



**CITY OF MILPITAS
AGENDA REPORT
(AR)**

Item Title:	Approve and Authorize the FY 2021-2022 Santa Clara Valley Urban Runoff Pollution Prevention Program Assessment Payment for the Not-to-Exceed Amount of \$127,806.68.
Category:	Consent Calendar-Community Services and Sustainable Infrastructure
Meeting Date:	8/17/2021
Staff Contact:	Tony Ndah, 408-586-2602
<u>Recommendation:</u>	Approve and authorize the FY 2021-2022 Santa Clara Valley Urban Runoff Pollution Prevention Program Assessment Payment for the not-to-exceed amount of \$127,806.68.

Background:

The Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP) was originally formed in 1990 through a Memorandum of Agreement (MOA) among Santa Clara Valley-based local governments as a means to assist its members to negotiate and comply with a federal Clean Water National Pollutant Discharge Elimination System (NPDES) permit for municipal stormwater systems (Stormwater Permit). In 2000, the parties entered into the Agreement Providing for Implementation of the SCVURPPP that established terms relating to the implementation, oversight, and cost allocation of the program. Cities are required to comply with the permit for stormwater flows to creeks, streams, and ultimately the San Francisco Bay. SCVURPPP is comprised of the Santa Clara Valley Water District, the County of Santa Clara, and thirteen cities and towns that discharge stormwater to the San Francisco Bay, including the City of Milpitas.

SCVURPPP supports its members by providing a coordinated approach to implementing the Stormwater Permit, including outreach, water quality monitoring, program research and development, collaboration with other countywide programs, and negotiations with regulators. SCVURPPP allows its members to leverage resources and has proven highly effective, twice winning national awards issued by the U.S. Environmental Protection Agency. Since its original formation, the participating agencies, including City of Milpitas, have twice previously authorized a continuation of SCVURPPP without changing the original terms.

The Agreement was first amended in 2005 to extend one fiscal year beyond the termination date of the National Pollution Discharge Elimination System (NPDES) Permit issued to the parties. The Municipal Regional Stormwater NPDES Permit regulates the discharge of stormwater runoff from the separate municipal storm sewer systems. The Agreement was amended a second time in 2010 to extend one fiscal year beyond the termination date of the NPDES Permit. A new Municipal Regional Stormwater NPDES Permit was issued by the Regional Water Quality Control Board – San Francisco Bay Region and became effective on January 1, 2016.

On November 15, 2016, the City Council approved and authorized the City Manager to execute the Third Amendment to the Agreement, providing for continued participation in the SCVURPPP under the original terms, for one fiscal year after the current permit expiration date of December 21, 2020, or regulatory agency permit term extension, which extended the term of agreement one fiscal year beyond the date of termination of the Municipal Regional Permit.

Analysis:

On June 1, 2021, the City Council approved and adopted the Fiscal Year 2021-2022 operating budget which included the allocation of \$127,483.00 in funding for the FY 2021-2022 Santa Clara Valley Urban Runoff Pollution

Prevention Program Assessment Payment. The amount budgeted was an estimated value based on previous payments. Annual program assessment costs fluctuate annually depending on the credit the City receives from unspent SVURPPP carryover funds from previous fiscal years. The City did not receive the actual FY 2021-2022 program assessment amount until July 1, 2021 which was \$323.68 above the budgeted amount. Staff recommends the City Council approve and authorize the FY 2021-2022 Santa Clara Valley Urban Runoff Pollution Prevention Program Assessment Payment for the not-to-exceed amount of \$127,806.68.

Policy Alternatives:

Alternative 1: Do not approve funding to participate in the Santa Clara Valley Urban Runoff Pollution Prevention Program.

Pros: This will result in a cost savings of \$127,806.68 to the General Fund.

Cons: The City will not be able to benefit from the regional resources that help Santa Clara County municipalities cost-effectively comply with the Municipal Regional Stormwater NPDES Permit.

Reason not recommended: The City executed the Third Amendment to the Agreement for continued participation in the Santa Clara Valley Urban Runoff Pollution Prevention Program.

Fiscal Impact:

The MOA for SCVURPPP allocates the costs of the program across its members with those allocations having been negotiated at the time of formation in 1990. The cost sharing allocation set forth in the MOA allocates 30.2% to the Water District, 30.1% to the City of San Jose, and the remainder to the remaining agencies, roughly proportional to community size and runoff from respective jurisdictions.

The City's proportional share of the SCVURPPP cost is 2.75% of the total program budget. The SCVURPPP program costs for FY 2021-2022 total \$4,936,308.00 and the City of Milpitas share is \$135,748.00. The City received a credit of \$7,941.32 which has been applied to the assessment and brings the total cost for the current fiscal year to \$127,806.68. Sufficient funds for the project are available in the Public Works Operating Budget for this service.

California Environmental Quality Act:

Participation in SCVURPPP is exempt from the requirements of the California Environmental Quality Act (CEQA) because it is an action taken by a regulatory agency to assure the maintenance, restoration, enhancement or protection of the environment. (CEQA Guidelines Section 15308). In addition, the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. (CEQA Guidelines Section 15061(b)(3).)

Recommendation:

Approve and authorize the FY 2021-2022 Santa Clara Valley Urban Runoff Pollution Prevention Program Assessment Payment for the not-to-exceed amount of \$127,806.68.