

# Agenda Report

December 16, 2024

**TO:** Honorable Mayor and City Council

**THROUGH:** Finance Committee (December 16, 2024)

**FROM:** Department of Public Works

**SUBJECT: AUTHORIZE THE CITY MANAGER TO ENTER INTO A FUND TRANSFER AGREEMENT WITH THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT FOR THE SAFE, CLEAN WATER PROGRAM**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act (CEQA) pursuant to Section 21065 of CEQA and Sections 15060(c)(2), 15060(c)(3), and 15378(b)(4) of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required; and
2. Authorize City Manager to enter into a Fund Transfer Agreement with the Los Angeles County Flood Control District to receive annual Safe, Clean Water Program funding for water quality projects and programs.

## **BACKGROUND:**

In November 2018, voters approved the Safe, Clean Water (SCW) Program, a special parcel tax based on impermeable areas within the jurisdiction of the Los Angeles County Flood Control District (District). The SCW Program is intended to improve water quality in a manner that achieves additional benefits such as increasing water supply and investing in the health and well-being of Los Angeles County communities. Revenues derived from the tax are allocated to projects and programs implemented by the District (10%) and municipalities (40%), and for regional watershed-based projects and programs (50%). This agreement allows the City to accept the 40% municipal share of the revenues.

The tax is assessed based on the amount of impermeable area per parcel as determined by the County. Forty percent of this amount, referred to as "Local Return", is returned back to the City for use on programs that fall within the requirements of the

Safe, Clean Water program. The City's annual share is estimated at \$1,560,000 for all parcels.

The proposed Transfer Agreement will take effect immediately upon execution by both parties and expire at the end of the 2028 fiscal year. The previous agreement was approved by the Board of Supervisors on June 9, 2020, and expired at the end of the 2024 fiscal year. Approval of the agreement proposed herein will allow the City to continue to collect its annual share. Under the terms of the agreement, municipalities must comply with the requirements of the SCW Program (see Attachment A) and any other appropriate provisions established by the Los Angeles County Board of Supervisors, including submission of an annual expenditure plan, audit reports, and progress reports.

The municipal funds can be used for eligible activities such as project development, design, construction, effectiveness monitoring, operations and maintenance, as well as for other programs and studies related to protecting and improving water quality in lakes, rivers and the ocean. Up to 30% of the funds may be used to maintain existing eligible projects and programs.

The Department of Public Works uses its Local Return funding to assist with the implementation of its stormwater program and compliance with the Los Angeles County Municipal Separate Storm Sewer System Permit (MS4 Permit). Effective December 28, 2012 and in accordance with the Clean Water Act, the MS4 Permit dictates incremental stormwater quality milestones to be programmed and met by cities through 2037. Specifically, the Local Return funding is used for the design and construction of stormwater projects and project components which are intended to help the City meet these compliance milestones. Additionally, these funds cover operational costs for the Department related to the implementation of the stormwater program including salaries, catch basin cleanings, permit fees, and enforcement investigations and actions.

#### **COUNCIL POLICY CONSIDERATION:**

The project is consistent with the City Council's goal to maintain fiscal responsibility and stability and improve, maintain and enhance public facilities and infrastructure. It also supports the Public Facilities Element of the General Plan by maintaining public facilities to enhance the quality of life of the community.

#### **ENVIRONMENTAL ANALYSIS:**

The action proposed herein is not a project subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060(c)(2), 15060(c)(3), and 15378(b)(4). The authorization to execute a Fund Transfer Agreement with the Los Angeles County Flood Control District to receive annual Safe, Clean Water program funding consists of the creation of a government funding mechanism that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the

environment. Therefore, the proposed action is not a “project” subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 (including subsection (b)(4)) of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

**FISCAL IMPACT:**

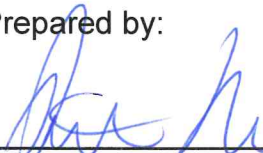
The annual allotment of Safe, Clean Water Program funding is estimated to be \$1,560,000. During the four-year period of this Fund Transfer Agreement, Pasadena will receive approximately \$6,240,000 in Safe Clean Water Program funds. Fund 243 Safe Clean Water Program Fund has been created to receive and track these funds to ensure compliance with spending requirements.

Respectfully submitted,



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GREG DE VINCK, P.E.  
Director of Public Works

Prepared by:



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Brent Maue, P.E.  
Acting City Engineer

Approved by:



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MIGUEL MÁRQUEZ  
City Manager

Attachment A – Transfer Agreement between the Los Angeles County Flood Control District