Agenda Item #16.2
For Council Meeting of: August 19, 2025

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: JENNIFER BURKE, DIRECTOR, SANTA ROSA WATER
SUBJECT: PLACEMENT OF ANNUAL STORM WATER ENTERPRISE CHARGES ON THE SONOMA COUNTY PROPERTY TAX ROLL

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Board of Public Utilities and Santa Rosa Water that the Council, by resolution, adopt by 2/3 vote the Storm Water Enterprise Charge Report and approve placement of the Storm Water Enterprise charges on the Sonoma County Property Tax Roll, to be collected by the Sonoma County Auditor-Controller-Treasurer-Tax Collector at the same time and in the same manner as Sonoma County property taxes are collected, unless those charges do not meet the County minimum of $10 and/or parcel owner contact information is known to be incorrect.

EXECUTIVE SUMMARY

The purpose of this resolution is to adopt the Storm Water Enterprise Charge Report and approve placement of the Storm Water Enterprise charges on the Sonoma County Property Tax Roll, to be collected by the Sonoma County Auditor-Controller-Treasurer-Tax Collector at the same time and in the same manner as Sonoma County property taxes are collected. The amount of the annual charges of the Storm Water Enterprise for fiscal year 2025-26 were set at $42.46 per Equivalent Residential Unit (ERU) by City Council Resolution RES-2025-114 adopted by the Santa Rosa City Council on June 17, 2025. This action only considers the way the annual charges will be collected and not the amount of the ERU fee.

BACKGROUND

The City of Santa Rosa is required under the federal Clean Water Act to obtain and comply with a National Pollutant Discharge Elimination System (NPDES) Permit and Waste Discharge Requirements for Discharges from the Municipal Separate Storm Sewer Systems (Storm Water Permit). To comply with permit requirements and to control and reduce flooding, property damage, erosion, and storm water quality degradation in the City, the Council, in 1996, added Title 16 to the City Code, which created a Storm Water Enterprise and Utility (“Storm Water Enterprise”) as an agency of

the City. Under Title 16, the City Council is authorized to prescribe and collect charges (special assessments) for the services and facilities of the Enterprise. The Council's intention to collect the Storm Water Enterprise charges on the Sonoma County Property Tax Roll was stated in Resolution 22880, adopted in 1996, which levied the annual charges.

PRIOR CITY COUNCIL REVIEW

The City Council has passed resolutions adopting the Storm Water Enterprise Charge Report and approving placement of the established charges in the Report on the Sonoma County Property Tax Roll for collection each year since the assessment was established in September 1996.

ANALYSIS

The City's Storm Water Enterprise utilizes procedures which require an annual noticed public hearing for placing the annual charges on the Sonoma County Property Tax Roll. A notice of the public hearing to be held August 19, 2025, was published on August 4, 2025, and August 11, 2025. The Storm Water Enterprise Charge Report (Report) showing the amount of the Storm Water and Drainage charges on each parcel of property within the City limits for fiscal year 2025-26 was prepared and filed with the City Clerk.

The annual charges of the Storm Water Enterprise and any credits allowed against those charges for fiscal year 2025-26 were fixed at $42.46 per Equivalent Residential Unit (ERU) as set by Resolution RES-2025-114 adopted by the City Council on June 17, 2025. The 2025-26 ERU fee was calculated in accordance with the formula outlined in Resolution 22880, adopted in 1996, which requires the ERU to be calculated annually based on the Consumer Price Index for all Urban Consumers for the San Francisco–Oakland-San Jose area (CPI-U) for a 12-month period ending in August. The CPI-U for the most recent 12-month period is 2.7%.

The purpose of this public hearing is to adopt the Storm Water Enterprise Charge Report and approve placing the established charges in the Report on the Sonoma County Property Tax Roll for collection. The charges in the Report are based on the ERU calculated amount previously approved by the Council in June of this year. Property owners may protest the placement of the Storm Water Enterprise charges on the Sonoma County Property Tax Roll by either speaking at the public hearing or submitting a written protest. Letters received in protest of placing charges on the tax roll will be provided to the City Council at the Council meeting.

If the Council finds that protest is made by a majority of parcel owners of properties in the Report, the Report shall not be adopted, and the charges shall be collected separately from the tax roll.

Per Health and Safety Code, Article 4, Section 5473, “Any entity which has adopted an ordinance pursuant to this article or an order pursuant to Section 6520.5 may, by such ordinance or by separate ordinances or resolutions approved by a two-thirds vote of the members of the legislative body thereof, elect to have such charges collected on the tax roll in the same manner, by the same persons, and at the same time as, together with and not separately from, its general taxes.” Therefore, a two-thirds majority vote by the Council is required.

To simplify the payment process for property owners and reduce collection expenses, the City proposes to collect the charges on the Sonoma County Property Tax Roll. The charges have been collected annually on the tax roll since they were established in September 1996.

It is in the best interest of the City that those parcels not billed by the County due to the charges not meeting the County’s $10 minimum to bill and/or parcels with known incorrect ownership contact information shall not be separately billed by the City, as the cost of separately billing exceeds the potential revenue. Any charges not collected will not affect other parcel charges.

FISCAL IMPACT

Storm Water is an Enterprise Fund, and approval of this action does not have a fiscal impact on it or the General Fund.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not considered a "project,” as defined in CEQA Guidelines Section 15378(b)(4), which excludes the creation of government funding mechanisms or fiscal activities that do not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment.

Furthermore, even if deemed a project, the action qualifies for the “Common Sense Exemption” under Section 15061(b)(3), as it can be seen with certainty that there is no possibility the action may have a significant effect on the environment.

NOTIFICATION

Notices of the public hearing were published in the Press Democrat on August 4, 2025, and August 11, 2025.

ATTACHMENTS

- Attachment 1 – Storm Water Enterprise Charge Report
- Resolution

PRESENTER

Nick Lynn, Research and Program Coordinator