

# **Contra Costa County Municipal Regional Permit 2.0 Implementation Plan For Unincorporated Communities**

## **EXHIBIT 1**

### **Background**

The Regional Water Quality Control Board issues the County a stormwater permit that requires the County to reduce pollutants in the stormwater flowing through its drainage systems and waterways. These stormwater permits are issued every five years, the first issued in 1993, and every succeeding permit has more difficult requirements that take more resources to comply with. The current permit has, among its many provisions, four focus areas: green infrastructure, trash, PCBs, and mercury. Green infrastructure includes drainage basins and swales that filter and treat stormwater through special soils and vegetation.

### **Financial Resources Available**

- The Regional Board issued the County a permit to reduce pollution in stormwater
- The estimated cost to comply with the permit is about \$5 million
- The County only has about \$3.2 million in dedicated annual revenue available for permit compliance
- There are no supplemental resources available from the County General Fund
- Some restricted funding sources have been identified (e.g. Road Fund) that can fund certain tasks

Staff estimated it would cost around \$5 million to comply with all provisions in the current stormwater permit, Municipal Regional Permit (MRP) 2.0. However, the County only receives about \$3.2 million each year in discretionary revenue for stormwater related services and projects, and there are no additional resources available from the General Fund. Staff did identify \$510,000 of Road Funds and \$75,000 of Flood Control Funds that could be used to help pay for program activities. It should be noted that if the gas tax is reduced, any contribution from the Road Fund would have to be reconsidered and likely removed. In any event, there are insufficient funds to close the gap (about \$1.2 million) between available revenue and estimated expenditures, and a plan is needed to determine how the County will implement permit requirements – an Implementation Plan.

### **Implementation Plan Objectives**

- Maximize effectiveness of permit compliance
- Use a strategic process to decide prioritization within budget limitations
- Demonstrate the County does the right thing and is always trying
- Communicate the importance of stormwater quality to communities

A primary objective of the Implementation Plan is to maximize effectiveness of permit compliance, so our work truly improves water quality. Even though the County does not have sufficient funds to

complete every task, the County wants to demonstrate to the Regional Board it is committed to improving water quality and working hard to do so. And the County doesn't mind taking a leadership role in resolving difficult issues, as long as the Regional Board acknowledges that eventual resolution may take longer than expected.

### **Approach to Implement Permit Requirements**

- Identify the most efficient and effective way to address permit compliance with available funding
  - Focus on top tier tasks and reduce resources on low tier tasks
  - Focus resources on top tier tasks, about 60% of total program expenditures
  - Reduce funding to remaining tasks, about 40% of total program expenditures
- Develop a prioritized list of permit requirements grouped into three tiers
- High-priority, Tier 1, requirements will be completed on time
- Low priority tasks, Tier 2 and Tier 3, will be completed but not on time

The approach in developing the Implementation Plan is to identify tasks that will be completed and will be a primary focus, but also identify some work that will be done on all other tasks. So work will be done on all tasks but not all tasks will be completed within the permit timeline.

### **Task Prioritization**

Staff identified key MRP 2.0 tasks and prioritized them using the following criteria:

- Maximizing pollution removal
- Realizing co-benefits and benefits to the community, and improving community value
- Maximizing program effectiveness (staff resources, program objectives, program costs)
- Matching Regional Board priorities

The prioritized list of tasks was divided into three tiers, Tier 1 being top priority and Tier 3 being low priority. Tier 1 tasks will receive full funding, Tier 2 tasks will receive substantial funding, and Tier 3 tasks will receive little funding.

Exhibit 1 is a list of 13 tasks from MRP 2.0 and their ranking. Since trash reduction is a top priority for the Regional Board, trash related tasks are a top priority in the Plan as well, with most in the Tier 1 category.

### **Service Reductions/Savings**

Aside from the MRP 2.0 tasks, there are other baseline tasks and services that have been part of the program for many years. Staff reviewed all of the services and programs that are funded with Stormwater Utility Assessment funds and determined which services could be reduced. Stormwater Utility Assessment funds are the source of dedicated revenue used to fund stormwater services, programs, and projects. In addition, staff reviewed services or programs that could be funded from other sources and would represent a savings. The following service reductions and program savings were identified:

- **Street Sweeping.** Transfer street sweeping to the Road Fund (This would likely not occur if the gas tax is modified)
- **Inspections.** Reduce inspections by 50%
- **Outreach.** Reduce the Public Information and Participation Program by 50%
- **Calendar.** Eliminate the annual calendar

The attached budget (Exhibit 2) includes these service reductions and funding shifts, with the savings shown in the "Difference" column.

## **Implementation Plan**

The Implementation Plan identifies permit tasks that will be completed during the permit term, and tasks that will not be completed during the permit term. It should be noted that, although some tasks will not be completed within the permit timeline, there is still a commitment to complete them eventually. These tasks are shown in Exhibit 2, the proposed budget for the Implementation Plan. The budget lists all of the tasks required in the stormwater permit and shows those that have been prioritized and identified as Tier 1, Tier 2, or Tier 3, and those service reductions or funding shifts that represent a savings. Budget items that are not prioritized or listed as a savings are generally baseline activities from MRP 1.0 that need to be done.

The Constrained Budget represents the estimated cost to comply with all permit provisions, with the exception of PCBs, within the permit timeline. PCB requirements are not included in the estimated budget because there is too much uncertainty around how compliance will be achieved. The County is assuming, in its planning budget scenarios, that PCBs will not be directly addressed by the County but instead through development projects or remediation of source properties. The Constrained Budget costs total about \$5 million. The Implementation Plan Budget costs total about \$3.2 million, equal to the average annual revenue dedicated for stormwater purposes. It should be noted that about \$600,000 of the Implementation Plan Budget is funded by Road Funds or Flood Control Funds. Any change in the ability to use those funds would require modification of the Implementation Plan Budget.