



APPROVED
BY THE CITY COUNCIL

MAY 19 1998

1.13

OFFICE OF THE
CITY CLERK

DEPARTMENT OF
FINANCE

REVENUE DIVISION

CITY OF SACRAMENTO
CALIFORNIA

CITY HALL
ROOM 104
915 I STREET
SACRAMENTO, CA
95814-2696

April 28, 1998
RA98045:MLF

REVENUE
ADMINISTRATION
916-264-5724

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: REFUND OF \$139,465.61 FOR STORM DRAINAGE CHARGES

LOCATION AND COUNCIL DISTRICT: 6700 21st Avenue, Council District 6
2615 21st Street, Council District 5

STAFF RECOMMENDATION

It is recommended that the City Council adopt the attached resolution that authorizes a \$139,465.61 refund for storm drainage service charges to 6700 21st Avenue and 2615 21st Street.

CONTACT PERSON

Kimberly Wilson, Revenue Supervisor, 264-7517
Margaret L. Freeman, Revenue Manager, 264-5724

FOR THE COUNCIL MEETING OF: May 19, 1998

SUMMARY

This report requests the City Council adopt the attached resolution that authorizes a \$139,465.61 refund for billed storm drainage charges.

COMMITTEE/COMMISSION ACTION

None required.

BACKGROUND INFORMATION

Resolution No. 84-149, adopted February 21, 1984, authorizes the Director of Finance or his designee to approve refund claims for City utility service charges in the event:

1. The claim for refund is valid;
2. The claim is presented within three years from the date of the disputed billing; and
3. The claim is for \$10,000 or less.

Since the refund exceeds \$10,000 City Council approval is required.

Effective July 1, 1996, City Council adopted a rate for storm drainage fees based on impervious area for cemeteries. During implementation of the rate and research related to such, it was discovered that some cemeteries within the City were not being billed for storm drainage fees as required. Because cemeteries located at 6700 21st Avenue and 2615 21st Street had been billed and had been paying storm drainage fees based on total gross surface area, the Storm Drainage Fee Rate Classification Board recommended that storm drainage fees representing the difference between impervious and gross area be refunded for a three year period. The Board's recommendation was reviewed by the City Attorney's Office and the City Manager's Office before the final decision was released.

A credit adjustment equal to the total annual storm drainage charge will be applied to each account for 1998 and 1999. The remaining credit balance will be refunded in two equal amounts, one-half payable in 1998 and one-half payable in 1999.

FINANCIAL CONSIDERATIONS

The total refund will be reflected as an adjustment applied over two years to utility service charges in the Storm Drainage Fund in accordance with accounting standards. The refund does not materially impact the Storm Drainage Fund budget.

ENVIRONMENTAL CONSIDERATIONS

Council action in adopting this resolution is exempt from the California Environmental Quality Act (CEQA) because it will have no conceivable effect on the physical environment.

POLICY CONSIDERATIONS

City Council authorization of the refund is consistent with Council policy as established by Resolution No. 84-149.

MBE/WBE EFFORTS

There is no requirement for purchase of goods or services associated with this item.

Respectfully submitted,

Margaret L. Freeman

Margaret L. Freeman
Revenue Manager

RECOMMENDATION APPROVED:

Billy Masuoka

 WILLIAM H. EDGAR, City Manager

Attachment

RESOLUTION NO. 98-187

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

APPROVED
BY THE CITY COUNCIL

MAY 19 1998

OFFICE OF THE
CITY CLERK

RESOLUTION AUTHORIZING A \$139,465.61 REFUND FOR
BILLED STORM DRAINAGE CHARGES

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

The Director of Finance is hereby authorized to refund \$139,465.61 for billed storm drainage charges for 6700 21st Avenue and 2615 21st Street between January 1992 and February 1997.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____