

INDIAN WELLS CITY COUNCIL

March 5, 2026



To: City Council
From: Finance Department
Prepared by: Kevin McCarthy, City Finance Director
Subject: **Initiating Proceedings, Preliminarily Approving the Annual Levy Report, and Declaring Intention to Order the Levy and Collection of Assessments for Annual Levy for Drainage Maintenance Benefit Assessment District No. 1 for the Fiscal Year 2026-27**

RECOMMENDED ACTIONS:

Council **ADOPTS** Resolution initiating proceedings for annual levy and collection of assessments for the Fiscal Year 2026-27 for the City of Indian Wells Drainage Maintenance Benefit Assessment District No. 1 pursuant to the Benefit Assessment Act of 1982; and

ADOPTS Resolution preliminarily approving the annual engineer's report regarding the City of Indian Wells Drainage Maintenance Benefit Assessment District No. 1 and the levy and collection of assessments for the Fiscal Year 2026-27 pursuant to the provisions of the Benefit Assessment Act of 1982; and

ADOPTS Resolution declaring its intention to order the levy and collection of assessments for the City of Indian Wells Drainage Maintenance Benefit Assessment District No. 1 for the Fiscal Year 2026-27 pursuant to the Benefit Assessment Act of 1982.

SCHEDULES a noticed Public Hearing on April 2, 2026, at 1:30 p.m. to hear public testimony on the proposed levy; and

FINDS the project to be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15060.

BACKGROUND:

The City is responsible for levying the annual drainage maintenance assessment in accordance with the Landscape and Lighting Act of 1972 and Proposition 218. Therefore, the Council will hold a noticed Public Hearing on Thursday, April 2, 2026, at 1:30 p.m. to hear public testimony on the proposed levy.

As a condition of approval for the Province development in 2006, the City required the developer to install and guarantee the maintenance of stormwater control structures. The structures consist of two drywells at the northeast corner of Desert Horizons Drive and Vista Del Ray Drive.

These drywells remove nuisance water and stormwater from the Province's development into neighboring developments. The City performs monthly inspections and schedules semi-annual "cleanouts" of the drywells to ensure effective operation.

FISCAL IMPACT:

There is no direct fiscal impact on the City, as the revenues generated from the annual levy are designated specifically for the operation of the District and do not affect the City's General Fund. The levy is assessed at a fixed rate of \$126.32 per parcel, with the City projecting total revenue of \$16,800 from 133 assessed parcels located within the gated area of the Province. In accordance with sound financial management practices, all revenues collected for the District are recorded in a dedicated Special Revenue Fund. These funds are restricted and utilized exclusively for the administration and operation of the District, as detailed in the attached engineer's report.

OPTIONS:

1. Approve initiating proceedings, preliminarily approving the annual levy report, and declaring the intention to order the levy and collection of assessments for the annual levy for the City of Indian Wells Drainage Maintenance Benefit Assessment District No. 1 for the fiscal year 2026-27
2. Decide against initiating proceedings.
3. Provide alternative instructions to the staff.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

This action has been reviewed per the authority and criteria contained in the California Environmental Quality Act (CEQA), the State and local CEQA Guidelines, and the City's environmental regulations. The City, acting as the Lead Agency, determined that the ordinance is not subject to CEQA pursuant to Sections 15060(c)(2), 15060(c)(3), and 15061(b)(3) of the State CEQA Guidelines, because it will not result in a direct or reasonably foreseeable indirect physical change to the environment as there is no possibility that the action would result in a significant environmental impact, and because it does not constitute a "project" as defined in Section 15378 of the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3.

ATTACHMENTS:

1. Resolution- Order the Levy
2. Resolution- Initiate Proceedings
3. Resolution- Engineer Report