

**CITY COUNCIL
AGENDA REPORT**

MEETING DATE: 09/15/2020
AGENDA HEADING: Consent Calendar

AGENDA TITLE:

Consideration and possible action to formally sunset the Storm Drain User Fee Oversight Committee.

RECOMMENDED COUNCIL ACTION:

- (1) Sunset the Storm Drain User Fee Oversight Committee; and,
- (2) Authorize Staff to issue City Tiles to former Committee Members.

FISCAL IMPACT: None

Amount Budgeted: N/A

Additional Appropriation: N/A

Account Number(s): N/A

ORIGINATED BY: Vina Ramos, Deputy Director of Finance *VR*

REVIEWED BY: Trang Nguyen, Director of Finance *tn*

APPROVED BY: Ara Mhramian, AICP, City Manager *As*

ATTACHED SUPPORTING DOCUMENTS:

- A. Chapter 3.44.080 of the Rancho Palos Verdes Municipal Code (page A-1)
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BACKGROUND AND DISCUSSION:

On November 6, 2007, the voters approved Measure C, an amendment to the User Fee ordinance to include a voter-enacted Oversight Committee and a 10-year sunset of the Storm Drain User Fee. Based on Ordinance No. 467, codified as Chapter 3.44.080 of the Rancho Palos Verdes Municipal Code (Attachment A), the Storm Drain User Fee Oversight Committee (Oversight Committee) issued reports on an annual basis to inform city residents and the City Council regarding how storm drain user fee revenues were being spent and made recommendations to the City Council regarding expenses of the storm drain user fee revenues.

In FY 2015-16, the collection of the Storm Drain Fees concluded. The Oversight Committee continued to serve and meet until all approved projects were completed. On August 7, 2018, the City Council accepted the Notice of Completion for the final Storm Drain Point Repair Project, funded by the remaining balance in the Water Quality Flood

Protection Fund (WQFP). As such, in accordance with Governmental Accounting Standards Board, the assets were transferred from the Business-type activities to the Governmental Activities of the financial statements. Therefore, the City's FY 2018-19 Comprehensive Annual Financial Report (CAFR) reported the closing of the WQFP Enterprise Fund. And all future storm drain projects will compete with other capital projects in the Capital Improvement Fund.

Since the last phase of the storm drain projects have been completed and the WQFP Enterprise Fund has a zero balance, the Oversight Committee will no longer have to provide an annual report to the City Council. Additionally, the Oversight Committee's last term expired in January 2020. For that reason, Staff is requesting for the City Council's consideration to formally sunset the Storm Drain User Fee Oversight Committee.

Lastly, staff would like to thank and recognize all the residents that served the Oversight Committee since its inception. The Oversight Committee's effort and commitment have provided an oversight of over \$43.3 million of the City's storm drain projects. The following Committee Members were the last to serve the Oversight Committee with the last term expiring in January 2020. Additional information on the Oversight Committee and their annual reports can also be found on the City's website at <http://www.rpvca.gov/153/Water-Quality-Flood-Protection-Committee>.

Committee Member Term Limits

Name	Term Begins	Term Expires	First Appointed
Jack Fleming	02/16/2016	01/21/2020	02/16/2016
Martin Fox	02/16/2016	01/21/2020	02/16/2016
VACANT	02/16/2016	01/21/2020	n/a
VACANT	01/21/2014	01/16/2018	n/a
Mickey Rodich	01/06/2015	01/16/2018	01/06/2015

Staff recommends that the City Council authorize the issuance of City Tiles to the former Committee Members as a gesture of appreciation for their service on the Oversight Committee.

ALTERNATIVES:

In addition to the Staff recommendation, the following alternative action is available for the City Council's consideration:

1. Do not sunset the Oversight Committee.
2. Identify other actions, as deemed appropriate.

Chapter 3.44 - STORM DRAIN USER FEE

3.44.080 - Storm drain user fee oversight committee.

- A. An oversight committee ("committee") is created and established. The committee shall hold at least one public hearing and issue a report, on at least an annual basis, to inform city residents and the city council regarding how storm drain user fee revenues are being spent and to make recommendations to the city council regarding future expenditures of the storm drain user fee revenues. In addition, the oversight committee shall make a recommendation to the city council regarding whether to collect the storm drain user fee for the upcoming fiscal year, and, if so, the rate per ERU for that fiscal year. In making its recommendation to the city council, the oversight committee shall consider the current and projected revenues of the city for the upcoming fiscal year, including but not limited to, property taxes, sales taxes and transient occupancy taxes; the current and projected expenditures of the city for the fiscal year, including, but not limited to, proposed expenditures in connection with the city's storm drain system; the balance, if any, in the water quality and flood protection program enterprise fund, and the current and projected general fund reserves. The oversight committee shall forward its report and recommendations to the city council prior to the annual public hearing on the storm drain user fee that will be conducted by the city council. The oversight committee also shall perform other assignments regarding the water quality and flood protection program, as directed by the city council or upon request by staff.
- B. The oversight committee shall consist of five residents of the city who shall be appointed by, and shall serve at the pleasure of, the city council. The term of office for three members of the oversight committee shall be four years, and the initial term of office for two members of the oversight committee shall be two years. After the initial term, all members of the oversight committee shall have four-year terms. The terms of office shall expire on the date of the second regular city council meeting in January of even years, or until a successor is appointed.

(Ord. 467 § 2, 2007)