

**ENGINEER'S REPORT FOR
THE ADOPTION OF FISCAL YEAR
2018–2019 ASSESSMENTS FOR
CONTRA COSTA COUNTY
FLOOD CONTROL &
WATER CONSERVATION DISTRICT
STORMWATER UTILITY AREAS
NOS. 1 THROUGH 18**

Prepared by the Staff of the

**Contra Costa County Flood Control
& Water Conservation District
255 Glacier Drive
Martinez, CA 94553**

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1. **RECOMMENDATION:**

It is recommended that:

- a. The Stormwater Utility Assessment Equivalent Runoff Unit (ERU) rates for Fiscal Year 2018–2019 be adopted for the Contra Costa County Flood Control and Water Conservation District (FC District) Stormwater Utility Areas (SUAs) for the following incorporated and unincorporated areas:

PROPOSED VS. EXISTING ERU RATES

Stormwater Utility Area No.	Area	Maximum ERU Rate	Existing ERU Rate for FY 2017–18	Proposed ERU Rate for FY 2018–19
1	Antioch	\$25.00	\$25.00	\$25.00
2	Clayton	\$29.00	\$29.00	\$29.00
3	Concord	\$35.00	\$35.00	\$35.00
4	Danville	\$30.00	\$30.00	\$30.00
5	El Cerrito	\$38.00	\$38.00	\$38.00
6	Hercules	\$35.00	\$35.00	\$35.00
7	Lafayette	\$35.00	\$35.00	\$35.00
8	Martinez	\$30.00	\$30.00	\$30.00
9	Moraga	\$35.00	\$35.00	\$35.00
10	Orinda	\$35.00	\$35.00	\$35.00
11	Pinole	\$35.00	\$35.00	\$35.00
12	Pittsburg	\$30.00	\$30.00	\$30.00
13	Pleasant Hill	\$30.00	\$30.00	\$30.00
14	San Pablo	\$45.00	\$45.00	\$45.00
15	San Ramon	\$35.00	\$35.00	\$35.00
16	Walnut Creek	\$35.00	\$35.00	\$35.00
17	Unincorporated County	\$30.00	\$30.00	\$30.00
18	Oakley	\$30.00	\$30.00	\$30.00

2. **NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM PROGRAM:**

Congress adopted the Federal Water Pollution Control Act, generally referred to as the Clean Water Act, in 1972. It specifically prohibits the discharge of any pollutants (e.g., herbicides, pesticides, oil, and grease) to the "navigable waters of the United States." The initial focus of the Clean Water Act was to prohibit these pollutants from industrial process wastewater and municipal sewage. The Act was amended in 1987 mandating the Environmental Protection Agency (EPA) to establish regulations setting forth the National Pollutant Discharge Elimination System (NPDES)

Permit Application requirements for stormwater discharges for municipalities, industries, and construction projects. Contra Costa County (County), its incorporated cities, and the FC District joined together to form the Contra Costa Clean Water Program in order to marshal the necessary resources and develop the most cost-effective program to comply with these federally mandated requirements.

One of the requirements of the NPDES permit process is to identify funding sources for implementation of the program activities. The Contra Costa Clean Water Program Management Committee identified the formation of stormwater utilities as the most practical method for meeting the funding requirements. Sixteen city councils and the County Board of Supervisors adopted resolutions requesting that the FC District form an SUA for their city territory. The governing board of the FC District established SUAs 1 through 17 on June 22, 1993, and Area 18 on May 9, 2000.

3. STORMWATER UTILITY:

A stormwater utility is similar to other utilities. It has a purpose, a geographic boundary, and a method for spreading the utility costs to benefiting properties or recipients. The purpose of the stormwater utility is to fund the implementation of the NPDES program activities required by the permit and the maintenance of the government-owned storm drain systems. In development of the stormwater utility legislation, the construction of capital improvements was excluded from this purpose. Stormwater utility assessment revenues can only be spent on the NPDES program activities and storm drain system maintenance. Replacement of a failing storm drain system is considered a maintenance activity as long as the replacement facility is equal in capacity and a comparable type of facility, i.e., pipe storm drain is replaced by another pipe storm drain.

The NPDES program activities have been tailored to meet the respective city or County NPDES problems based on their land use activities; thus, each program is different. Also, the cities and County, on an individual basis, will perform most of the NPDES activities. Consequently, each city comprises a separate SUA. This facilitates the setting of the utility rates and the transfer of funds to the cities who perform most of the work. The same applies for the unincorporated County NPDES program, which is implemented by County staff.

Stormwater utilities generally distribute program costs to the benefiting landowners on the basis of stormwater runoff quantity or the amount of impervious surface associated with various land uses. The SUAs utilize the latter method. Staff prepared the report entitled "Report on Stormwater Utility Assessment (March 1993)," which is incorporated into this Engineer's Report by reference. The report explains in detail the rationale for using impervious surface area as the basis for allocating costs, the development of the utility rate standard of one ERU and the relationship between land use, parcel size, and the number of ERUs assigned to individual parcels in each SUA. A typical single-family residence (5,000 SF to 20,000 SF lot) is used as the standard for one ERU. The cost to the typical single-family landowner will be the ERU rate shown in Section 1(a) above.

4. PROPOSED STORMWATER UTILITY BUDGETS FOR FY 2018–2019:

Indicated below are the estimated budgets for each SUA. The FC District's administration and collection costs are estimated at \$2 per parcel, which includes the County Tax Collector's line item cost for the tax bills.

Each year, the FC District provides city staff with an estimate of the number of ERUs assessable in the new year. The agency corresponding with each SUA then prepares a budget for their NPDES and drainage maintenance program for the forthcoming fiscal year. Using this budget, plus the estimated cost for entity administration and assessment collection, city staff calculates the required ERU rate by dividing the estimated total cost by the estimated ERUs in the SUA. The agency governing board approves the rate and requests that the FC District approve and implement the desired assessment. The ERU rate in future years cannot exceed the maximum rate shown in Section 1(a) without completing the public notice/hearing process required by SB 1977 (Bergenson) and Proposition 218 (California Constitution, Article XIII D, Section 4).

PROJECTED EXPENDITURES

Stormwater Utility Area No.	Agency	Group NPDES Cost Funding (1)	Agency NPDES Funding (1)	FC District Admin/ Collection Cost	Tax Collector Cost	Total
1	Antioch	\$306,747	\$816,479	\$4,535	\$26,806	\$1,154,567
2	Clayton	\$30,299	\$88,457	\$583	\$3,721	\$123,060
3	Concord	\$344,685	\$1,543,657	\$5,368	\$31,380	\$1,925,090
4	Danville	\$116,412	\$427,956	\$2,262	\$13,473	\$560,103
5	El Cerrito	\$66,053	\$322,821	\$1,236	\$7,423	\$397,533
6	Hercules	\$68,940	\$248,356	\$1,206	\$7,267	\$325,769
7	Lafayette	\$67,662	\$379,138	\$1,215	\$7,355	\$455,370
8	Martinez	\$101,115	\$511,492	\$1,839	\$10,994	\$625,440
9	Moraga	\$44,777	\$236,127	\$808	\$4,964	\$286,676
10	Orinda	\$50,842	\$318,750	\$990	\$6,099	\$376,681
11	Pinole	\$50,950	\$258,550	\$918	\$5,577	\$315,995
12	Pittsburg	\$187,468	\$909,684	\$2,544	\$15,520	\$1,115,216
13	Pleasant Hill	\$93,057	\$387,819	\$1,655	\$9,840	\$492,371
14	San Pablo	\$83,380	\$330,512	\$939	\$5,782	\$420,613
15	San Ramon	\$216,284	\$899,775	\$3,339	\$20,505	\$1,139,903
16	Walnut Creek	\$190,571	\$970,932	\$3,518	\$20,748	\$1,185,769
17	Unincorporated County	\$465,739	\$2,860,912	\$7,740	\$45,831	\$3,380,222
18	Oakley	\$110,623	\$371,481	\$1,594	\$10,015	\$493,713
TOTAL:		\$2,595,604	\$11,882,898	\$42,289	\$253,300	\$14,774,091

(1) Agency funding for NPDES includes storm drain system maintenance and contingency costs.

5. ESTIMATED STORMWATER UTILITY ASSESSMENT REVENUES IN FY 2018–2019:

Indicated below are the estimated revenues for Fiscal Year 2018–2019 based on the proposed assessment rates in Section 1(a). The proposed ERU rate is the rate recommended in each municipality's resolution requesting adoption of Stormwater Utility Assessments for their municipal area. A listing of each assessor parcel number and proposed 2018–2019 assessment is on file with the Clerk of the Contra Costa County Board of Supervisors.

PROJECTED ERU RATES and REVENUES

Stormwater Utility Area No.	Agency	Number of ERUs	Proposed ERU Rate for FY 2018–19	Estimated Revenue
1	Antioch	47,573	\$25.00	\$1,189,315
2	Clayton	5,317	\$29.00	\$154,195
3	Concord	64,140	\$35.00	\$2,244,906
4	Danville	18,758	\$30.00	\$562,736
5	El Cerrito	10,671	\$38.00	\$405,483
6	Hercules	10,323	\$35.00	\$361,299
7	Lafayette	13,078	\$35.00	\$457,734
8	Martinez	21,471	\$30.00	\$644,135
9	Moraga	8,210	\$35.00	\$287,337
10	Orinda	11,150	\$35.00	\$390,234
11	Pinole	9,025	\$35.00	\$315,864
12	Pittsburg	30,373	\$30.00	\$911,176
13	Pleasant Hill	17,400	\$30.00	\$522,003
14	San Pablo	10,378	\$45.00	\$467,023
15	San Ramon	36,719	\$35.00	\$1,285,149
16	Walnut Creek	36,592	\$35.00	\$1,280,709
17	Unincorporated County	93,244	\$30.00	\$2,797,313
18	Oakley	16,583	\$30.00	\$497,480
TOTAL:		461,002		\$14,774,091