

RESOLUTION NO. 2006-653

Adopted by the Sacramento City Council

August 29, 2006

ALTERNATIVE FUNDING SOURCES FOR CAPITAL IMPROVEMENT PROGRAM (CIP) COSTS FUNDED BY THE STORMWATER (DRAINAGE) FUND 425

BACKGROUND

- A.** Over \$61 Million in rehabilitation and improvements has been expended over the past ten years to attempt to reach the level of service for flood protection approved by City Council in 1995. Additional improvements are required, prioritized using the infrastructure rehabilitation and management program, estimated to cost over \$1 Billion.
- B.** Since the passage of Proposition 218 funds for this purpose have continually declined. Consequently, alternative funding sources are needed.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The Department of Utilities is directed to develop the necessary fee study, initiate an outreach program, and prepare a regulatory fee ordinance and fee resolution to be brought to the Law and Legislation Committee by January 2007.
- Section 2. The Department of Utilities is directed to complete a study by January 2007 that may be used as the basis for subsequent approval of a drainage impact fee to finance construction of common drainage facilities in infill areas.
- Section 3. The Department of Utilities is directed to (1) coordinate with SAFCA and share the cost with them to develop a plan for placing a storm drain rate increase measure for voter approval in accordance with Proposition 218, including developing a community outreach program and an estimate of the cost, (2) determine whether such a vote could be included on the same ballot as a SAFCA assessment vote. (3) prepare multi-year rate increase proposals and, (4) report back to Council when this is completed.
- Section 4. The Department of Utilities is directed to work with the League of California Cities to obtain a consensus on the need to amend Proposition 218's language to exclude local drainage rates from the voter approval requirement, and the City's lobbyist(s) are directed to communicate to the drafters of ACA13 the critical need to keep the local drainage fees as part of the bill.

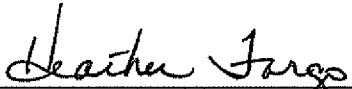
Adopted by the City of Sacramento City Council on August 29, 2006 by the following vote:

Ayes: Councilmembers, Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Fargo.

Noes: None.

Abstain: None.

Absent: None.



Mayor, Heather Fargo

Attest:


Shirley Concolino, City Clerk