the City to fund and comply with new and increasingly stringent storm water quality permit requirements adopted by the regional water quality control boards.

This constitutional amendment places before the voters the opportunity to create an additional resource for local governments looking to fund storm water and urban runoff management programs in order to comply with NPDES permit requirements. Storm water management fees are of increasing importance, as more vigorous enforcement of the Federal Clean Water Act by the State's Regional Water Quality Control Board and by environmental advocacy groups has imposed an enormous, unfunded mandate on California cities and counties.

It is recommended that the City of Pasadena supports ACA 10, as this change would be consistent with the spirit of Proposition 218 while affording local governments a potential funding source to address the requirements to reduce this health, environmental and economic threat.

The following organizations support ACA 10: League of California Cities; Planning and Conservation League (SPONSOR); Cities of Arcadia, Belmont, Burlingame, Huntington Beach, Lakewood, Millbrae, Roseville, San Carlos, Santa Cruz, South San Francisco, and Stockton; County of Riverside; California State Association of Counties; California Coastkeeper Alliance; City/County Association of Governments of San Mateo County; East Bay Municipal Utility District; Heal the Bay; Natural Resources Defense Council; Ocean Conservancy; San Diego Baykeeper; Sierra Club; Surfrider Foundation; and Vote the Coast. The only known opposition is the Howard Jarvis Taxpayers Association.


FISCAL IMPACT

The NPDES permit program is an unfunded mandate and the City supports adding storm water fees to those types of fees already exempt from the Proposition 218 because these funds could be used to fund required NPDES improvements. The City currently collects \$1.3 million in storm drain use revenue and invests all of this revenue on maintaining, repairing and improving the City's existing storm drain system.


Respectfully submitted,


CYNTHIA J. KURTZ
City Manager

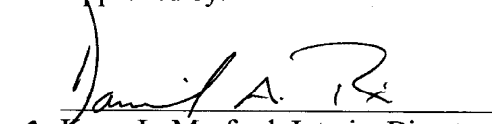
Prepared by:


Florinda O. Langilotti, Management Analyst V
Finance and Management Services Division
Department of Public Works

Reviewed by:


Brenda Harvey-Williams, Administrator
Finance and Management Services Division
Department of Public Works

Approved by:


Kerry L. Morford, Interim Director
Department of Public Works