

Resolution No. _____

Resolution of the Council of the City of Palo Alto Amending Utility Rate Schedule D-1
(Storm and Surface Water Drainage) to Increase Storm Water Management Fee Rates by
2.6% Per Month Per Equivalent Residential Unit for Fiscal Year 2025

R E C I T A L S

A. In April 2017, a majority of property owners approved a ballot measure adopting a monthly Storm Water Management Fee to fund storm drain capital improvements projects, enhanced maintenance of the storm drain system, storm water quality protection programs, and related activities.

B. The ballot measure allowed for annual increases to the fee based on lesser of the local rate of inflation (based on changes to the Consumer Price Index for the San Francisco-Oakland-San Jose region as published by the Bureau of Labor Statistics) or 6%.

C. According to the Bureau of Labor Statistics, the Consumer Price Index for the San Francisco-Oakland-San Jose region increased by 2.6% between December 2022 and December 2023.

The Council of the City of Palo Alto does hereby RESOLVES as follows:

SECTION 1. Pursuant to Section 12.20.010 of the Palo Alto Municipal Code, Utility Rate Schedule D-1 (Storm and Surface Water Drainage) is hereby amended to read in accordance with sheet D-1-1, attached hereto and incorporated herein. The foregoing Utility Rate Schedule, as amended, shall become effective July 1, 2024.

SECTION 2. The Council finds that this rate increase is being imposed to offset the effects of inflation on labor and material costs pursuant to the annual inflationary fee escalator provision of the Storm Water Management Fee ballot measure, which was approved by a majority of Palo Alto property owners on April 11, 2017.

SECTION 3. The Council finds that the revenue derived from the authorized adoption enumerated herein shall be used only for the purpose set forth in Article VII, Section 2, of the Charter of the City of Palo Alto.

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SECTION 4. The Council finds that the adoption of this resolution changing the Storm Water Management Fee to meet operating expenses, purchase supplies and materials, meet financial reserve needs and obtain funds for capital improvements necessary to maintain service is not subject to the California Environmental Quality Act (CEQA), pursuant to California Public Resources Code Sec. 21080(b)(8) and Title 14 of the California Code of Regulations Sec. 15378(b)(4). After reviewing the staff report and all attachments presented to Council, the Council incorporates these documents herein and finds that sufficient evidence has been presented setting forth with specificity the basis for this claim of CEQA exemption.

INTRODUCED AND PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

APPROVED:

Assistant City Attorney

City Manager

Director of Public Works

Director of Administrative Services