

Resolution No.

STOCKTON CITY COUNCIL

ADOPT A RESOLUTION AUTHORIZING A PUBLIC HEARING TO CONSIDER ADJUSTMENTS IN THE CITY'S STORMWATER RATES AND CHARGES AND AUTHORIZING AND DIRECTING THE CITY MANAGER TO MAIL A NOTICE OF THE PUBLIC HEARING TO CONSIDER THE PROPOSED ADJUSTMENTS

The Stormwater Utility was first established in 1991 in response to the Porter Cologne Clean Water Act (CWA). The CWA governs water quality regulation in California and was established to protect the beneficial uses of water and water quality - including surface water bodies, groundwater, and wetlands; and

Implemented in 1992, the original stormwater fee of \$2.10 per month for all residential dwelling units, was intended to fund the first annual budget of the Stormwater fund's operations for FY 1991-92; and

The requirements of the Stormwater Utility has expanded extensively since the approval of the stormwater fee. The stormwater rate set more than 30 years ago is insufficient to fund the maintenance necessary to sustain an aging system and meet State and Federal regulatory requirements; and

On August 22, 2023, by Resolution 2023-08-22-1214, the City Council approved a professional services contract with HDR Engineering, Inc., to evaluate the Stormwater Utility's revenue requirements, prepare a cost-of-service analysis, and design rates that proportionately allocate the costs of providing stormwater service among all customer classes and customers within each class; and

The Stormwater Rate Study used three analyses to address the adequacy and equity of the stormwater utility rates. Based on the analyses, the Municipal Utility Department's (MUD) proposed stormwater rates have been developed to meet the legal requirements of the California Constitution Article XIII D, Section 6 (Proposition 218). Stormwater rates may not exceed the cost of providing stormwater service. The proposed stormwater rates reflect rate study findings, meet the City's goals and objectives, is cost-based and proportionally distributed among all the customer classes; and

On November 13, 2025, staff presented the Draft Stormwater Rate Study (Attachment A) and proposed rate adjustments to the Council Water Committee. The Council Water Committee approved forwarding the proposed stormwater rate adjustments to City Council for consideration and to proceed with the Proposition 218 notice and public hearing process; and

Staff will provide multiple convenient ways to get information and ask questions, including hosting a community meeting to explain the proposed stormwater rate adjustments, and providing a 24/7 online open house webpage with information about

Stockton's stormwater system and links to contact the team by phone, email, or Ask Stockton; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The City Council authorizes the public hearing to be held March 31, 2026, to consider the proposed stormwater rates and charges. The public hearing shall be held at least 45 days after the notice of the public hearing has been mailed.

2. The City Manager is authorized and directed to mail a notice of a public hearing to consider the adoption of proposed increases to the City's stormwater rates and charges. The notice shall be mailed to all City of Stockton stormwater utility customers and the record owners of property upon which the proposed stormwater rates and charges are proposed. The notice shall include the proposed stormwater rates and charges, the reasons for the proposed adjustments to the stormwater rates and how the stormwater rates and charges were calculated, and the date, time and location of the Public hearing to consider the proposed stormwater rates and charges.

3. The City Manager is hereby authorized to take whatever actions are necessary and appropriate to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, and ADOPTED January 27, 2026.

CHRISTINA FUGAZI
Mayor of the City of Stockton

ATTEST:

KATHERINE ROLAND, CMC, CPMC
City Clerk of the City of Stockton