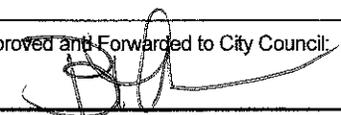




STAFF REPORT

Date: Tuesday, March 24, 2015
To: Bryan H. Montgomery, City Manager
From: Kevin Rohani, City Engineer

Approved and Forwarded to City Council:


Bryan H. Montgomery, City Manager

SUBJECT: Establishment of the Rate per Equivalent Runoff Unit for FY 2015/16 and Requesting the Contra Costa County Flood Control and Water Conservation District to Adopt an Annual Parcel Assessment for Drainage Maintenance and the National Pollutant Discharge Elimination System Program

Background and Analysis

The City of Oakley joined the Contra Costa Clean Water Program in March of 2000 to implement its National Pollutant Discharge Elimination System Program as required by the Federal Water Pollution Control Act. To fund the City's participation in the program, the Contra Costa County Flood Control and Water Conservation District was authorized by Assembly Bill 2768 to impose an annual assessment on behalf of member cities. The annual assessment is based on an Equivalent Runoff Unit (ERU) which is defined as the service charge rating assigned to each parcel based on its land use.

Prior to incorporation, the County collected \$16.20 per ERU in the Oakley area. The estimated level of effort and corresponding budget for Oakley's first two years as a member of the Clean Water Program required that the rate per ERU be increased to \$20.65, or a 27.5% increase from the pre-incorporation rate. That rate allowed the City to achieve the minimum requirements of the 5-Year National Pollutant Discharge Elimination System (NPDES) Permit that was in effect at that time. In 2003/04, anticipating a change in the permit requirements and an increased level of effort, the rate was raised to \$25.00 per ERU.

In early 2004, the Countywide permits were amended to include new development and re-development requirements that were very stringent and time intensive. Since that time, the required monitoring, reporting, and administration efforts have become more burdensome and the permit fees charged by the Regional Water Quality Control Board have increased. The most recent permit, referred to as the Municipal Regional Permit or MRP is even more restrictive. To cover these costs, the rate was raised to \$28.00 per ERU in 2004/05; and to the maximum rate of \$30.00 in 2005/06. When the Stormwater Utility Areas were established by the legislation, maximum rates were established for each participating agency. Oakley's maximum rate is

\$30.00 per ERU and can only be increased by a vote pursuant to Proposition 218. This results in a total budget estimate for FY 2015/16 of approximately \$487,000.

In FY 2004/05, the City added a part-time Stormwater Coordinator to manage the program. In 2011, the duties of the Stormwater Coordinator were shifted to the incumbent Senior Engineer who still handles them with assistance from a consultant. This is proposed to remain mostly unchanged for 2015.

The core activities of the program include drainage facility maintenance, street sweeping, and monitoring and reporting on the stormwater components of the City's new development, industrial and commercial inspection, municipal maintenance, public education, and illicit discharge activities. The City is also continuing to implement the new permit provisions by tracking and monitoring all stormwater control features associated with new development (such as the Cypress Grove pond and the bio-swales in the Diamond Hills Sports Club and Spa parking lot) and conducting public outreach activities that complement the countywide effort through presentations to the local schools and other mediums such as the Oakleaf. The City pays nearly \$70,000 to the Countywide program annually for their activities, which include extensive public education, coordination of the annual report, representation to the regional boards and other stakeholder groups, negotiation of permit requirements, and other administrative activities. Oakley's Stormwater Coordinator sits on the management committee that establishes the Countywide program budget, and a concerted effort has been made to keep the costs to a minimum. Staff has prepared a draft line item budget for the City's cleanwater activities that is attached to this report for reference and will be included in the annual City FY 2015/16 budget process. The budget may be modified as part of the Citywide budget hearings and approval, but provides a logical nexus and justification for the proposed rate.

The agreement between the City and the Contra Costa County Flood Control and Water Conservation District (District) requires that the City determine the rate per ERU annually prior to May 1st. The District has requested that the City submit certified resolutions in early April so that they can schedule the item for a specific Contra Costa County Board of Supervisors hearing.

Fiscal Impact

Adoption of the resolution will authorize the Contra Costa County Flood Control and Water Conservation District to collect approximately \$487,000.00 from the property tax rolls on Oakley's behalf to fund program costs. Funds are disbursed from the District to the City as outlined in the Program agreement.

Recommendation

Staff recommends that the City Council adopt the Resolution Establishing the Rate per Equivalent Runoff Unit for FY 2015/16 and Requesting the Contra Costa County Flood Control and Water Conservation District to Adopt an Annual Parcel Assessment for Drainage Maintenance and the NPDES Program.

Attachments

- 1) Draft FY 2015/16 Budget
- 2) Resolution for ERU Establishment

Oakley Clean Water Program Budget
Fiscal Year 2015/16

Task Number	Task Title	FY 15/16 Proposed	Description/Comments
1	New Development and Construction Controls	\$ 1,500.00	Funds costs related to new development and construction activities
2	Public Education and Outreach	\$ 1,500.00	Funds costs related to public education and outreach activities; includes newsletter publication
3	Municipal Maintenance	\$ 5,000.00	Funds costs related to municipal maintenance activities
4	Industrial and Commercial Inspections	\$ 6,000.00	Funds costs related to the inspection of industrial and commercial businesses for water quality compliance
5	Illicit Discharge Control	\$ 4,000.00	Funds costs related to identification and clean-up of illicit discharges
6	Monitoring	\$ 2,500.00	No special water quality monitoring activities have been identified at this time for this year.
7	Special Studies	\$ 2,500.00	No special studies other than those related to the anticipated new permit have been identified at this time for this year.
8	Watershed Management	\$ 5,000.00	Anticipates a contribution to the watershed organization
9	Permit Fees	\$ 15,000.00	Annual RWQCB permit fees
11	Agency Administration	\$ 3,000.00	Costs for attending mandatory meetings and workshops and program related conferences and training.
12	Group Costs	\$ 75,000.00	Oakley share of the overall CCWP costs including assessment levying
13	New Permit Implementation	\$ 7,500.00	Special studies and consultant assistance related to new permit requirements
14	Street Sweeping	\$ 150,000.00	Annual street sweeping contract
15	Drainage Maintenance	\$ 71,000.00	Funds eligible drainage maintenance activities such as catch basin cleaning
16	Total Staff Costs	\$ 75,000.00	Staffing costs necessary to implement the goals of the stormwater management plan.
17	Overhead	\$ 72,500.00	Offsets overhead costs to the PW&E Division
Total Project Costs		\$ 487,000.00	
Estimated FY 2015/2016 ERU's		16,233.00	
Proposed FY 2015/2016 Fee Rate		\$ 30.00	

RESOLUTION NO. __-15

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OAKLEY ESTABLISHING THE RATE PER EQUIVALENT RUNOFF UNIT FOR FY 2015/16 AND REQUESTING THE CONTRA COSTA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT TO ADOPT AN ANNUAL PARCEL ASSESSMENT FOR DRAINAGE MAINTENANCE AND THE NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM PROGRAM

WHEREAS, under Federal Water Pollution Control Act, prescribed discharges of stormwater require a permit from the appropriate California regional water quality board under the National Pollutant Discharge Elimination System (NPDES) program; and

WHEREAS, the City of Oakley (City) did apply for, and did receive, an NPDES permit which requires the implementation of selected Best Management Practices to minimize or eliminate pollutants from entering storm waters; and

WHEREAS, it is the intent of the City to utilize funds received from its Stormwater Utility Area (SUA) for implementation of the NPDES program and drainage maintenance activities; and

WHEREAS, at the request of the City, the Contra Costa County Flood Control & Water Conservation District (DISTRICT) has completed the process for formation of a SUA, including the adoption of the Stormwater Utility Assessment Drainage Ordinance No. 93-47; and

WHEREAS, The SUA and Program Group Costs Payment agreement between City and DISTRICT requires that the City annually, by May 1st, determine the rate to be assessed to a single Equivalent Runoff Unit (ERU) for the forthcoming fiscal year.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Oakley does determine that the rate to be assigned to a single ERU for FY 2015/16 shall be set at \$30.00.

BE IT FURTHER RESOLVED that the City Council does hereby request the DISTRICT to adopt SUA levies based on said amount.

