



**CONTRA COSTA
CLEAN WATER
PROGRAM**

MANAGEMENT COMMITTEE MEETING AGENDA

Wednesday, November 16, 2022

1:30 PM to 3:30 PM

Join Zoom meeting:

<https://us06web.zoom.us/j/87930698822?pwd=b2lRT2ptV1VRcXFYR3dOU2xCUDBuZz09>

Meeting ID: 879 3069 8822 Passcode: 982003 Dial: 1 669 900 6833 US (San Jose)

One tap mobile: +16699006833,,87930698822#,,,,*982003# US (San Jose)

If you require an accommodation to participate in this meeting, please contact Michael Burger at 925-313-2360 or at michael.burger@pw.cccounty.us, or by fax at 925-313-2301. Providing at least 72 hours notice (three business days) prior to the meeting will help to ensure availability.

VOTING MEMBERS (authorized members on file)

City of Antioch	Phil Hoffmeister
City of Brentwood	Meghan Oliveira / Brant Wilson/ Jigar Shah
City of Clayton	Reina Schwartz/Larry Theis/Jason Chen
City of Concord	Bruce Davis (Vice-Chair)/ Kevin Marstall
Contra Costa County	Michele Mancuso/ Tim Jensen/ Allison Knapp
CCC Flood Control & Water Conservation District	Tim Jensen/ Michele Mancuso/ Allison Knapp
Town of Danville	Bob Russell/ Steve Jones/ Mark Rusch
City of El Cerrito	Stephen Prée/ Will Provost/ Yvetteh Ortiz/ Christina Leard
City of Hercules	Mike Roberts/Jeff Brown/Jose Pacheco/Nai Saelee/F. Kennedy
City of Lafayette	Matt Luttrupp/ Tim Clark
City of Martinez	Khalil Yowakim/ Frank Kennedy
Town of Moraga	Shawn Knapp/Mark Summers/Bret Swain
City of Oakley	Billilee Saengcalern/ Frank Kennedy/ Andrew Kennedy
City of Orinda	Scott Christie/ Kevin McCourt/ Frank Kennedy
City of Pinole	Misha Kaur
City of Pittsburg	Jolan Longway/ Richard Abono
City of Pleasant Hill	Ryan Cook/Ananthan Kanagasundaram/Frank Kennedy (Chair)
City of Richmond	Mary Phelps
City of San Pablo	Amanda Booth/ Karineh Samkian/ Sarah Kolarik/ Jill Mercurio
City of San Ramon	Kerry Parker/ Robin Bartlett/Maria Fierner
City of Walnut Creek	Lucile Paquette/ Neil Mock/ Steve Waymire

PROGRAM STAFF AND CONSULTANTS

Courtney Riddle, Program Manager	Andrea Bullock, Administrative Analyst
Karin Graves, Sr. Watershed Planning Specialist	Alina Constantinescu, Consultant
Yvana Hrovat, Consultant	Mitch Avalon, Consultant
Liz Yin, Consultant	Michael Burger, Clerk
Lisa Austin, Consultant	Lisa Welsh, Consultant
Erin Lennon, Watershed Planner	Hilary Pierce, Consultant

**Contra Costa Clean Water Program
MANAGEMENT COMMITTEE MEETING AGENDA
Wednesday, November 16, 2022**

AGENDA

Convene the Meeting /Introductions/Announcements/Changes to the Agenda: **1:30**

Public Comments: Any member of the public may address the Management Committee on a subject within their jurisdiction and not listed on the agenda. Remarks should not exceed three (3) minutes.

Regional Water Quality Control Board Staff Comments/Reports: **1:32**

Consent Calendar: **1:35**

All matters listed under the CONSENT CALENDAR are considered routine and can be acted on by one motion. There will be no separate discussion of these items unless requested by a member of the Management Committee or a member of the public prior to the time the Management Committee votes on the motion to adopt.

- A. APPROVE** Management Committee meeting summary (Chair)
 - 1) October 19, 2022 Management Committee Meeting Summary
- B. ACCEPT** the following subcommittee meeting summaries into the Management Committee record: (Chair)
 - 1) Administrative Committee
 - October 4, 2022
 - 2) PIP Committee
 - September 6, 2022
 - 3) Municipal Operations Committee
 - September 20, 2022
 - 4) Development Committee
 - September 28, 2022

Presentations: **1:40**

- A. Report on GI Design guidelines, scope and budget (E. Lennon/R. Kraai)
 - a. See staff report for background information
- B. Alternative Compliance conditionally approved items, scope and budget (K. Graves/A. Booth)
 - a. See staff report for background information
- C. Process to develop FY 23/24 Budget (M. Avalon)
 - a. See staff report for background information
- D. End of Year Budget report (M. Avalon/A. Bullock)
 - a. See staff report for background information
 - b. Investment of reserve funds

- E. Review Stormwater Funding Options Report and 5-year budget (M. Avalon)
 - a. See staff report for background information

Actions: **2:40**

- A. APPROVE the final scope and budget for the following conditionally approved budget items:
 - a. G.I. Design Guidelines (conditionally approved at \$40,000)
 - b. Alternative Compliance set up (conditionally approved at \$55,000)
 - c. Alternative Compliance pilot projects (conditionally approved at \$50,000)

Reports: **2:45**

- A. Quarterly status report on grant opportunities (S. Mathews/Z. Cholico)
- B. Status of C.3 Guidebook (E. Lennon/Y. Hrovat)
- C. Status of Old Industrial Control Measure Implementation Plan (L. Welch/L. Austin)

Updates: **3:00**

- A. Personnel Update (K. Graves)
 - a. Mitch's retirement and service continuity plan (see attached staff report)
- B. BAMSC Steering Committee meeting (K. Graves)
 - a. Discuss interest in a regional unfunded mandates claim?
 - b. Status of regional projects and working groups
- C. AGOL Work Group (E. Yin)
- D. New fish risk short videos (H. Pierce)
- E. Overview of new newsletter content on CCCWP Website (H. Pierce)
- F. Potential new Commercial, Industrial, Institutional permit (E. Lennon/K. Graves)
 - a. See attached CASQA article

Information: **3:20**

Old/New Business: **3:25**

Adjournment: Approximately 3:30 p.m.

Next Management Committee Meeting: Wednesday, December 13, 2022, 1:30 PM

Attachments

Consent Items

1. Management Committee Meeting Summary October 19, 2022
2. Administrative Committee Meeting Summary October 4, 2022
3. PIP Committee Meeting Summary September 6, 2022
4. Municipal Operations Committee Meeting Summary September 20, 2022
5. Development Committee Meeting Summary September 28, 2022

Presentation Items

6. Staff report on G.I. Guidelines
7. Staff report on Alternative Compliance budget items
8. Alternative Compliance scope of work

9. Staff report on FY 23/24 budget process
10. FY 23/24 budget process overview
11. Staff report on End of Year Budget
12. End of year budget spreadsheet
13. Staff report on Stormwater Funding Options Report
14. Phase 1, Stormwater Funding Options Report
15. Staff report on five-year budget
16. Five-year budget spreadsheet

Updates

17. Staff report on Service Continuity Plan
18. CASQA article on Commercial, Industrial, Institutional permits

UPCOMING CCCWP MEETINGS	
All meetings will not be held at 255 Glacier Drive, Martinez, CA 94553, but will be held virtually	
December 6, 2022 1 st Tuesday	Administrative and PIP Committee Meeting 9:30 a.m. – 12:00 noon
December 12, 2022 2 nd Monday	Monitoring Committee Meeting, 10am – 12 noon
December 19, 2022 3 rd Tuesday	Municipal Operations Committee Meeting, 10am-12 noon
November 23, 2022 4 th Wednesday	Development Committee Meeting, 1:30 p.m.-3:30 p.m.
December 21, 2022 3 rd Wednesday	Management Committee Meeting, 1:30 p.m.-3:30 p.m.
BAMSC (BASMAA) SUBCOMMITTEE/ MRP 3.0 MEETINGS	
Times for the BAMSC (BASMAA) Subcommittee meetings are subject to change.	
July 1, 2022	Effective date of MRP 3.0
1st Thursday	Development Committee, 1:30 – 4:00 p.m. (even months)
1st Wednesday	Monitoring/POCs Committee, 9:30 a.m. – 3:00 p.m. (odd months)
4th Wednesday	Public Information/Participation Committee, 1:30 – 4:00 p.m. (1 st month each quarter)
4th Tuesday	Trash Subcommittee, 9:30 a.m.-12 noon (even month)



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MANAGEMENT COMMITTEE MEETING MINUTES

10-19-2022

Attendance:

MUNICIPALITY	ATTENDED	ABSENT
City of Antioch	Phil Hoffmeister	
City of Brentwood	Brent Wilson	Meghan Oliveira
City of Clayton	Reina Schwartz	
City of Concord	Bruce Davis	
Town of Danville		Bob Russell
City of El Cerrito	Christina Leard	
City of Hercules	Jose Pacheco	
City of Lafayette	Matt Luttrupp, Tim Clark	
City of Martinez	Frank Kennedy	
Town of Moraga	Mark Summers	
City of Oakley	Frank Kennedy	
City of Orinda	Frank Kennedy	
City of Pinole	Misha Kaur	
City of Pittsburg	Jolan Longway	
City of Pleasant Hill	Frank Kennedy (Chair)	
City of Richmond	Mary Phelps	
City of San Pablo	Amanda Booth	
City of San Ramon	Kerry Parker	
City of Walnut Creek	Lucile Paquette	
Contra Costa County	Michele Mancuso	
CCC Flood Control and Water Conservation District	Tim Jensen	

Program Staff: Erin Lennon, Andrea Bullock, Michael Burger, Karin Graves

Program Consultants: Yvana Hrovat, Liz Yin, Hilary Pierce, Lisa Welsh

Members of the Public/Others/Guests: Allison Knapp (Contra Costa County), Karen Cowan (CASQA)

Introductions/Announcements/Changes to Agenda: Due to the Covid-19 pandemic, the meeting was conducted by video-conference call.

Public Comments: No members of the public called in.

Regional Water Quality Control Board Staff Comments/Reports: Regional Board staff did not call in.



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1. **Roll call was taken and the Closed Session of the meeting was convened by the Chair at 1:00 p.m.**
2. **The Chair reconvened the public meeting at 2:00 p.m.**
3. **Announcements:** Karin Graves announced that the Program had discovered several boxes of Chico bags in the storage shed that had been ordered before current staff were working with the Program. She noted that these were available for Permittees for use in outreach.
4. **Consent Calendar:** Misha Kaur (Pinole) motioned to approve the Management Committee meeting minutes as submitted, with no changes, and accept subcommittee minutes, Reina Schwartz (Clayton) seconded. The Chair called for a vote. Michele Mancuso (Contra Costa County) abstained due to not being present at the last meeting. There were no objections. The motioned passed with one abstention and the consent calendar items were approved.
5. **Presentations:**

- a. **Annual Report on CASQA accomplishments: FY 21/22 (K. Cowan):** Karen Cowan began by displaying a slideshow and introduced herself as the Executive Director of CASQA. The priorities for the organization for the year were discussed. An update on funding and legislation would be the focus. Two forms of funding would be discussed.

The first was the State Revolving Fund, a low interest loan program to secure federal funding for large infrastructure projects. It would involve receiving a loan and paying back into the fund. This has been difficult to access from a grant perspective as well as for programs that do not have a stable, identifiable revenue stream. This year's "intended use plan" specifically called out stormwater projects: for both projects themselves (50% local match with a \$5M cap) and planning (25% match). There was a total of \$20M available but programs needed to be on the intended use plan to apply for funding.

The other source of funding was the OSG grant. This is a path to access congressional funds and was a separate list on the intended use plan.

Mitch Avalon asked if this was primarily for stormwater capture. Karen Cowan noted that the state revolving fund had a stormwater capture requirement but did not indicate that the OSG path had a similar requirement. She did indicate that potable water offsets could be used to satisfy this requirement.

There had been a push for legislative budgeting for stormwater, though it didn't materialize, but there seemed to be support from the senate and Governor for funding



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stormwater capture. CASQA would be continuing to advocate for this in the coming Fiscal Year and would be providing information to programs so that support could be secured.

Lisa Austin asked if the annual allocation of \$20M was statewide. Karen Cowan confirmed this and discussed the amount as compared to the number of regional projects. It was suggested that the amount may not be as large as desired but any amount represented a shift in the consideration for allocating those funds to stormwater projects in the future. Lisa Austin asked what the next steps were for getting onto the intended use plan. Karen Cowan informed the committee that she would be seeking this information through future meetings and suggested that the Program engage with the CASQA legislation sub-committee as well as continue to be involved through municipal support of letters to the legislature.

CASQA was actively engaged in four main pieces of legislation over the last Fiscal Year. AB 377 was opposed by CASQA and was eventually dropped by legislators, AB 2106 was opposed by CASQA unless the bill received a significant amendment and was eventually vetoed by the Governor, SB 64 was supported by CASQA and was signed by the Governor, and AB 2247 was supported by CASQA and was signed by the Governor. Karen Cowan gave a brief description of each bill and the reason for opposition or support. CASQA is currently tracking two legislations: AB 2108 and SB 891 which were both signed by the Governor. SB 891 was a “Clean Up” of the language of SB 205.

- b. Final Methylmercury Control Measure Plan (L. Welsh/L. Austin):** Lisa Austin introduced the plan and described the report. The Delta Waterways had a separate TMDL for methylmercury and C.19 of the MRP 3.0 permit required a report and modeling analysis for TMDL waste load allocation compliance. A similar report had been submitted in 2020 that was focused on the San Francisco Bay Methylmercury TMDL.

There were three subareas for the modeling analysis: Central Delta, Marsh Creek, and West Delta. The findings were that mercury concentrations were below the California Toxics Rule for mercury in all subareas except for Marsh Creek. Modelling showed that the waste load allocation cannot be achieved with reasonable and foreseeable implementation of control measures in Marsh Creek. Region 5 had been informed of this in 2020. If however, the RAA results for all watersheds in East County were taken as a whole, compliance would be achieved.

The control measure plan stated that Permittees would continue to implement agreed upon control measures which included Green Stormwater Infrastructure (GSI), full trash capture devices, and enhanced operations and maintenance (O&M) (such as enhanced inlet cleaning and street sweeping). As a separate provision in C.19, Permittees were required to continue these practices. While full trash capture was anticipated to be



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completed during the permit cycle to meet requirements, the GSI, O&M, and C.3 compliance would be continued indefinitely.

The final report contained cost estimates and an uncertainty analysis.

An action item to approve the plan and the cover letter is included later in the meeting agenda.

- c. **Stormwater Funding Options Report Outline (M. Avalon):** In July, the Management Committee had authorized the development of an options report on funding. The objective for today was to solicit feedback on the initial report. The report was currently under legal review by the Program's attorney, after which a peer review would be conducted.

A five-year budget was developed and would be available at the next Committee meeting. The current reserve was \$4.2M. The current budget was about \$1M over the \$3.5M budget threshold. The estimate was the budgets will be over the \$3.5 million budget threshold by \$1.8M over the next 4 years. There are a number of unresolved budget items (AGOL, SW funding option, C.12.c control measures, alternative compliance) also to be considered. The assumption was that \$200k would be added per year over the next four years for these items. This would leave \$600k remaining in the reserve at the end of the permit term. The reserve would cover MRP 3.0 but would not leave enough funds for MRP 4.0.

The options report had 2 phases: Phase 1 would be to determine viable options for Phase 2. Phase 2 would be to evaluate the viable options and make a recommendation for the Program.

A total of 24 options were evaluated during Phase 1. Six were determined to be non-viable, seven were determined to be viable on a Permittee level, four were determined to be viable on a regional level, and eight were determined to be viable for consideration.

The non-viable options included a parcel based tax, a general obligation bond, a transient occupancy tax, a vehicle license fee, Senate Bill 231, and the creation of a litter/trash district.

Options identified as viable at a Permittee level included a user tax, a sales tax, a benefit assessment, decentralized costs of program management, a regulatory fee, an impact fee, and the creation of a community facilities district.

The four options identified as viable at a regional level included an unfunded mandate, a time schedule order, a basin plan amendment, and pursuing a legislative approach.



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The eight viable options identified included a property related fee, creation of a litter/trash district, creation of a community facilities district, grants, the state revolving fund, participation in regional approaches, the California water supply strategy, and alternative compliance. The property related fee, litter/trash district, and creation of a community facilities district were recommended as the most viable options as the others were generally considered one-time funding and could not be relied on for long-term funding.

Program staff were requesting feedback and developing a list of items to resolve in the final report for phase 2.

Lucile Paquette (Walnut Creek) expressed her concern that the costs of the permit requirements had a large price tag and asked if there was a way to break the C.12.c requirements away. Mitch Avalon noted that if all the work was GSI at \$500k/acre, the cost would be \$300M-\$400M. This was an impossible spending threshold by the end of the permit. There was also a physical limit on the amount of work that could be done. There was also the option of Regional Alternative Compliance that was being developed. Lisa Austin reminded the Committee that the requirement was for treatment but not necessarily GSI. Permit requirement C.3.j did require GSI, but that may also be applicable to the larger requirement of C.12.c acres if there were applicable treatment applications. Mitch Avalon informed that the Control Measure Plan would have a breakdown of where the work would be done in order to meet the requirement thresholds. There was also the option of the WQIF grant funding some of these requirements. Lucile Paquette (Walnut Creek) asked if a timeline on receiving information had been determined. Mitch Avalon noted that the report was currently under legal review and would go to peer review next week. Then it would be brought before the Administrative and Management Committees in November. Feedback was requested by the end of next week.

- d. **Report on candidates running for CASQA Board of Directors (A. Bullock):** The candidate list was displayed. Voting had opened yesterday. Direction for voting was being requested. There were 7 candidates nominated and 7 positions available, so all candidates would be elected if voted for but Andrea Bullock suggested that it was important that specific votes were in place.

The vote was required by the end of November. An action item to direct the vote was on the agenda.

6. Actions:

- a. **APPROVE the Final Methylmercury Control Measure Plan and transmittal letter, and AUTHORIZE the Acting Program Manager to sign the transmittal letter and transmit**



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the plan to the Regional Water Quality Control Boards, Region 2 and Region 5 (roll-call vote): Michele Mancuso (Contra Costa County) motioned to approve, Phil Hoffmeister (Antioch) seconded. The Chair called for a vote. Brentwood and Danville did not have voting members in attendance and an absentee vote for both cities would be requested. There were no objections or abstentions. The Committee APPROVED and AUTHORIZED the Acting Program Manager to transmit the Control Measure Plan and Transmittal letter pending positive votes from Brentwood and Danville.

Michele Mancuso (Contra Costa County) asked if Permittees needed to upload the report to SMARTS individually. Lisa Austin confirmed that East County permittees needed to do so and informed the Committee that the report and instructions would be available by the end of the week. Bruce Davis (Concord) asked what the time frame was for submittal. The deadline was November 1.

Subsequent to the Committee meeting, Brentwood and Danville were sent an email requesting their vote, and both responded with a "yes" vote.

- b. VOTE on the Contra Costa Clear Water Program selection for CASQA Board of Directors election:** Amanda Booth (San Pablo) motioned to approve the voting for the CASQA Board of Directors, Phil Hoffmeister (Antioch) seconded. The Chair called for a vote. There were no objections or abstentions. The Committee unanimously approved the Program's designated representative to submit votes for the CASQA Board of Directors election.

7. Reports:

- a. Clean Watersheds Needs Survey by EPA (M. Avalon):** Funding was available through the state revolving fund. Historically wastewater projects were heavily favored to receive funding but there was now interest in extending it to stormwater projects as well. The EPA requested information on proposed projects. Mitch Avalon supplied them with the Program's Control Measure Plan, permittee G.I. Plans, memo analyzing total PCB TMDL costs prepared for the Monsanto settlement agreement, and a few individual permittee CIP plans. The hope was that this work would create a dedicated funding source for stormwater projects in the future. Lisa Austin noted that a Share Drive had been created so that Permittees could upload their Control Measure Plan. A spreadsheet of cost estimates had been created using the same estimate process.

8. Updates:

- a. Personnel Update (K. Graves):** Allison Knapp (Contra Costa County) noted that the County was moving forward with the recruitment process for the Stormwater Program Manager. Staff had been working on revising the job specifications and was working with downtown HR on a job analysis.



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- b. AGOL Workgroup (E. Yin):** The workgroup was in the process of completing the scope of services for the RFQ. Management Committee members were invited to review the RFQ. Interested parties should let Liz Yin know before the end of the week if they would like to review the RFQ.
- c. BAMSC Steering Committee meeting (K. Graves):** Last month, the regional project profile document was brought to the Management Committee for their review and approval. BAMSC then voted to approve those projects at their September meeting. The regional projects included projects related to monitoring, homelessness, the annual report form updates, and a few other permit requirements. Participating in the regional projects would result in a cost savings for relevant budget line items in the CCCWP budget. Another of the items that was discussed was the Chairs and Co-Chairs for the BAMSC workgroups. Many of the incumbents were looking for volunteers to take over those roles. The Chair was going to create a table of the roles and the level of effort required for each. There had been difficulty in filling the roles with volunteers and one option that had been discussed was to have countywide programs fund consultants to fill them. The November and December BAMSC Steering Committee meetings were being combined and would be held on December 2. The recurring BAMSC Steering Committee meeting would be changing to two parts: an internal meeting before noon and an external meeting starting at 1:00 p.m.

Lisa Welsh shared the project profile for an additional regional project to be proposed at the next BAMSC Steering Committee meeting. There was a new requirement in MRP 3.0 for a POC receiving waters assessment report. This report would be submitted with the UCMRs. There was a large amount of data analysis that would be required and could be done regionally to save on costs. The project was to develop a regionally consistent report to select the monitoring sites and analysis protocols, and to analyze historic data.

The total estimated budget was \$60,000 and would be shared among the four programs required to meet this monitoring requirement. The cost to the Program would be \$12,990 if the costs were shared based on population as they have been historically. The original CCCWP budget for this line item was \$30k. This report was due March 24, 2023.

Karin Graves asked if there was general agreement from the Committee for her to approve the scope of work. The Committee had no objection.

- d. Upload Annual Reports onto Groupsite (K. Graves):** Karin Graves reminded the Permittees to upload their annual reports onto Groupsite. The reports are to be posted to the Program website and the Program needs them to prepare a required report of new stormwater projects to be submitted to the Vector Control District.



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- e. **Complete Green Infrastructure projects table (E. Lennon):** Erin Lennon reminded the Permittees that attended the Green Infrastructure Retrofit Forum to complete their tracking sheet. The forms are located in the Development and Management Committee files on Groupsite. The information was requested as soon as possible.

9. Information:

- a. **Zoom meeting changes (K. Graves):** Karin Graves noted that Zoom meetings would now have waiting rooms for all committee meetings. There is also a request for attendees to log in with their name and jurisdictions when using Zoom for ease of attendance tracking.

Michele Mancuso (Contra Costa County) asked if the Program had plans to switch to Microsoft Teams. The Program was currently working with County IT to determine which platform was preferable. Recommendations would be presented at a future meeting. Several permittees indicated a preference for Zoom.

- b. **CASQA article on unfunded mandates (M. Avalon):** The article indicated that the Commission on Unfunded Mandates staff was planning to deny all aspects of the unfunded mandate claim in Santa Ana. The recommendation was planned to be sent to the commission. The Program's attorney was also representing Santa Ana and was preparing comments.
- c. **Santa Clara Valley Program Review: request for information (K. Graves):** Karin Graves noted that the Santa Clara Valley program had requested the Clean Water Program participate in an audit/cost analysis of their program compared to other Countywide programs. A copy of the report would be available next year.

10. Old/New Business:

The Chair noted that waterboard staff was scheduling and carrying out a number of inspections. There seems to be a focus on Category C projects. Erin Lennon noted that she would provide instructions for viewing the completed inspection reports in SMARTS.

Lucile Paquette (Walnut Creek) asked if there had been a reason provided that the Water Board had not opted to work with the city first before publishing their inspection reports. Mitch Avalon noted that a short notice period was being provided, likely 2-3 days before an inspection. Lucile Paquette (Walnut Creek) clarified that she meant posting the inspection report. The Chair noted that cities were informed that the inspections were posted after the report was already publicly available. Mitch Avalon informed the Committee that the Water Board had indicated they were going to inspect 50 Permittees this year.



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a. Should December 21 Management Committee meeting date change? (M. Avalon):

Mitch noted that the December Management Committee meeting was close to the Holidays. The Committee discussed the agenda topics and potentially changing the meeting to December 14. A doodle poll would be distributed after the meeting to determine the best date.

11. Adjournment: The Chair adjourned the meeting at 3:52 p.m.



ADMINISTRATIVE COMMITTEE SUMMARY

Meeting Minutes

Tuesday, October 4, 2022

10:30 – 12:00

VOTING MEMBERS	ATTENDED	ABSENT
Contra Costa County	Michele Mancuso	
CCC Flood Control and Water Conservation District	Tim Jensen	
City of Lafayette	Matt Luttrupp	
City of Martinez	Frank Kennedy	
City of Pittsburg	Jolan Longway	
City of Pleasant Hill	Frank Kennedy (Chair)	
City of Richmond	Mary Phelps	
NON-VOTING MEMBERS		
City of Danville	Bob Russell	
City of Walnut Creek		Lucile Paquette

Program Staff: Karin Graves, Andrea Bullock, Michael Burger

Consultants: Mitch Avalon

Guests: Amanda Booth (City of San Pablo)

- 1. Convene meeting and roll call (Chair):** The Chair convened the meeting at 10:30 a.m.
- 2. Announcements or Changes to the Agenda (Committee):** There were no announcements or changes to the Agenda.
- 3. Approval of September 6, 2022 Meeting Minutes (Chair):** Mitch Avalon noted that the Program had received a comment on the meeting minutes. A sentence was added to the end of Item 4, adding “After discussing this at the Development Committee, next steps will be decided, including whether or when to meet with the Regional Water Board, what would be discussed, and who would attend.”

Jolan Longway (Pittsburg) motioned to approve with the changes noted, Michele Mancuso (Contra Costa County) seconded. The Chair called for a vote. There were no objections or abstentions. The motioned passed unanimously and the September 6, 2022 meeting minutes were approved with the changes noted.

- 4. Draft Stormwater Funding Options Report (M. Avalon):** Mitch Avalon began by presenting a PowerPoint. The Options Report had been requested by the Management Committee at the July meeting. The report today was an early draft. A legal review was currently underway by the Program’s attorney. A peer review by Geosyntec would follow and was anticipated to be completed

within the next two or three weeks. The goal was to have the final report ready for the November Management Committee meeting. The Program was requesting feedback on the initial report during today's meeting.

As the Program transitions from MRP 2.0 to MRP 3.0, there have been several cost increases. Revenue will need to be increased in order to avoid depleting the reserve fund. An analysis of the reserve fund will be conducted as part of the overall Funding Options Report and would be available in November alongside a 5-year budget estimate for MRP 3.0.

The option report would have two phases. The first phase would narrow the number of viable options and the second phase would be a detailed review of the viable options with a goal to provide a recommendation to the Management Committee. It was noted that some of the options could be implemented at the Program level, some could be implemented at the Permittee level, and some at the regional level.

Phase 1 would include a financial analysis, problem statement, examination of the 2012 Funding Initiative, analysis of the 22 proposed options, and a summary and recommendation of viable options. The 22 options were mostly drawn from the 2012 funding initiative report, with a few from Program staff and Permittees. Each option would have a summary and analysis, and some would have a list of pros and cons. The end of the Phase 1 report would contain the options that Program Staff felt were the most viable. Mitch Avalon noted that funding options could have multiple beneficiaries.

Of the 22 total options proposed as part of Phase 1, 8 were identified as non-viable, 5 were identified as viable on the Permittee level, 3 were identified as regionally viable, and the remaining 7 were considered viable for Phase 2 options. One of the proposed options was listed in two categories. The non-viable options included: a parcel-based tax, a general obligation bond, a user tax, a transient occupancy tax, a vehicle license fee, benefit assessments, senate bill 231, and a litter/trash district. Permittee-level viable options included: a sales tax, decentralized costs, regulatory fees, impact fees, and a community facilities district. Regional options included: an unfunded mandate claim, a time schedule order, and a legislative approach. The Phase 2 viable options included: a property related fee, a litter/trash property related fee, a community facilities district, grants, the state revolving fund, a regional approach, and California's water supply strategy. Mitch Avalon noted that the top three were the property related fee, litter/trash property related fee, and the community facilities district.

Included in the report would be 5 attachments: a chart of the budgets from MRP 1.0 through MRP 3.0, a chart of the reserve fund balance over the last 10 years (it was indicated that this could go back further at the Committee's request), a 5-year budget estimate spreadsheet for MRP 3.0, the 2012 funding initiative report, and lessons learned from the 2012 funding initiative.

Staff was requesting input from the Committee regarding the content, structure, attachments, and information necessary to make an informed decision. There would be further discussion during Phase 2 regarding the collective process of moving forward with the option(s) selected in Phase 2.



The Chair noted that the information on the 2012 initiative was good but pointed out that the initiative cost the Program \$1.5M. There was concern that the budget was already tight, and the question was raised if the Program could afford to revisit such a costly project. Mitch Avalon noted that a large portion of the cost for the 2012 initiative had been used for rebranding and outreach in the effort to increase visibility of the Program before the vote. That cost would not be repeated. He further suggested that a cost breakdown of the 2012 initiative could be created. The Chair suggested it might be more informative if a cost for the initiative itself, rather than all the background activities, could be provided.

Tim Jensen (Flood Control) asked if it would make sense to try and assign an approximate cost to each of the Phase 2 viable options. He further asked how the Monsanto lawsuit factored into the options; would the voter initiative be cancelled if the Monsanto lawsuit was successful. Mitch Avalon noted that the Monsanto claim would only cover the PCB portions, so further funding would likely be necessary to pay for other budget items.

Amanda Booth (San Pablo) asked if the format of the conclusions could be made more reader friendly, with headers for each suggested. She further recommended that the document should be consistently justified in the word processor so that there was a more uniform appearance. She restated the desire for an indication on the potential costs of each. It was noted that the litter and trash fees were under increased scrutiny due to a legal case (Zolley v. City of Oakland) and Amanda Booth (San Pablo) suggested that this be taken into account when determining the viability of that option.

- 5. Approve October 19, 2022 Management Committee Agenda (Committee):** Mitch Avalon described that the meeting would begin with a Closed Session. He further noted the topic of each Presentation, Action, Report, Update, and Information item on the agenda with a brief summary for each.

Mary Phelps (Richmond) motioned to approve the agenda, Tim Jensen (Flood Control) seconded. The Chair called for a vote. There were no objections or abstentions. The motioned passed unanimously and the October 19, 2022 Management Committee Agenda was approved.

- 6. Old/ New Business:** Mary Phelps (Richmond) announced that Joe Leach had resigned his position with the City of Richmond. A new representative will be appointed by the City Manager.
- 7. Adjournment:** The Chair adjourned the meeting at 11:10 a.m.



**PUBLIC INFORMATION/PARTICIPATION COMMITTEE
MEETING MINUTES
Tuesday September 6, 2022 9:00 am – 10:30 am**

Zoom Meeting

Voting Members	Attended	Absent
City of Antioch	Julie Haas-Wajdowicz	
CCC Flood Control and Water Conservation District	Melinda Harris (Acting Chair)	
City of San Ramon		Kerry Parker

Administrative committee Members acting as PIP Members	Attended	Absent
Contra Costa County	Michele Mancuso	
City of Lafayette	Matt Luttrupp	
City of Martinez	Frank Kennedy	
City of Pittsburg	Jolan Longway	
City of Pleasant Hill	Frank Kennedy	
City of Richmond	Mary Phelps	

Program Staff: Erin Lennon, Andrea Bullock, Michael Burger

Consultants: Mitch Avalon, Hilary Pierce, Sabrina Chin (SGA)

Guests: Bob Russell (Danville, Non-Voting Member)

- 1. Introductions, Announcements, and Changes to Agenda (Chair):** There were no changes to the agenda. Melinda Harris (FCD) would be acting as Chair in the absence of the Chair. Sabrina Chin (SGA) introduced herself as Project Manager for SGA. Hilary Pierce announced the Fish Risk video had been finalized and posted to YouTube and Facebook. SGA is working with the Program and the website hosts to post the video to the website in the community tab. There were additional budget funds available with the videographer to create 15- and 30- second video clips for social media. These clips will be provided at the October PIP meeting. Hilary Pierce noted that the Caltrans media campaign was now live, and the ads were currently in use throughout the county. Michele Mancuso (Contra Costa County) asked if the committee had access to the list of advertisement locations. The list would be distributed to the Committee after the meeting.
- 2. Quarterly Newsletter (SGA):** Sabrina Chin began by sharing a slide deck presentation. The three items to be addressed were the September editorial calendar highlights, the CCCWP newsletter changes, and the October youth outreach social media campaign. As discussed at the last meeting, this social media campaign will happen in October rather than April.



Sabrina Chin (SGA) noted that one of the major goals was to focus on language that would be accessible to the public. Removing industry or scientific language would avoid confusion or misinterpretation. The social media calendar items for September were created with seasonal themes, focusing on fishing and the back-to-school season. Spanish translation was available for some of these calendar items. SGA would begin implementing a new hashtag strategy. Sabrina Chin described camel-case capitalization (capitalizing the first letter in each word) to be used in the hashtags. This would make the hashtags more legible and easier to identify at a glance. It was important to have a variety of hashtags to engage more followers; Instagram allows 10 hashtags.

For the CCCWP newsletter, Sabrina noted that there were several changes. She explained that SGA had received feedback that the newsletter content needed to be more accessible to Permittees. The newsletter would change from monthly to quarterly to determine the level of engagement, keeping in mind any season promotional material. The newsletter would no longer be a pdf and would instead be an on-line content library that permittees could pull content from to use in their own social media and newsletters.

- 3. Consent Items Approval (Chair):** Julie Haas-Wajdowicz (Antioch) motioned to approve, Frank Kennedy (Martinez) seconded. The Acting Chair called for a vote. There were no objections or abstentions. The motion passed unanimously and the consent items were approved.
- 4. October School-Age Children Social Media Outreach Campaign (SGA):** For the campaign, Sabrina Chin (SGA) noted the items under consideration. As discussed at the last PIP meeting the idea of the campaign was to focus on 13-18 year olds utilizing a theme to illustrate the importance and process of discarding of candy wrappers appropriately. SGA had decided to utilize Instagram as the primary platform as the desired demographic were not frequent Facebook users. SGA would be dedicating about \$1k to each post with the understanding that the posts needed to be robust in order to target younger audiences. The call to action associated with the campaign was to post solutions in comments or submit them in forms. SGA proposed ten \$50 gift cards as incentive. Sabrina Chin (SGA) recommended that the call to action be a comment on the post, as data showed that requests to complete additional steps (such as a form submission) reduced the overall engagement for each subsequent step. This was particularly true if the step directed away from the social media platform entirely.

The first option for the campaign theme was “Graveyard of Trash.” Carousel images would be used to highlight the journey of wrappers to waterways and invite students to post using the #TrashGraveyard hashtag and to suggest solutions that would prevent wrappers from ending up in their “final resting place.”

The second option was “Litter Horror Stories.” Students would react to pictures of litter that has a “scary story” theme. Captions should be five words or less or finish a sentence prompt. These engagement posts are meant to bring awareness to the issue. Sabrina Chin (SGA) noted that this was a more “playful” engagement.



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The Acting Chair noted that both were good options and asked if there was a chance to run them simultaneously. It was suggested that it was ideal to choose one. This would help by remaining thematically consistent and would preserve messaging. They could be run simultaneously, but this would require more work to bring them under a single, broad campaign umbrella. The Acting Chair asked about Discord as a possible avenue for running the campaign. Julie Haas-Wajdowicz (Antioch) noted that Discord was fairly closed to marketing and there was often no ad space available.

Michele Mancuso (Contra Costa County) thought choosing a single campaign was a good idea and noted that she preferred the second option. Julie Haas-Wajdowicz (Antioch) agreed that the second option was best, but the first option should be kept for future use. Mary Phelps (Richmond) asked how the age group would be targeted. Sabrina Chin (SGA) suggested that the ads would be “geo-fenced” (using geolocation to confine the areas where ads appear), targeted at interests related to the age group, and user age information. She further explained that it was against the law to target younger children (less than 13) on social media.

Sabrina Chin (SGA) asked if the call to action (posting in comments) was more appealing or if the committee preferred a form submission. The form submission was originally discussed, but she reiterated the idea that it was more difficult to get engagement by adding more steps to the process. The Acting Chair suggested that the post comments were a good idea. Michele Mancuso (Contra Costa County) agreed. Hilary Pierce asked if one of the conditions of winning the incentive could be to require following the CWP account. Sabrina Chin (SGA) noted that this was possible, but it was a better idea to confine the call to action to a single type of response (comment vs. following/tagging). SGA could provide some information on choices to PIP Committee to refine the selection process.

Julie Haas-Wajdowicz (Antioch) motioned to approve the second option for the campaign with entries as posted comments, Michele Mancuso (Contra Costa County) seconded. The Acting Chair called for a vote. There were no objections or abstentions. The motion passed unanimously, and the Committee approved moving forward with the outreach campaign as noted.

- 5. PIP Committee FY 22-23 Work Plan (H. Pierce/K. Graves):** Hilary Pierce began by sharing the PIP Committee workplan for the upcoming fiscal year. These were created so that a consistent format was available across all committees. This would assist in tracking the permit requirements for each committee and also be used to show products and deliverables that each committee would be working. The spreadsheet shows through September 2023 to denote ongoing work that would begin this fiscal year and carry into the upcoming fiscal year.

Hilary Pierce explained each permit requirement and the sub-provisions (C.7 Public Information and Outreach, C.15 Conditionally Exempted Non-Stormwater discharges, and C.20 Cost Reporting). Each sub-provision was described in detail, noting the deliverable deadlines for each part. On-going/Permittee-led activities were also noted. C.15 and C.20 were new provisions for PIP. C.15 was focused on C.15.b for Emergency firefighting discharges. The Compliance



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deadlines were September 2023 to have these BMPs in contracts and to evaluate large industrial site BMPs. C.20 was to develop cost reporting framework and methodology (regionally) and had a compliance deadline of June 2023 for submitting the cost reporting framework to the regional board.

Mitch Avalon asked if boxes could be added to reflect when the drafts of reports were due. Hilary Pierce agreed that this could be added. Frank Kennedy (Martinez) noted that there should be additional paragraph indication (iii) to the C.15.b options. These will be added to more clearly indicate sub-provisions.

Hilary Pierce displayed information regarding the BAMSC regional benefit profile projected schedule for the cost reporting methodology and framework. Each task was noted with deliverables discussed and a due date indicated. The cost estimates were broken down for each county-wide program. The draft projected cost for CCCWP was \$12,772. Michele Mancuso (Contra Costa County) asked who was putting together the framework. Mitch Avalon indicated that Sandy Matthews and EOA were putting it together. It was further explained that costs were not split 5 ways between participating counties, but instead showed where counties engagement of specialized consultants was taken into account. It was also suggested that populations were a factor in determining the costs to each program.

6. Adjournment: The Chair adjourned the meeting at 9:50 a.m.



**Municipal Operations Committee (MOC)
 Meeting Minutes
 September 20, 2022**

MUNICIPALITY	ATTENDED [via Web/Phone]
VOTING	
City of Antioch	<i>Phil Hoffmeister, Jeff Cook</i>
City of Brentwood	<i>Brant Wilson</i>
City of Concord	<i>Jesse Crawford</i>
Contra Costa County	<i>Michelle Giolli (Chair), Beth Baldwin</i>
City of El Cerrito	<i>Stephen Prée</i>
City of Hercules	
City of Martinez	<i>A.J.</i>
City of Orinda	
City of Pittsburg	<i>Jolan Longway (Vice Chair)</i>
City of Richmond	<i>Terri Mason</i>
City of San Pablo	<i>Karineh Samkian</i>
City of Walnut Creek	<i>Lucile Paquette</i>
NON-VOTING	
Town of Danville	<i>Bob Russell</i>
PROGRAM STAFF and CONSULTANTS	
Staff Augmentation	<i>Elizabeth Yin</i>
Program Staff	<i>Erin Lennon</i>

- 1. Introductions/Announcements:** Michelle Giolli (Chair, County) welcomed the group to the Zoom call and asked for announcements:
 - Some smaller municipalities may be interested in other cities’ contractor contact information or phone trees for abating and cleanup of illicit discharges, big and small.
 - **Action:** MOC members who are willing, please share information with Erin Lennon (CCCWP).
- 2. Approval of August 16, 2022 Meeting Summary:** Erin received edits to the draft meeting summary included in the Agenda Packet sent out in the previous week. These edits were incorporated, summarized, and linked to in a [Municipal Operations Committee topic discussion \(Groupsite.com\)](#) shortly before this September 20, 2022 meeting. Lucile Paquette (Walnut Creek) moved to approve the most current August 16, 2022 meeting summary. Jolan Longway (Pittsburg) seconded. The Committee voted to approve.
- 3. MOC Three-Year Workplan Schedule (Program Staff):** Erin shared two draft spreadsheets: (1) One containing the 5-year workplan spreadsheet created by regional collaborative efforts, but sorted by permittee led deliverables and dates; and (2) One containing a draft Gantt-style 3-year breakdown

schedule of internal deliverables, implementation dates, and reports/compliance due dates for MOC (MRP Provisions C.2, C.4, C.5, C.9, C.10, C.13, C.15, and C.17) [*Post MOC meeting correction: C.15 is under the Public Information and Participation Committee, not MOC*]. MOC members requested a simplified calendar of future meeting topics, prioritized by due dates and action items noted in the spreadsheets that Erin shared.

4. **Program Update:**

- Annual Report Status –
 - Liz Yin (Staff Augmentation) reminded attendees of FY 2021/22 Annual Report deadlines.
 - Permittees will let Liz know if they need any assistance.
- AGOL Workgroup
 - The AGOL Workgroup meets on Tuesday the week before Management Committee meeting. The goal of the workgroup is to identify and assess AGOL/business needs, and Permittees are encouraged to attend.
 - Liz facilitated an AGOL Workgroup meeting on September 13th, 2022, at which the group discussed the Psomas contract as well as AGOL licenses for Permittees.
 - Permittees will let Liz know if they are not using their license. The Program has enough AGOL licenses for 2 per Permittee.
- Clean Water Program Website
 - Erin is incorporating feedback received on the Program website to include more content that is more accessible/understandable to a lay audience.
 - Feedback on website content may be directed to Erin on an ongoing basis.

5. **Open Discussion of Terminology:** Michelle Giolli (County) led an open discussion for any Permittee to discuss MRP terminology that might be confusing or of interest. A few C.4 terminology and concepts were discussed, including which facilities to prioritize for inspections (C.4.b.ii.(1)(a)). C.5.e. Mobile business requirements were discussed. The MOC expressed interest in example legal authority language and protocol to require stormwater pollution prevention training for applicants seeking a business or mobile business license. For instance, business applicants could be required to view a stormwater education video like the BASMAA mobile cleaner video. The video would need to be generic and be available long-term for any permittee to be able to reference to it. Terri Mason (Richmond) might have example language or protocol and will share if possible. Erin will investigate the longevity of the BASMAA webpage with the existing mobile cleaners training video.

6. **Notes from September 1, 2022 SMCWPPP Litter Roundtable:** This item was not discussed due to time constraints. Erin noted that the litter roundtable was well attended. The agenda, attendance, full presentations, and discussion videos are available at www.flowstobay.org/data-resources/resources/presentations-workshops.

7. **Adjournment:** Chair Michelle Giolli adjourned at 12:04PM.

Meeting Summary
 Development Committee
 September 28, 2022
 1:30 – 4:30pm

Voting Members

Municipality	Attending	Absent
City of Antioch	Phil Hoffmeister (Chair)	
City of Brentwood	Aman Grewal	
City of Clayton		
City of Concord	Mitra Abkenari, Bruce Davis	
Contra Costa County	John Steere	
Town of Danville	Bob Russell	
City of Lafayette	Tim Clark (Vice Chair), Matt Luttrupp	
City of Oakley	Frank Kennedy	
City of Pittsburg	Jolan Longway	
City of Pleasant Hill	Frank Kennedy	
City of San Ramon	Rod Wui	
City of Walnut Creek	Joel Camacho, Lucile Paquette	

Program Staff/Consultants

Program Staff	Karin Graves
Program Staff	Erin Lennon
Program Consultant	Mitch Avalon
Program Consultant	Yvana Hrovat
Program Consultant	Rachel Kraai

Guests

Name	Affiliation	
Amanda Booth	City of San Pablo	
Mark Summers	Town of Moraga	
John Brown	City of Hercules	

Additional Attendees at C.3.j. Green Infrastructure Retrofit Forum

Name	Affiliation	
Beth Baldwin	Contra Costa County	
Michelle Giolli	Contra Costa County	
Michele Mancuso	Contra Costa County	
Tim Jensen	CCC Flood Control District	
Allen Baquilar	City of Brentwood	
Meghan Oliveira	City of Brentwood	
Larry Theis	City of Clayton	
Reina Schwartz	City of Clayton	
Christina Leard	City of El Cerrito	
Mary Phelps	City of Richmond	
Kerry Parker	City of San Ramon	
Jose Pacheco	City of Hercules	
Robin Bartlett	City of San Ramon	
Alex Wong	City of Walnut Creek	
Rinta Perkins	Geosyntec (on behalf of Program Consultants Lisa Austin and Lisa Welsh)	

Introductions, Announcements, and Changes to Agenda

The meeting was held via Zoom. There was a reminder announcement that the last part of this meeting included both the Management and Development Committees for the C.3.j. Green Infrastructure Retrofit Forum. There was a reminder announcement that the next Development Committee meeting was rescheduled for October 18, 2022, based on previously emailed poll results. There were no changes to the agenda.

Approve Previous Meeting Summary

On a motion by John Steere (County), seconded by Frank Kennedy (Pleasant Hill) the summary of the August 24, 2022, meeting was accepted.

Program Update

- *BAMSC C.3 Workgroups* - Erin Lennon reminded group that BAMSC C.3 Workgroups have been taking place and continue to take place. Permittees are encouraged to attend.
- *Potential collaboration on C.3 Brownbag Sessions* – Erin relayed an invitation that Sandy Mathews, on behalf of the Alameda Countywide Clean Water Program, extended to Contra Costa Permittees to attend informal lunchtime sessions to discuss C.3 topics. The Development Committee members expressed both interest and reservations in being involved in these sessions. Erin will forward the Development Committee’s questions to Sandy and relay the responses.
- *Management Committee outcomes/tasks related to Hydromodification Management (HM)* – At the September 21, 2022 Management Committee, the Management Committee voted to approve the Development Committee’s recommendation to move forward with adopting the Regional Bay Area Hydrology Model.

Hydromodification Management

Program staff discussed an approach to updating HM maps for Water Board approval. Program staff will reach out to affected Permittees to set up another meeting to discuss the “hardened channel” definition with regards to their HM maps. A meeting was set up with Program staff, EOA and Clear Creek Solutions to discuss BAHM. Updates and next steps will be summarized at next meeting.

G.I. Design Specifications and Details Scope of Work

Rachel Kraai (Program Consultant) shared Scope of Work for updating the G.I. Design Specifications and Details, per MRP 3.0 Provision C.3.j.i. This topic was a continuation from the August 24, 2022, Development Committee Meeting. Some members viewed the MRP requirements as not acknowledging the expertise and knowledge of licensed Contra Costa engineers. Some MOC members noted that these updates could be made on an individual Permittee basis. Some members expressed interest in Option 2, which would be less expensive than Option 1 while still reducing risk of Water Contra Costa specific version of the design specifications.

C.3.j. Green Infrastructure Retrofits Forum

The Management Committee attended this special portion of the meeting. See separate meeting summary for C.3.j. Green Infrastructure Retrofits Forum.

Next Meeting Date

October 18, 2022 (1:30p-3:30p)

Adjournment

The meeting was adjourned at 4:26 PM.

NEXT DEVELOPMENT COMMITTEE MEETING:

October 18, 2022

1:30 PM – 3:30 PM

Via Zoom

Attachments to 9/28/2022, Meeting Summary

- C.3.j. Green Infrastructure Retrofit Forum Meeting Summary
 - C.3.j. Green Infrastructure Retrofit Forum Slides



Date: November 16, 2022

To: Management Committee

From: Erin Lennon, Watershed Management Planning Specialist

Subject: Approve the Green Infrastructure (GI) Design Workshops and Typical Details and Specifications Scope of Work and budget to support compliance with MRP 3.0 Provision C.3.j.i.

Background:

Provision C.3.j.i of MRP 2.0 required Permittees to develop Green Infrastructure Plans (GI Plans) which contained *"general guidelines for overall streetscape and project design and construction"*, and *"standard specifications and, as appropriate, typical design details and related information necessary for the Permittee to incorporate green infrastructure into projects in its jurisdiction"*. Provision C.3.j.ii.1.(d) from MRP 3.0 follows up on these requirements and indicates that Permittees should update their GI Plans by *"Reviewing countywide green infrastructure implementation guidance documents and adapting them as necessary to account for local considerations if this has not already been completed during the Previous Permit term, and otherwise reviewing and updating general guidelines and standard specifications as appropriate."* Related text in MRP 3.0's Attachment A indicates that, *"The primary goal of this requirement is to ensure that there are no barriers to green infrastructure implementation based on the availability and status of guidance documents and standard specifications and details during the Permit term. In addition, some Permittees did not demonstrate that they adapted guidance documents to local considerations in the Previous Permit."*

During the MRP 2.0 permit cycle, CCCWP Permittees opted not to develop a countywide set of GI guidelines, details, and specifications, and instead either developed a specialized set of guidance documents for their own municipality (only a small number of Permittees did this) or referenced other regional GI guidance documents as resources for green infrastructure development in their municipality (most CCCWP Permittees did this). In the interim, since the submission of GI Plans, GI design guidance, and specifically typical details and specifications, have been updated significantly in jurisdictions throughout the region. An example are the County of San Mateo's Typical Details and Specifications, completed in 2022, which include updated details for specific street edge conditions and utility crossings.

In addition, a 2018 CCCWP survey of Planning Directors and Public Works Directors/City Engineers regarding GI planning priorities for Permittees showed that 100% of respondents supported selecting and refining a set of standardized GI typical details and specifications for Contra Costa.

At the request of CCCWP staff, Lotus Water, through Haley & Aldrich, Inc., created a scope of work document with several options for the development of countywide GI design guidelines, details and specifications to support Contra Costa Permittees in compliance with requirements in MRP 3.0. The initial scope included a workshop series for municipal staff to review recent GI design resources, the development of a set of countywide details and specifications, web resource updates, and the option for a new GI Guidelines chapter for the C.3 Guidebook. At the August, September, and October 2022 Development Committee Meetings, Permittees discussed the options and cost estimates.

At the October 18, 2022 Meeting, by a majority vote the Development Committee voted (8 yes from all present, 5 not present) to recommend that the Management Committee approve the attached GI Design Workshops and Typical Details and Specifications Scope of Work and budget to support MRP 3.0 compliance with provision C.3.j.i. This scope of work includes a workshop series for municipal staff to review recent GI design resources, the development of a limited set of countywide details and specifications, and web resource updates, but it does not include the option for a new GI Guidelines chapter for the C.3 Guidebook.

Recommendation:

Program Staff recommend that the Management Committee approve the Development Committee's decision to approve the attached Scope of Work and budget to support compliance with MRP 3.0 Provision C.3.j.i.

This recommendation is the result of incorporating considerations and comments from the following:

- Development Committee comments during and between the August 24 and September 28, 2022, Committee Meetings.
- Regional Water Board communications, as well as reporting requirements outlined in MRP 3.0.
- Contra Costa Planning Directors and Public Works Directors/City Engineers, during the 2018 CCCWP survey.
- Development Committee review and recommendation at the October 18, 2022 Meeting.

Tasks and Next Steps:

If the Management Committee moves to approve the recommendation, then Program Staff will direct Lotus Water to proceed with the tasks outlined in the scope of work. The implementation of the tasks described will be subject to the guidance and oversight of Program Staff and the Development Committee.

Spring 2023 -

Task 1: Workshops with Permittee Municipal Capital Improvement Program Staff

Task 3: CCCWP GI Planning Resources Webpage Update

Fall 2023 -

Task 2: Adapt a Subset of Regional GI Design Details and Specifications for Contra Costa Permittees

Fiscal Impact:

Approval of the proposed scope of work and budget increases the FY 22/23 budget by \$40,000 as the conditionally approved budget for this work was \$40,000.

Attachments:

Green Infrastructure Design Workshops and Typical Details and Specifications
Scope of Work

MRP 3.0 C.3 Requirements
Green Infrastructure Design Workshops and Typical Details and Specifications
Scope of Work
November 16, 2022

Task 1 – Implementing Green Infrastructure Capital Improvement Projects Workshop Series

As directed in previous Development Committee meetings, LOTUS and Haley & Aldrich will support the CCCWP in facilitating a countywide interagency process “to facilitate excellence and consistency in the design and construction of Green Infrastructure (GI) features and facilities” in the right of way (ROW) in Contra Costa County and to support Permittees in meeting the requirements of MRP 3.0 C.3.j(ii)(1)(d) and C.3.j(ii)(2). To this end, LOTUS and Haley & Aldrich will facilitate a series of workshops with Permittee municipal staff engaged in the planning and design of capital improvement projects in the ROW with the potential to include GI. Goals of the workshop series include:

- Review and discussion of existing GI design details and specifications, and identification of adaptations for a standardized set of details and specifications for Contra Costa municipalities.
- Interagency sharing of conceptual, preliminary, and final plans for GI projects
- Identification of issues encountered during planning, design and construction of those projects and development of strategies to address those issues in future projects
- Identification of existing resources and needed materials/updates

Task 1 Deliverables:

- Up to three (3) meetings/workshops with CCCWP staff, Permittees and municipal staff which may include the following:
 - One (1) workshop to review the most recent regional sets of GI typical details and specifications and discuss modifications/adaptations to align these details with Contra Costa Permittee-specific storm drain systems, site conditions, requirements, and goals.
 - Two (2) workshops to discuss significant local GI projects, issues encountered during planning, design and construction of those projects, and strategies and tools to address those issues in future projects. Workshops will also review a wider range of newly developed resources for Permittees to take advantage of.
- *Note: these workshops will be virtual and may take place during CCCWP Development Committee meeting times; scheduling will be discussed with the CCCWP Development Committee.*

Task 2 - Adapt a Subset of Regional GI Design Details and Specifications for Contra Costa Permittees

A CCCWP survey of Planning Directors and Public Works Directors/City Engineers regarding GI planning priorities for Permittees (2018) showed that 100% of respondents supported selecting and refining a set of standardized GI typical details and specifications for Contra Costa. LOTUS is uniquely situated to support the CCCWP in meeting this priority due to the firm’s experience developing and refining GI typical details and specifications for municipalities throughout the Bay Area including the SFPUC and San Mateo County jurisdictions. Examples of recently developed work include the following:

- SFPUC Typical GI Details & Specs which have been adapted for MS4 systems
 - Pervious pavement and components
 - Bioretention basins and planters and components
 - Subsurface infiltration systems
- Additional New GI Details and Specifications

- Bioretention basin in street with valley gutters
- Bioretention basin components – edge treatments, trash capture inlet
- Tree well filter plan and section for street with parking
- Stormwater barrier planter for Class 4 bikeway
- Rock-stabilized slope edge treatments for bioretention basins
- Compacted soil bench edge treatments for bioretention basins
- Guidelines on utility protection within or near GI
- New bioretention specifications (in process)

The index sheet listing the full County of San Mateo GI Typical Details is also included at the end of this document for reference. A subset of these details would be updated for CCCWP through this task. LOTUS will work with CCCWP & Permittee staff to review the most recent sets of details & specifications and determine a subset to update based on Permittee needs and available budget. As an example, there are approximately 20 existing bioretention planters and basin details; this could be selected as a targeted subset of existing details to be adapted for Contra Costa Permittees. LOTUS would work with Permittees to determine where modifications are desired/necessary to align these details with Contra Costa storm drain systems, site conditions, requirements, and goals. This will include consideration of alignment with the CCCWP C.3 Guidebook and any other CCCWP resources, as well as previously discussed Permittee interests in resolving design issues and challenges related to utility crossings, inlet and outlet plumbing, as well as references to Caltrans details and specifications. LOTUS will provide a redlined set of details in PDF format showing recommended changes and/or questions for CCCWP. It is assumed that the CCCWP will distribute the draft details to Permittees and relevant staff members, such as Transportation, Public Works, Parks, ADA plan reviewers, etc., and collect and compile comments into one set of redlined details and a CCCWP review comments matrix if needed. Haley & Aldrich will review the set of details for consistency with the C.3 Guidebook and other CCCWP resources. An updated redlined set of PDF details will be circulated once more to resolve any outstanding items before LOTUS staff addresses the comments within the individual AutoCAD file that corresponds to each detail sheet. Once all the redlines and comments have been addressed by LOTUS staff in the AutoCAD files, new PDFs will be created for each detail sheet and the sheet index at the beginning of a compiled PDF set will be updated as needed to properly link to each detail. Drafts will be sent out for final review. For the final deliverable for this Task, LOTUS shall incorporate any final CCCWP comments, revise the details, and incorporate them into a limited set of Typical GI Details and Specifications for CCCWP. It is assumed that there will be up to two (2) rounds of review of the redlined PDFs and one final review of the clean PDF set for this task and that compiled comments will be provided by County staff within three (3) weeks of receipt of draft deliverables for review (submittal of partial sets of deliverables may be done to facilitate review).

Task 2 Deliverables:

- Existing GI details and specifications in redlined PDF format for CCCWP redlines and comments
- Draft #2 of redlined details and specifications in redlined PDF format
- Final draft of clean updated GI details and specifications in PDF format addressing CCCWP comments within the AutoCAD files
- Up to one (1) follow-up meeting with Permittee staff to discuss comments as needed (through Development Committee)
- Final GI typical details and specifications in PDF and AutoCAD formats addressing the second round of review comments

Task 3 – CCCWP GI Planning Resources Webpage Update

The CCCWP GI Planning Resources webpage is outdated and in need of updates to provide the most recent resources to Permittee’s municipal staff as they work to meet their GI permit requirements. As part of this task, the consultant team will compile an updated list and links to new GI planning resources for Permittees. LOTUS will discuss needs with CCCWP staff and Permittees through Development Committee meetings and develop new website text and links based on Permittee input.

Task 3 Deliverables:

- Draft webpage text for CCCWP review
- Final webpage text

Table 1: Estimated Budget and Schedule

Tasks	Budget	Estimated Completion Date
Task 1: Workshops with Permittee Municipal CIP Staff	\$8,000	Spring 2023
Task 2: Adapt a Subset of Regional GI Design Details and Specifications for Contra Costa Permittees	\$30,000 (depending on subset)	Fall 2023
Task 3: CCCWP GI Planning Resources Webpage Update	\$2,000	Spring 2023

RELEVANT C.3 PERMIT LANGUAGE FOR REFERENCE:

MRP 2.0

C.3.j.i.(e) General guidelines for overall streetscape and project design and construction so that projects have a unified, complete design that implements the range of functions associated with the projects. For example, for streets, these functions include, but are not limited to, street use for stormwater management, including treatment, safe pedestrian travel, use as public space, for bicycle, transit, vehicle movement, and as locations for urban forestry. The guidelines should call for the Permittee to coordinate, for example, street improvement projects so that related improvements are constructed simultaneously to minimize conflicts that may impact green infrastructure.

(f) Standard specifications and, as appropriate, typical design details and related information necessary for the Permittee to incorporate green infrastructure into projects in its jurisdiction. The specifications shall be sufficient to address the different street and project types within a Permittee's jurisdiction, as defined by land use and transportation characteristics.

MRP 3.0

C.3.j.ii.1.(d) ...Reviewing countywide green infrastructure implementation guidance documents and adapting them as necessary to account for local considerations if this has not already been completed during the Previous Permit term, and otherwise reviewing and updating general guidelines and standard specifications as appropriate.

Attachment A – p147:

(4) Reviewing countywide green infrastructure implementation guidance documents and adapting them as necessary to account for local considerations if this has not already been completed during the Previous Permit term, and otherwise reviewing and updating general guidelines and standard specifications as appropriate.

The primary goal of this requirement is to ensure that there are no barriers to green infrastructure implementation based on the availability and status of guidance documents and standard specifications and details during the Permit term. In addition, some Permittees did not demonstrate that they adapted guidance documents to local considerations in the Previous Permit. Footnote: 185

Footnote 185: Water Board Staff's Review of the 2019 Green Infrastructure Plans. October 1, 2020

Relevant MRP 3.0 Reporting Deadlines

C.3.j.v.(2) In the 2024 and 2026 Annual Reports, report on updates, addenda, and changes to their programmatic implementation, including, but not limited to, the items listed in Provision C.3.j.ii.(1).

C.3.j.v.(4) With the 2026 Annual Reports, Permittees shall provide a summary of lessons learned to-date with regard to Provision C.3.j.ii.(1), including topics such as operation and maintenance, sizing, infiltration and other design criteria for stormwater treatment controls, implementation of tracking and mapping tools, cooperation with non-municipal entities, regional project efforts, funding initiatives and opportunities to leverage municipal approval of private development, education and outreach, and development or updates of plan documents with a green infrastructure nexus. In the summary, Permittees shall also discuss attainment of the numeric retrofit requirements prescribed in Provision C.3.j.ii.(2). In that summary, as applicable, Permittees shall report on how they have addressed deficiencies identified in Provision C.3.j.ii.(1).

COUNTY OF SAN MATEO GI TYPICAL DETAILS SHEET INDEX FOR REFERENCE:

SHEET NO.	SHEET TITLE	SHEET NO.	SHEET TITLE	SHEET NO.	SHEET TITLE
GENERAL INFORMATION		BP 5.2	PARCEL PLANTER - DESIGNER NOTES (2 OF 2)	BC 2.5	INLETS - TRASH CAPTURE, CURB CUT WITHIN TRENCH DRAIN
GEN 0.1	USER GUIDE	BP 5.3	PARCEL PLANTER PLAN - ALTERNATIVE 1	BC 2.6	INLETS - EMBEDDED ROCK ENERGY DISSIPATOR
PERVIOUS PAVEMENT (PP)		BP 5.4	PARCEL PLANTER PLAN - ALTERNATIVE 2	BC 3.1	OUTLETS - DESIGNER NOTES
PP 1.1	DESIGNER NOTES (1 OF 2)	BP 5.5	PARCEL PLANTER - RAISED PLANTER SECTION	BC 3.2	OUTLETS - CURB CUT
PP 1.2	DESIGNER NOTES (2 OF 2)	BP 5.6	PARCEL PLANTER - AT GRADE PLANTER SECTION	BC 3.3	OUTLETS - CURB CUT WITH TRENCH DRAIN
PP 1.3	KEY MAP	BP 5.7	PARCEL PLANTER - PLANTER ON STRUCTURE SECTION	BC 3.3.1	OUTLETS - CURB CUT WITH TRENCH DRAIN - MODIFICATION AND METAL PLATE TOP OUTLET
MATERIAL SECTIONS - PERMEABLE PAVERS		BIORETENTION BASIN (BB)		BC 3.4	OUTLETS - OVERFLOW STRUCTURES
PP 3.1	MATERIAL SECTIONS - PERVIOUS CONCRETE	BB 1.1	DESIGNER NOTES	BC 4.1	SOIL AND AGGREGATE LAYERS
PP 4.1	MATERIAL SECTIONS - POROUS ASPHALT	BB 2.1	ROADSIDE SECTION TYPE 1	BC 5.1	UNDERDRAINS - DESIGNER NOTES
PAVEMENT COMPONENTS (PC)		BB 2.1.1	ROADSIDE SECTION TYPE 2	BC 5.2	UNDERDRAINS
PC 1.1	EDGE TREATMENTS - DESIGNER NOTES	BB 2.2	PARCEL SECTION	BC 6.1	CHECK DAMS - DESIGNER NOTES
PC 1.2	EDGE TREATMENTS - KEY MAP	BB 2.3	ROADSIDE LAYOUT TYPE 3, STREET WITH VALLEY GUTTER	BC 6.2	CHECK DAMS
PC 1.3	EDGE TREATMENTS - VEHICULAR APPLICATIONS	BB 2.4	ROADSIDE SECTION TYPE 3	SUBSURFACE INFILTRATION (SI)	
PC 1.4	EDGE TREATMENTS - PEDESTRIAN APPLICATIONS (1 OF 2)	BIORETENTION COMPONENTS (BC)		SI 1.1	DESIGNER NOTES (1 OF 2)
PC 1.5	EDGE TREATMENTS - PEDESTRIAN APPLICATIONS (2 OF 2)	BC 1.1	EDGE TREATMENTS - DESIGNER NOTES	SI 1.2	DESIGNER NOTES (2 OF 2)
PC 1.6	EDGE TREATMENTS - PAVEMENT STRUCTURES	BC 1.2	EDGE TREATMENTS - VEHICULAR APPLICATIONS (1 OF 3)	SI 2.1	INFILTRATION SYSTEM - LARGE SYSTEM - PLAN
PC 2.1	SUBSURFACE CHECK DAMS - DESIGNER NOTES	BC 1.2.1	EDGE TREATMENTS - VEHICULAR APPLICATIONS MODIFICATIONS (2 OF 3)	SI 2.2	INFILTRATION SYSTEM - LARGE SYSTEM - SECTION
PC 2.2	SUBSURFACE CHECK DAMS	BC 1.3	EDGE TREATMENTS - VEHICULAR APPLICATIONS (3 OF 3)	SI 3.1	SHALLOW DRY WELL - SMALL SYSTEM - PLAN
PC 3.1	SUBSURFACE OVERFLOWS - DESIGNER NOTES	BC 1.4	EDGE TREATMENTS - PEDESTRIAN APPLICATIONS (1 OF 4)	SI 3.2	SHALLOW DRY WELL - SMALL SYSTEM - SECTION - ALTERNATIVE
PC 3.2	SUBSURFACE OVERFLOW	BC 1.5	EDGE TREATMENTS - PEDESTRIAN APPLICATIONS (2 OF 4)	SI 4.1	DEEP DRY WELL - SMALL SYSTEM - PLAN & SECTION
PC 3.3	SUBSURFACE UNDERDRAIN	BC 1.5.1	EDGE TREATMENTS - PEDESTRIAN APPLICATIONS (3 OF 4)	GENERAL COMPONENTS (GC)	
PC 3.4	UNDERDRAIN PIPE	BC 1.5.2	EDGE TREATMENTS - PEDESTRIAN APPLICATIONS (4 OF 4)	GC 1.1	LINERS - DESIGNER NOTES
BIORETENTION PLANTER (BP)		BC 1.6	EDGE TREATMENTS - LATERAL BRACING (1 OF 2)	GC 1.2	LINERS - LINERS AND ATTACHMENTS
BP 1.1	DESIGNER NOTES (1 OF 2)	BC 1.7	EDGE TREATMENTS - LATERAL BRACING (2 OF 2)	GC 2.1	UTILITY CROSSINGS - DESIGNER NOTES (1 OF 2)
BP 1.2	DESIGNER NOTES (2 OF 2)	BC 1.8	EDGE TREATMENTS - METAL FENCING	GC 2.2	UTILITY CROSSINGS - DESIGNER NOTES (2 OF 2)
BP 2.1	STORMWATER PLANTER WITH PARKING - PLAN	BC 1.9	EDGE TREATMENTS - WOOD FENCING	GC 2.3	UTILITY CROSSINGS - BIORETENTION
BP 2.2	STORMWATER PLANTER WITH PARKING - SECTIONS	BC 1.10	EDGE TREATMENTS - SEAT WALL	GC 2.4	UTILITY CROSSINGS - BIORETENTION SECTIONS (1 OF 2)
BP 3.1	STORMWATER PLANTER WITHOUT PARKING - PLAN	BC 1.11	EDGE TREATMENTS - TIMBER FOOT BRIDGE LAYOUT	GC 2.5	UTILITY CROSSINGS - BIORETENTION SECTIONS (2 OF 2)
BP 3.2	STORMWATER PLANTER WITHOUT PARKING - SECTIONS	BC 1.12	EDGE TREATMENTS - TIMBER FOOT BRIDGE SECTION (1 OF 2)	GC 2.6	UTILITY CROSSINGS - PERVIOUS PAVEMENT
BP 3.3	STORMWATER BARRIER PLANTER - CL 4 BIKEWAY - PLAN	BC 1.13	EDGE TREATMENTS - TIMBER FOOT BRIDGE SECTION (2 OF 2)	GC 2.7	UTILITY CROSSINGS - PERVIOUS PAVEMENT SECTIONS (1 OF 2)
BP 3.4	STORMWATER BARRIER PLANTER - CL 4 BIKEWAY - SECTION	BC 2.1	INLETS - DESIGNER NOTES	GC 2.8	UTILITY CROSSINGS - PERVIOUS PAVEMENT SECTIONS (2 OF 2)
BP 4.1	STORMWATER CURB EXTENSION - ALTERNATIVE 1	BC 2.2	INLETS - CURB CUT WITH GUTTER MODIFICATION	GC 2.9	UTILITY CROSSINGS - LINER PENETRATIONS
BP 4.2	STORMWATER CURB EXTENSION - ALTERNATIVE 2	BC 2.2.1	INLETS - CURB CUT WITH METAL PLATE TOP	GC 2.10	UTILITY CROSSINGS - WALL PENETRATIONS (1 OF 2)
BP 4.3	STORMWATER CURB EXTENSION - ALTERNATIVE 3	BC 2.3	INLETS - CURB CUT AT BULB OUT	GC 2.11	UTILITY CROSSINGS - WALL PENETRATIONS (2 OF 2)
BP 4.4	STORMWATER CURB EXTENSION - ALTERNATIVE 4	BC 2.3.1	INLETS - CURB CUT AT BULB OUT - MODIFICATION WITH METAL PLATE TOP	GC 2.12	UTILITY CROSSINGS - UTILITY TRENCH DAM
BP 4.5	STORMWATER CURB EXTENSION - ALTERNATIVE 5	BC 2.4	INLETS - CURB CUT WITH TRENCH DRAIN	GC 3.1	UTILITY CONFLICTS - DESIGNER NOTES
BP 4.6	STORMWATER CURB EXTENSION - ALTERNATIVE 6	BC 2.4.1	INLETS - CURB CUT WITH TRENCH DRAINS MODIFICATIONS		
BP 5.1	PARCEL PLANTER - DESIGNER NOTES (1 OF 2)				



ANN M. STILLMAN
INTERIM DIRECTOR
OF PUBLIC WORKS

**GREEN INFRASTRUCTURE
TYPICAL DETAILS**
COUNTY OF SAN MATEO

DATE: 06.2022
SHEET: 02
REVISED: N/A

SHEET INDEX (1 OF 2)

FILE NO.

SHEET NO.	SHEET TITLE
GENERAL COMPONENTS (GC) CONTINUED	
GC 3.2	UTILITY CONFLICTS - STREET/TRAFFIC LIGHT POLES
GC 3.3	UTILITY CONFLICTS - PARKING METERS
GC 4.1	OBSERVATION PORT - DESIGNER NOTES
GC 4.2	OBSERVATION PORT - BIORETENTION
GC 4.3	OBSERVATION PORT - PERVIOUS PAVEMENT
GC 5.1	CLEANOUTS
TREE WELL FILTER (TW)	
TW 1.1	TREE WELL FILTER - DESIGNER NOTES
TW 1.2	TREE WELL FILTER - CONNECTED TREE WELLS WITH PARKING - PLAN
TW 1.3	TREE WELL FILTER - CONNECTED TREE WELLS WITH PARKING - SECTION



ANN M. STILLMAN
INTERIM DIRECTOR
OF PUBLIC WORKS

**GREEN INFRASTRUCTURE
TYPICAL DETAILS**
COUNTY OF SAN MATEO

DATE: 06.2022
SHEET: 02
REVISED: N/A

SHEET INDEX (2 OF 2)

FILE NO.



Date: November 16, 2022

To: Management Committee

From: Karin Graves, Acting Program Manager

Subject: Scope of work for Alternative Compliance Budget Line Items

Recommendation:

- Accept the scope of work for two conditional Fiscal Year 2022-2023 (FY 22-23) budget line items related to Alternative Compliance:
 - Budget Row 27 Alternative Compliance Administrator Set Up (Larry Walker and Associates /Geosyntec Consultants (LWA/GC)) for \$55,000
 - Budget Row 40 Alternative Compliance Program Implementation (2 Pilot Projects) (LWA/GC) for \$50,000

- Approve the proposed budget for completing the scope of work.

Background:

The Cities of San Pablo, Walnut Creek, and Richmond, and Contra Costa County received a United States Environmental Protection Agency (EPA) Region 9 Water Quality Improvement Fund (WQIF) grant to develop a regional alternative compliance system in Contra Costa County (referred to as the CCC RAC System).

WQIF grant funds have been used to develop a CCC RAC System to achieve the water quality objectives of the San Francisco Bay Municipal Regional Stormwater National Pollutant Discharge Elimination System (NPDES) Permit (MRP; Order No. R2-2022-0018 and future orders). The MRP incorporates green stormwater infrastructure (GSI) performance standards for new development and redevelopment, public GSI retrofit impervious area requirements, as well as requiring treatment control measures on 664 acres of Old Industrial area to implement the San Francisco Bay Total Maximum Daily Loads (TMDLs) for polychlorinated biphenyls (PCBs) and mercury. The CCC RAC System is intended

to provide a flexible, cost-effective, and scientifically defensible compliance option for addressing the GSI and mercury/PCBs treatment control requirements outlined in the MRP (Provisions C.3, C.11, and C.12, respectively). The proposed CCC RAC System will combine elements from in-lieu fee with the potential for pay-for-performance or Community-Based Public Private Partnership (CBP3) programs to address these requirements. On October 17, 2022, the Draft Final RAC System Summary Report was distributed to all CCC permittees for review and comment.

At the May 18, 2022, Management Committee meeting, the Committee conditionally approved several budget items along with a process for Program Staff to follow when seeking final approval of a conditionally approved budget item. Two of the conditionally approved budget items were for beginning to implement the CCC RAC System in FY 22-23. In light of that process, Geosyntec has prepared a memorandum that details the scope of work, cost, and schedule of work associated with these budget items.

Attached is the scope of work for completing the CCC RAC System which provides the Committee with more detail on the level of commitment and process for completing this work, as well as the cost and schedule for completing the work. Staff would appreciate any comments or direction on the scope of work.

Fiscal Impact:

Approval of the scope of work and proposed budget increases the FY 22/23 budget by \$105,000. The CCCWP submitted an application for an EPA Water Quality Improvement Fund Bipartisan Infrastructure Law (BIL) grant in September 2022 for the CCCWP Clean Watersheds for All project. If awarded, this grant would cover some of the tasks initially included in the CCCWP FY 22-23 RAC conditional line items, resulting in a proposed budget increase of \$70,000 (rather than \$105,000), to the FY 22/23 budget.

Attachments:

Alternative Compliance Set-Up Scope of Work

[MC Mtg 11-16-2022 \(X\) MC Staff Report Alternative Compliance Scope of Work.docx](#)

Memorandum

Date: November 8, 2022

To: Karin Graves, Contra Costa Clean Water Program

Copies to: Amanda Booth, City of San Pablo

From: Kelly Havens, Senior Engineer; Rinta Perkins, Principal; and Lisa Austin, Senior Principal

Subject: Scope of Work for Contra Costa Clean Water Program Fiscal Year 2022-2023
Regional Alternative Compliance Budget Line Items

Geosyntec Project Number: CWR0758

INTRODUCTION

The purpose of this memorandum is to provide a detailed scope of work for tasks to further develop the Contra Costa County Regional Alternative Compliance (RAC) System (RAC System) so it can be implemented by participating stakeholders. The Cities of San Pablo, Walnut Creek, Richmond, and Contra Costa County are developing the Contra Costa County RAC System through a United States Environmental Protection Agency (EPA) Region 9 Water Quality Improvement Fund (WQIF) grant project (the project). The project developed a structure and defined key RAC System components through collaboration with a Steering Committee, Technical Advisory Committee, and stakeholder Advisory Committee. The RAC System is intended to provide an optional MRP Provision C.3 alternative compliance pathway for Regulated Projects and to facilitate cost sharing for public retrofit projects. The RAC System Summary Report (City of San Pablo, 2022, Final Draft) describes the proposed Contra Costa County RAC System and components. The Draft Final RAC System Summary Report was distributed to all CCC permittees for review and comment on October 17, 2022. The EPA grant funds are expected to cover the completion of the Final RAC System Summary Report, stakeholder meetings, a workshop, and completion of the RAC System Tracking Tool.

The CCCWP Fiscal Year (FY) 22/23 budget includes two conditionally-approved line items related to further development of the RAC System:

- Master Budget Expanded Row 27 Alternative Compliance Administrator Set Up - \$55,000
- Master Budget Expanded Row 40 Alternative Compliance Program Implementation (2 Pilot Projects) - \$50,000

These two line items have been assigned to the Larry Walker and Associates /Geosyntec Consultants on-call technical support contract. The scope of work and budget provided below combine the two conditionally-approved items into one item.

The CCCWP submitted an application for an EPA WQIF Bipartisan Infrastructure Law (BIL) grant in September 2022 for the CCCWP Clean Watersheds for All project. If awarded, this grant would include some of the tasks initially intended for the CCCWP FY 22-23 RAC conditional budget items. Therefore, the last task in this scope is identified as “removed from scope if EPA WQIF Grant awarded.” EPA should notify grant awardees in early December 2022.

Tasks 2, 4, and 5 will occur partially or completely during FY 23-24. This scope of work requests budget for both FY 22-23 and FY 23-24.

The proposed tasks include:

1. Conduct a RAC System and C.12.c Cost Study
2. Develop a RAC System Operational Document and complete other RAC System development tasks identified in the RAC System Summary Report, develop agreements and checklists, and/or conduct training.
3. Conduct an initial exchange for pilot project(s), including agreements.
4. Begin to develop a Funding and Delivery Roadmap for C.12.c projects and RAC System Off-Site Green Stormwater Infrastructure (GSI) Projects (removed from scope if EPA WQIF grant awarded).
5. Permit Amendment (FY 23-24)

These tasks are described in further detail below. A budget and schedule are provided following the task descriptions. There is overlap between tasks being conducted for MRP Provision C.11.c/C.12.c compliance (i.e., development of the Old Industrial Control Measure Plan) and the tasks outlined below. Where applicable, the tasks proposed for this scope align with and build on the development of the Old Industrial Control Measure Plan.

SCOPE OF WORK

Task 1: RAC System and Old Industrial Treatment Cost Study

A key consideration for administration of the RAC System is the cost of compliance units available for exchange. As part of Task 1, Geosyntec will update and expand the 2018 GSI cost estimates completed for the Contra Costa PCBs and Mercury TMDL Control Measure Plan and Reasonable Assurance Analysis Report Appendix F (CCCWP Green Infrastructure Cost Estimation Methodology Memo, 2018). In addition to GSI cost estimates, Geosyntec will also investigate costs for other stormwater treatment control measures that are not considered low

impact development (LID)/GSI, such as media filters and other high-flowrate filters. These other types of treatment control measures can be used for C.11.c/C.12.c compliance.

Geosyntec will prepare a data request that can be distributed to CCCWP permittees and/or BAMSC members, to obtain the latest local data for GSI and treatment control measure implementation. Geosyntec will also perform a literature review to gather more recent cost data from project implemented elsewhere in California, especially projects within the last five years. Safe Clean Water Program data in Los Angeles County, grant funding summaries, and other publicly available reports summarizing costs will be identified. Data received will be compiled with data received from CCCWP member agencies and the existing cost database.

Geosyntec will organize the cost data based on GSI/treatment measure type (e.g., bioretention, media filter, etc.); whether or not the facility infiltrates; GSI/treatment measure and drainage area size; and project type (i.e., green street, parcel based, or regional facility). Costs will be categorized by implementation phase to the extent possible given the data (e.g., design, permitting, administrative, construction, and operations/maintenance). Geosyntec will escalate all costs to 2023 dollars and conduct statistical analyses to summarize the range of costs for different facility types and scales.

Results of the statistical analyses will be summarized in an updated draft and final GSI/Treatment Control Measure Cost Estimation Technical Memorandum.

Assumptions:

1. The extent of the Cost Study will be limited to the available budget. If additional funding is secured from other countywide stormwater programs, the literature search can be more expansive, including data from other similar/neighborhood counties or states, for example, or more detailed review of cost categories.
2. Two drafts of the Memorandum will be developed.
3. Assumes three one-hour client calls.

Deliverables:

1. Draft and Final Cost Study Memorandum.

Task 2: RAC System Operational Document

As identified in the RAC System Summary Report, several RAC System components require further development to allow for administrative implementation of the program. The sub-tasks below would be completed in FY 22-23 and FY 23-24.

- **Operational Document** – Geosyntec will develop a RAC System Operational Document (Operational Document). The Operational Document will include sections and text from the RAC System Summary Report specifically related to how the RAC System is

operated and a list of responsible entities. The Operational Document is intended to be a living document that will be updated over time as the RAC System is adaptively managed.

- **Agreements** – Geosyntec will work with CCCWP and/or permittee legal counsel to update the draft sample agreement attached to the RAC System Summary Report so it is ready for execution following approval of the MRP RAC System Amendment (expected in FY 23-24).
- **Checklists** – The RAC System includes a number of template forms. Checklists will be developed for each entity participating in an exchange process (i.e., Buyer, Seller, Permittee, Administrator) to summarize the information and forms needed for an exchange.
- **Informational Meeting(s) and/or Training(s)** – Geosyntec will provide up to two 2-hour informational meetings and/or trainings to CCCWP permittees on the Contra Costa County RAC System.
- **Quick Reference Sheet** – Geosyntec will prepare one 1-2 page quick reference sheet for participants in the Contra Costa County RAC System that describes a specific aspect of the Contra Costa County RAC System. For example, one quick reference sheet could cover how a seller could generate compliance units and have them certified for exchange, and how reimbursement would occur.
- **Land Use Definitions** – A list of the specific land uses that correspond with the land use categories included in the Pollutant Ratio table, developed based on definitions from the National Stormwater Quality Database (NSQD), Association of Bay Area Governments (ABAG), and local zoning. The table will be formatted such that it can be used directly in the RAC System Tracking Tool.
- **Annual Reporting** – Proposed Contra Costa County RAC System annual reporting processes will be developed in coordination with Development Committee. It is expected that annual reporting processes would be modeled on the C.3 reporting processes. Annual reporting processes would be discussed during one meeting with the CCCWP Development Committee.
- **Future Redevelopment** – A process for new or redevelopment projects located in the drainage area of a certified Off-Site GSI Project will be developed. This process will describe how the certified compliance units would or would not be affected. Future redevelopment would be discussed during one meeting with the CCCWP Development Committee.
- **Financial Transaction Processes** – Recommended pathways for financial transactions will be documented based on discussions with the CCCWP Development Committee. Details available in other documents will be referenced where applicable.

Draft descriptions, tables, and/or attachments will be provided to the client for review. After addressing review comments, these components will be added or attached to the Contra Costa County RAC System Operational Document.

Assumptions:

1. Up to \$20,000 of effort would be expended on this Task in FY 22-23. It is expected that the remainder of tasks listed above would require an additional \$35,000 to complete in FY 23-24.
2. The Permittee Participant Agreement updates will entail delivery of key information pertinent to an agreement or updating an existing agreement provided by the CCCWP Management Committee.
3. Geosyntec will prepare up to two additional versions (draft/final) of the standard agreement but will rely on CCCWP and/or permittee legal counsel to provide final verbiage for the agreement.
4. It is expected that meetings and training sessions would use meeting materials developed as part of the EPA WQIF grant funded Regional Compliance for a Sustainable Bay project.
5. The land use table would be formatted such that it could be used in a geospatial join in GIS. If a special spreadsheet format is required, the RAC System Tracking Tool developer would provide this format.
6. Annual reporting and future redevelopment considerations would be documented based on the results of the discussion with the CCCWP Development Committee.
7. A description of the proposed financial transaction processes will be high-level and reference other County, City, or CCCWP-specific financial processes where possible. Other financial process documentation will be provided by the CCCWP Management Committee.
8. Ten one-hour meetings are budgeted for this task.
9. Two drafts (Draft/Final) will be developed for each deliverable.

Deliverables (for both FY 22-23 and FY 23-24):

1. Working Contra Costa County RAC System Operational Document
2. Updated Draft and Final Standard Agreement
3. Four Draft and Final Checklists
4. Two two-hour Meetings and/or Training Sessions on the RAC System
5. One Quick Reference Sheet

6. Land Use Table and associated Text
7. Description of Annual Reporting
8. Description of how Future Redevelopment is Accounted for in RAC System
9. Description of Financial Transaction Processes
10. Eight one-hour calls or presentations

Task 3: Pilot Projects

For Task 3, Geosyntec will pilot the RAC System as described in the RAC System Summary Report for one to two exchanges. There is currently one known Off-Site GSI Project in design that could be used for these pilot exchanges and there may be additional candidates. As part of the pilot, Geosyntec will complete template documents and participation agreements for the Off-Site GSI Projects generating compliance units and exchanges. These template documents would be used by the participating jurisdiction and/or the RAC System Tracking Tool developer to input information into the RAC System Tracking Tool. It is anticipated the pilot exchanges would occur between permittees and not include private developers.

As part of the completion of template documents, available project information and data will be reviewed and calls will be conducted with participating parties, including the buyer, seller, affected jurisdictions, CCCWP, and/or the Contra Costa County Flood Control and Water Conservation District (FCD).

Following completion of the pilot exchanges, Geosyntec will prepare a brief Lessons Learned Memorandum to document the pilot exchange(s) and recommended revisions to the exchange process. The results of the pilot exchange(s) will be presented to Development Committee.

Assumptions:

1. The pilot exchanges will take place prior to or in parallel with additional RAC System development occurring as part of Tasks 1 and 2.
2. The budget assumes that up to two Off-Site GSI Projects and up to two exchanges would be included in the pilot(s).
3. The Off-Site GSI Projects and the sellers will be identified by CCCWP partner agencies.
4. Certification of the Off-Site GSI Projects will be conducted by the jurisdiction in which the projects are located.
5. Templates completed through this task include the Off-Site GSI Project Data Form and Alternative Compliance Exchange Documentation Form.
6. Two drafts (draft/final) of the templates and Lessons Learned Memorandum will be produced.

7. Up to four meetings, including meetings with affected jurisdictions and Development Committee, and an additional one hour of meetings to provide input data for RAC System Tracking Tool will be conducted as part of Task 1.
8. Additional assistance to the RAC System Tracking Tool developer is not included as part of Task 3.
9. If it is determined by CCCWP and/or the affected jurisdictions that RAC System features require further development prior to implementing exchanges (e.g., financial transaction procedures, O&M fee mechanism, etc.), development of these features would occur in Task 2 and/or Task 3.

Deliverables:

1. Draft and Final completed template forms for Off-Site GSI Project and Alternative Compliance Exchange.
2. Draft and Final memorandum of Lessons Learned.
3. E-mail-based agendas and summaries of calls conducted for Task 3.

Task 4: RAC System/Old Industrial Treatment Funding and Delivery Roadmap

If the CCCWP Clean Watersheds for All project is awarded by an EPA WQIF grant, Task 4 would be removed from the FY 22-23 and FY 23-24 Budget Line Items scope and included as part of the EPA WQIF grant project. The budget included for FY 22-23 only covers a portion of the total cost to produce the RAC System/Old Industrial Treatment Funding and Delivery Roadmap.

The RAC System/Old Industrial Treatment Funding and Delivery Roadmap will summarize various ways that Contra Costa County permittees could fund, finance, and construct projects needed to comply with MRP Provisions C.11.c/C.12.c and Provision C.3.j (i.e., impervious surface retrofit). Geosyntec will research various funding/finance/delivery opportunities and their applicability to Old Industrial treatment options and the Contra Costa County RAC System, including but not limited to:

- Clean Water State Revolving Fund (CWSRF)
- Water Infrastructure Finance and Innovation Act (WIFIA)
- Public Financing Authority (e.g., Enhanced Infrastructure Financing District/ Climate Resilience District)
- Grants
- Bipartisan Infrastructure Law Funding

- Alternative/Progressive delivery approaches:
- Public Private Partnerships (P3)
- Community-based Public Private Partnerships (CBP3)
- Pay for Performance (P4P)
- Design-Build

The initial information gathered during literature review will be presented to permittees via roundtables with Development Committee to discuss viability, scalability, and practicability. Based on the research and input from permittee representatives, a draft RAC System/Old Industrial Treatment Funding and Delivery Roadmap will be developed that identifies the recommended combination of funding/financing sources to implement Old Industrial treatment and RAC System water quality improvement projects. The draft Roadmap will be presented to Development Committee and other municipal staff as needed (e.g., permittee legal counsel, public works directors, etc.) in up to two additional meetings to identify roles, responsibilities, processes, procedures, and required approvals. After stakeholder comments, a final RAC System/Old Industrial Treatment Funding and Delivery Roadmap will be developed, including a proposed schedule to secure the identified funding/financing, typical project delivery schedules, outlined administrator duties, roles of permittees, decision points, and example/ template/ guidance documents (e.g., CWSRF forms & instructions, P3/CBP3 RFPs, P4P guidance, upcoming grants, etc.).

Assumptions:

1. Up to \$35,000 will be spent in FY 22-23. An additional \$45,000 budget will be needed to complete Task 4 in FY 23-24. The FY 22-23 budget will cover the literature review, roundtables, and an Annotated Outline of the Roadmap.
2. Up to two 2-hour roundtables will be held prior to developing the draft Roadmap.
3. Up to two one-hour meetings will be held to present the draft Roadmap and receive comments.
4. One Outline and two (Draft, Final) versions of the Roadmap will be delivered.
5. Up to six one-hour meetings will be held as part of this task.

Deliverables:

1. Annotated Outline, Draft, Final C.12.c/RAC Funding and Delivery Roadmap.
2. Agendas, presentations, facilitation, and notes for two two-hour Roundtables.
3. Agendas, presentations, facilitations, and notes for two one-hour meetings.

Task 5: Permit Amendment (FY 23-24)

As part of Task 5, Geosyntec will prepare a MRP permit amendment request describing the Contra Costa County RAC System, for submittal to the Water Board. The MRP RAC System amendment submittal will include all information identified in the MRP Fact Sheet:

“Any such program should include at least the following: a clear organizational framework; demonstration of the treatment of an equivalent quantity of both stormwater runoff and pollutant loading (e.g., through the equivalent or net increase in impervious surface treated, and the equivalent or net reduction in flow and/or pollutant load, but not necessarily in the same watershed) and the achievement of net environmental benefit; an accounting and reporting system; a process for collection and timely use of funds; compliance with Provisions C.3.c-d and C.3.f-h; program oversight by an entity or entities; and expectations for timing and location.”

As part of the development of the permit amendment submittal, Geosyntec will work with Development Committee to coordinate with other Bay Area stormwater programs interested in submitting a similar permit amendment. Depending on the outcomes of those conversations, the permit amendment developed may be more generic with a more detailed attachment with specifics on the RAC System. Following initial conversations, Geosyntec will deliver an outline that includes the proposed structure of the submittal, including what information will be part of the amendment and what will be attached to the amendment. Following feedback from CCCWP, Geosyntec will prepare the permit amendment submittal.

Assumptions:

1. Up to three meetings will be held for this task, including one meeting with the Water Board.
2. The permit amendment submittal is expected to include already-completed deliverables for the RAC System, including the Final RAC System Summary Report and, potentially, the other deliverables developed for this scope. New analysis and RAC System development is not anticipated to be completed through this task.
3. One Outline and two (Draft/Final) versions of the permit amendment submittal will be developed.

Deliverables:

1. RAC System permit amendment submittal.
2. E-mail-based agendas and summaries of calls conducted for Task.

BUDGET AND SCHEDULE

Table 1 below provides a breakdown for the FY 22-23 \$105,000 conditionally approved budget based on the tasks outlined in the scope of work above. As mentioned, if the CCCWP Clean Watersheds for All project is awarded by an EPA WQIF grant, Task 4 would be removed; in this case the total FY 22-23 budget would be \$70,000.

The estimated budget needed for completion of the tasks in FY 23-24 is provided in Table 2. Additional budget will likely be needed in FY 24-25 to secure project implementation funding.

Table 1: FY 2022-23 RAC System Task Budget Detail

Task	FY 22-23 Budget
Task 1: RAC System and Old Industrial Treatment Cost Study	\$30,000
Task 2: RAC System Operational Document (Part 1) ¹	\$20,000
Task 3: Pilot Projects	\$20,000
Task 4: RAC System/C.12.c Funding and Delivery Roadmap (Part 1) ^{1,2}	\$35,000
Total	\$105,000

¹ Tasks that are indicated “Part 1” are anticipated to be completed following “Part 2” in FY 23-24.

² Only completed if EPA WQIF Grant not awarded.

Table 2: FY 2023-24 RAC System Task Budget Detail

Task	FY 23-24 Budget
Task 2: RAC System Operational Document (Part 2) ¹	\$35,000
Task 4: RAC System/C.12.c Funding and Delivery Roadmap (Part 2) ^{1,2}	\$45,000
Task 5: Permit Amendment	\$10,000
Total	\$90,000

¹ Tasks that are indicated as “Part 2” complete scope of work initiated in FY 22-23.

² Only completed if EPA WQIF Grant not awarded.

* * * * *



Date: November 16, 2022

To: Management Committee
From: Mitch Avalon, Program Consultant
Subject: Budget Process for FY 23/24

Recommendation:

Accept the staff report and provide input on the process to develop a budget for FY 23/24.

Background:

Budget Process. Attached is an overview of the schedule for developing the FY 23/24 budget. A more detailed schedule of the process will be provided at the December meeting when the budget process begins in earnest. At that meeting, we will begin with a look at estimated expenditures for the current fiscal year (based on projected expenditures at end of the calendar year), policy considerations of what we want the budget to achieve for us (for example how we want to handle the reserve funds and staffing levels), and the assumptions staff will be using to develop budget information, including assumptions on implementing MRP 3.0.

Budget Adjustment. There are a few uncertainties in the current year's budget that may warrant a budget adjustment towards midyear. The approved FY 22/23 budget included 16 budget items that were conditionally approved. The Management Committee has decided on a handful of those items and approved their final budgets. So far the overall budget has not changed substantially, but there are several more to be decided on. Another uncertainty is our plan to meet C.12.c requirements. The control measure plan for C.12.c will be discussed and approved over the next several Management Committee meetings. If the conditionally approved items or the implications of the control measure plan, or other upcoming plans, result in a substantially increased budget, then a budget adjustment may be necessary. Staff will be following these items closely as we prepare the draft budget for FY 23/24.

Fiscal Impact:

No impact at this juncture in the process.

Attachment:

FY 23/24 Budget Schedule Overview

Contra Costa Clean Water Program

Fiscal Year 2023/24 Budget

Budget Schedule Overview

December 6, 2022 AC	Review budget timeline, policy, and assumptions
December 21, 2022 MC	
January 3, 2023 AC	Present first draft FY 2023/24 budget
January 18, 2023 MC	
February 7, 2023 AC	Review second draft of FY 2023/24 budget including midyear actuals for FY 2022/23
February 15, 2023 MC	
March 7, 2023 AC	Approve final draft of budget
March 15, 2023 MC	
March 16, 2023	Budget for FY 2023/24 is finalized and printed
July 1, 2022	Budget for FY 2021/22 becomes effective

Note: AC is the Administrative Committee date where the topic is introduced, and MC is the Management Committee date where the topic is approved.



Date: November 16, 2022

To: Management Committee
From: Mitch Avalon, Program Consultant
Subject: FY 21/22 End of Year Budget report

Recommendation:

Accept the staff report and provide comments or direction to staff.

Background:

Each October the Program performs an end of year analysis of the prior year's budget. The Program budget is zeroed out at the end of each fiscal year, as there are no funds carried over from year to year. By policy, any unspent funds from the prior year's budget rolls into the reserve fund. Unspent funds derive from projects that were budgeted but were not completed during the prior fiscal year, savings from joint projects or economies of repetition, and other cost saving measures realized throughout the year.

Quite some time ago, the Management Committee established a budget threshold of \$3.5 million to insure a consistent "return to source" of SUA funds. When the Flood Control District calculates the disbursements of SUA funds, they hold back \$3.5 million to fund the Program even if the approved Program budget exceeds that amount. The Program budget up to the \$3.5 million threshold is funded from SUA, while the budget amount over the \$3.5 million threshold is taken from the Program's reserve fund.

There was significant unspent budget at the end of last fiscal year, FY 21/22, resulting in \$1,244,157 transferred into the reserve fund. The attached spreadsheet shows that the total budget was approved at \$3,705,837, \$205,837 over the \$3.5 million threshold. When the budget was approved, \$205,837 was encumbered from the reserve fund. The actual expenditure for FY 21/22 was \$2,461,680, quite a bit less than the approved budget. This is primarily due to three factors. First, there were significant savings on staffing costs as a result of budgeted positions that remained vacant, and an increase in staff augmentation through an adjusted budget that was not fully spent. CCCWP staff were conservative in their estimates for staff augmentation work and have encouraged a culture of cost efficiency, (e.g. cancelling unneeded meetings, limiting meeting attendance to the times consultants are presenting, etc.) Second, there were several items in the Technical Services portion of the budget that were never completed, such as the Development Committee projects, the contract for Wood consulting, and the

advance work, because services were not needed or anticipated deadlines in MRP 3.0 were extended. Third, there were several projects in the C.3 portion of the budget that were not completed, such as the Hydromodification Management items, peak flow control calculator, and G.I. design guidelines, because they were linked to the HM compliance strategy. A few minor savings were also seen due to conferences and trainings being held online because of the Covid pandemic.

If the total expenditures of \$2,461,680 is subtracted from the \$3.5 million budget threshold, the result is \$1,038,320. Adding to that the \$205,837 encumbered reserve funds for the approved budget results in the total amount returned to the reserve fund of \$1,244,157.

Fiscal Impact:

None.

Attachment:

End of Year Budget spreadsheet

G:\NPDES\Mgmt Committee\Agendas\FY 22-23\ Agenda Packet\2022-11\MC Mtg 11-16-2022 Staff Report Year End Budget Report

CCCWP FY 2021-22 Year-End SUA Expenditure Report

Budget Row	Description/Expenditure	Adopted FY 2021/22	Adjusted FY 2021/22 August 18, 2021	Adjusted FY 2021/22 Dec 15, 2021	FY 2021/22 Expenditure	FY 2021/22 Unspent Budget
1	Administrative/Personnel (See Admin Worksheet)	\$1,528,583	\$1,804,859	\$2,140,337	\$1,136,279	\$1,004,058
2	Staff Salaries and Benefits + County Overhead	\$1,308,383	\$1,308,383	\$1,308,383	\$617,579	\$690,805
3	Staff Augmentation (Larry Walker Associates, Inc. for 12 months)	\$0	\$154,963	\$309,926	\$199,962	\$109,964
4	Staff Augmentation (Geosyntec, Inc. for 12 months)	\$0	\$121,314	\$242,628	\$147,707	\$94,921
5	Staff Augmentation (Watershed Resources Consulting for 12 months)	\$109,200	\$109,200	\$218,400	\$131,040	\$87,360
6	Staff Augmentation (Transition Training)	\$50,000	\$50,000	\$50,000	\$39,991	\$10,009
7	On-Call Staff Augmentation (as needed)	\$50,000	\$50,000	\$0	\$0	\$0
8	Staff Training and Conferences	\$6,000	\$6,000	\$6,000	\$0	\$6,000
9	Non-Program County Staff Labor	\$5,000	\$5,000	\$5,000	\$0	\$5,000
10	General Supplies & Equipment	\$7,788	\$7,788	\$7,788	\$3,606	\$4,182
11	Misc. Office Equipment/Supplies not covered by County Overhead	\$6,600	\$6,600	\$6,600	\$2,796	\$3,804
12	Groupsite Annual Fee	\$1,188	\$1,188	\$1,188	\$810	\$378
13	Association/Memberships/License Fees	\$72,720	\$72,720	\$72,720	\$41,861	\$30,859
14	Bay Area Stormwater Management Agencies Association (BASMAA)	\$40,000	\$40,000	\$40,000	\$11,028	\$28,972
15	ESRI (AGOL Annual License Fee)	\$10,000	\$10,000	\$10,000	\$10,000	\$0
16	Bay Friendly Landscape Coalition (BFLC)	\$0	\$0	\$0	\$0	\$0
17	California Stormwater Quality Association (CASQA)	\$22,720	\$22,720	\$22,720	\$20,834	\$1,886
18	Legal Services	\$70,000	\$70,000	\$50,000	\$57,748	(\$7,748)
19	County Counsel and Contract Administration	\$10,000	\$10,000	\$10,000	\$14,088	(\$4,088)
20	On-Call Services Legal Services (Richards, Watson & Gershon)	\$40,000	\$40,000	\$30,000	\$33,660	(\$3,660)
21	Alternative Compliance Legal Review (Richards, Watson & Gershon/County Counsel)	\$20,000	\$20,000	\$10,000	\$10,000	\$0
22	Regional Projects	\$178,855	\$178,855	\$178,855	\$175,487	\$3,368
23	BASMAA	\$0	\$0	\$0	\$0	\$0
24	SFEI-RMP	\$178,855	\$178,855	\$178,855	\$175,487	\$3,368
25	Technical Services (See Technical Services Worksheet)	\$483,300	\$583,300	\$773,300	\$421,335	\$351,965
26	Project Management, Technical Review, Regulatory Compliance, etc. (LWA/Geosyntec)	\$125,000	\$125,000	\$140,000	\$139,715	\$285
27	Project Management, Technical Review, Regulatory Compliance, etc. (Wood)	\$50,000	\$50,000	\$50,000	\$0	\$50,000

CCCWP FY 2021-22 Year-End SUA Expenditure Report

Budget Row	Description/Expenditure	Adopted FY 2021/22	Adjusted FY 2021/22 August 18, 2021	Adjusted FY 2021/22 Dec 15, 2021	FY 2021/22 Expenditure	FY 2021/22 Unspent Budget
28	Project Management, Technical Review, Regulatory Compliance, etc. (Dan Cloak)	\$160,000	\$160,000	\$160,000	\$155,380	\$4,620
29	Development Committee Projects (TBD)	\$0	\$100,000	\$100,000	\$0	\$100,000
30	GIS/AGOL Maintenance, Minor Upgrades (Psomas)	\$35,000	\$35,000	\$35,000	\$35,000	\$0
31	Youth/Outreach; Media Management (ProPose aka Sagent)	\$113,300	\$113,300	\$113,300	\$91,241	\$22,059
32	MRP 3.0 Advance Work	\$0	\$0	\$175,000	\$50,000	\$125,000
33	Municipal Operations (C.2) - Training/Workshop (See MOC Worksheet)	\$3,000	\$3,000	\$3,000	\$0	\$3,000
34	New Development/Redevelopment (C.3) (See Development Worksheet)	\$178,000	\$178,000	\$178,000	\$11,063	\$166,938
35	Hydromodification Management Modeling (Dubin)	\$50,000	\$50,000	\$50,000	\$11,063	\$38,938
36	Hydromodification Management Maps (Psomas)	\$15,000	\$15,000	\$15,000	\$0	\$15,000
37	Hydromodification Management Calculator (TBD)	\$40,000	\$40,000	\$40,000	\$0	\$40,000
38	Green Infrastructure Design Guidelines (TBD)	\$20,000	\$20,000	\$20,000	\$0	\$20,000
39	Peak Flow Control Calculator	\$50,000	\$50,000	\$50,000	\$0	\$50,000
40	Annual C.3 Training/Workshop	\$3,000	\$3,000	\$3,000	\$3,000	\$0
41	Industrial/Commercial Controls (C.4) - Training/Workshop (See MOC Worksheet)	\$3,000	\$3,000	\$3,000	\$0	\$3,000
42	Illicit Discharge/Detection and Elimination (C.5) (See MOC Worksheet)	\$0	\$0	\$0	\$0	\$0
43	Construction Controls (C.6) See Development worksheet (LWA)	\$7,000	\$7,000	\$7,000	\$4,376	\$2,624
44	Public Information/Participation (C.7) (See PIP Worksheet)	\$44,000	\$44,000	\$44,000	\$33,369	\$10,631
45	Misc. Outreach (Updating materials for other Permit provisions)	\$5,000	\$5,000	\$5,000	\$0	\$5,000
46	Watershed Stewardship (Green Business Program)	\$6,000	\$6,000	\$6,000	\$6,000	\$0
47	Bringing Back the Natives Garden Tour (Kathy Kramer-Sponsor)	\$16,000	\$16,000	\$16,000	\$16,000	\$0
48	Used Oil/Student Outreach /Youth Programs (Matt Bolender)	\$2,000	\$2,000	\$2,000	\$1,817	\$183
49	Outreach Effectiveness Evaluation (TBD)	\$0	\$0	\$0	\$0	\$0
50	Website Maintenance and Hosting (WebSight Design)	\$15,000	\$15,000	\$15,000	\$9,552	\$5,448
51	Water Quality Monitoring (C.8) (See Monitoring Worksheet)	\$568,674	\$571,674	\$561,674	\$489,430	\$72,244
52	Creek Status and Pesticides Monitoring (KEI)	\$281,139	\$281,139	\$281,139	\$221,985	\$59,154
53	UCMRs	\$80,098	\$80,098	\$80,098	\$65,683	\$14,415
54	POC Monitoring and Reporting	\$50,000	\$50,000	\$50,000	\$54,595	(\$4,595)

CCCWP FY 2021-22 Year-End SUA Expenditure Report

Budget Row	Description/Expenditure	Adopted FY 2021/22	Adjusted FY 2021/22 August 18, 2021	Adjusted FY 2021/22 Dec 15, 2021	FY 2021/22 Expenditure	FY 2021/22 Unspent Budget
55	MeHg Study (Only)	\$5,305	\$5,305	\$5,305	\$0	\$5,305
56	Monitoring and Reporting Support	\$41,218	\$41,218	\$41,218	\$36,089	\$5,129
57	Provide Fish Risk Flyers/Signs	\$5,305	\$5,305	\$5,305	\$658	\$4,647
58	Distribute Fish Risk Flyers	\$10,609	\$10,609	\$10,609	\$18,935	(\$8,326)
59	Effectiveness Evaluation and Status Report	\$5,000	\$5,000	\$5,000	\$0	\$5,000
60	Marsh Creek Monitoring	\$5,000	\$5,000	\$5,000	\$0	\$5,000
61	TMDL Implementation Plan/RAA (LWA/GC)	\$25,000	\$25,000	\$25,000	\$0	\$25,000
62	POC Load Reduction Report	\$10,000	\$10,000	\$10,000	\$21,364	(\$11,364)
63	Manage Building Material PCB's	\$5,000	\$5,000	\$5,000	\$5,777	(\$777)
64	East County RAA	\$35,000	\$35,000	\$35,000	\$64,345	(\$29,345)
65	East County Pyrethroid Management Plan Monitoring Report	\$0	\$3,000	\$3,000	\$0	\$3,000
66	Monitoring Contingency	\$10,000	\$10,000	\$0	\$0	\$0
67	Pesticide Toxicity Control (C.9) (See MOC Worksheet)	\$67,993	\$67,993	\$67,993	\$50,436	\$17,557
68	Our Water Our World (Debi Tidd Consulting) (Plant Harmony)	\$67,493	\$67,493	\$67,493	\$50,436	\$17,057
69	Outreach to Pest Control Professionals	\$500	\$500	\$500	\$0	\$500
70	Trash Reduction (C.10) (See MOC Worksheet)	\$0	\$0	\$0	\$0	\$0
71	Mercury Controls (C.11)	\$0	\$0	\$0	\$0	\$0
72	PCBs Controls (C.12)	\$0	\$0	\$0	\$0	\$0
73	Managing PCBs during Building Demolition - Data Collection	\$0	\$0	\$0	\$0	\$0
74	GIS Modification Needs Assessment	\$50,000	\$50,000	\$50,000	\$36,690	\$13,310
75	GROUP PROGRAM BUDGET SUBTOTAL	\$3,262,913	\$3,642,189	\$4,137,667	\$2,461,680	\$1,672,987
76	2% CONTINGENCY	\$65,258	\$72,844	\$82,753		\$82,753
77	TOTAL GROUP ACTIVITIES BUDGET	\$3,328,172	\$3,715,033	\$4,220,421		\$1,755,741
78	CONTINGENCY EXPENSE	\$0	\$0	\$0		\$0
79	SALARY CREDIT (PM)(12 Months)	(\$63,666)	(\$53,891)	(\$107,782)		(\$107,782)
80	SALARY SAVINGS (Other)	\$0	\$0	\$0		\$0
81	SALARY SAVINGS (WMPS)(12 months)	\$0	(\$203,401)	(\$406,802)		(\$403,803)

CCCWP FY 2021-22 Year-End SUA Expenditure Report

Budget Row	Description/Expenditure	Adopted FY 2021/22	Adjusted FY 2021/22 August 18, 2021	Adjusted FY 2021/22 Dec 15, 2021	FY 2021/22 Expenditure	FY 2021/22 Unspent Budget
82	<i>SUBTOTAL</i>	<i>(\$63,666)</i>	<i>(\$257,292)</i>	<i>(\$514,584)</i>		<i>(\$511,585)</i>
83	<i>NET SUBTOTAL GROUP PROGRAM BUDGET</i>	<i>\$3,264,506</i>	<i>\$3,457,742</i>	<i>\$3,705,837</i>		
84	SUA FUNDING THRESHOLD	\$3,500,000	\$3,500,000	\$3,500,000		
85	<i>RESERVES CHARGE</i>			<i>(\$205,837)</i>		\$1,244,156
86	NET TOTAL GROUP PROGRAM BUDGET	\$3,264,506	\$3,457,742	\$3,705,837		
87	RESERVES BALANCE: \$4,282,100					



Date: November 16, 2022

To: Management Committee

From: Mitch Avalon, Consultant

Subject: Review Stormwater Funding Options Report, Phase 1

Recommendation:

Accept report from staff on the Phase 1 Stormwater Funding Options Report and provide staff with any comments or direction.

Background:

At the July 20, 2022 Management Committee meeting, the Committee received an overview of the various options available for increasing stormwater revenue for the Program and permittees. After some discussion, the Committee directed staff to prepare a Stormwater Funding Options Report that would rely heavily on the report completed in 2012 as part of the 2012 stormwater funding initiative.

The report will be completed in two phases, the first phase will analyze all the options and identify those that are viable for further evaluation. The second phase will expand the analysis of the viable options, describe the process to implement the options and potential challenges, and recommend a pathway forward. Many of the options that will be reviewed in this report could apply to both the Program and to permittees individually. The first phase will cover both permittee and Program options, however, the second phase will focus solely on viable options for the Program.

The Management Committee reviewed a rough draft of the report at its October 19, 2022 meeting. Since then, a legal review has been completed, a peer review by two engineering firms has been completed, and the final drafting of the report, incorporating the comments, has been completed. The task before the Management Committee is to review the attached final draft of the report and provide any final comments or direction. The report will be scheduled for approval by the Management Committee at its meeting on December 13, 2022. The Public Managers Association MRP 3.0 Subcommittee has been briefed on the report as well as the City-County Engineers.

Fiscal Impact:

None at this time, but there may be an increase or decrease in the budget depending on the final decision of whether to move forward with a funding option or not.

Attachments:

Phase 1 Stormwater Funding Options Report

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Stormwater Funding Options Report

Phase 1: The Narrowing

November 16, 2022

1. Introduction

The Contra Costa Clean Water Program (Program) was established when the first stormwater permit was issued in 1991 to the cities, towns, unincorporated County, and Contra Costa County Flood Control and Water Conservation District in Contra Costa County (permittees) by the San Francisco Bay Regional Water Quality Control Board (Regional Water Board). East County permittees¹ are in the Central Valley Regional Water Quality Control Board, although through an agreement between the two Regional Water Boards East County permit requirements are issued and administered by the San Francisco Bay Regional Water Quality Control Board). Individually written stormwater permits issued to the four large counties in the San Francisco Bay (Bay) Area eventually evolved into a standard permit with uniform requirements, the municipal regional permit. The first Municipal Regional Permit, referred to as MRP 1.0, was issued in 2009 and amended in 2011. This Permit dramatically increased permittee costs to meet permit requirements and reduce pollutant loading in stormwater. This was after the Regional Water Board amended the stormwater permit (Provision C.3) in 2003, requiring development projects to treat stormwater to remove pollutants and increase infiltration. Permittees began to look for ways to raise funds to pay for these increased costs. The Program hired a consultant team to prepare a report identifying and analyzing all options available to increase revenue. This effort culminated in a ballot measure for a stormwater property-related fee in 2012. The initiative failed with about 40% of the property owners voting in favor of and about 60% in opposition to the fee. MRP 2.0, adopted in 2015, increased compliance costs yet again.

MRP 1.0 was followed by MRP 2.0 in 2015, increasing compliance costs with new programs and increased implementation of control measures designed to reduce PCBs, mercury, and trash pollutant loads to meet mandated water quality standards. MRP 3.0 was adopted by the Regional Water Board on May 11, 2022 and will result in yet another increase in compliance costs. The FY 22/23 Program budget, adjusted on August 17, 2022, is \$991,850 more than the adjusted FY 20/21 budget, and \$783,350 more than the adjusted FY 21/22 budget, the last two budgets of MRP 2.0. Looking further back, the FY 22/23 budget is \$1,985,566 more than the FY 14/15 budget, the last budget of MRP 1.0. Attachment 1 is a chart showing the annual Program budgets, going back to the adoption of MRP 1.0 in 2009. It is interesting to note that Program budgets over the term of MRP 1.0 and 2.0 totaled over \$38 million.

Since it takes several years to implement any kind of a funding strategy, now is the time to decide how to address the escalating cost of permit compliance.

At its July 20, 2022 meeting, the Management Committee received an overview of the various options available for increasing stormwater revenue for the Program and permittees. After some

¹ The East County permittees are the Cities of Antioch, Brentwood, and Oakley, and portions unincorporated County and the Flood Control and Water Conservation District.

discussion, the Committee directed staff to prepare a Stormwater Funding Options Report that would:

- Review the 2012 report, update the options, and incorporate lessons learned
- Identify the pros and cons for each option
- Reduce the options to a short list of potential, viable options
- Identify information needed to make a decision and choose an option
- Separate permittee options from Program options
- Explore the viable options and recommend a pathway forward

This 2022 update of the funding options report will rely heavily on the 2012 report developed for the Program that analyzed the various options available to increase revenue. The 2022 updated report will be completed in two phases, the first phase (this report) will analyze all the options and identify those that are viable for further evaluation. The second phase will expand the analysis of the viable options, describe the process to implement the options and potential challenges, and recommend a pathway forward. Many of the options that will be reviewed in this report could apply to both the Program and to permittees individually. The first phase will cover both permittee and Program options; however, the second phase will focus solely on viable options for the Program.

2. Background

The Contra Costa County Flood Control and Water Conservation District (Flood Control District) is the fiscal agent and contracting authority for the Program. After the first stormwater permit was issued, all the cities, towns, and Contra Costa County, except for Richmond and Brentwood, requested the Flood Control District adopt stormwater assessments for each parcel in their jurisdiction. These assessments generated about \$14.1 million in FY 09/10 (MRP 1.0) and about \$15.9 million in FY 21/22. Richmond and Brentwood pay their share of the Program costs separately, which in FY 21/22 was together about \$535,000. If Richmond and Brentwood had stormwater utility assessments similar to the other cities, towns, and Contra Costa County, they would together generate about \$2.8 million.

Quite some time ago, the Management Committee established a maximum annual \$3.5 million budget allotment from SUA funds. This \$3.5 million threshold ensured a consistent "return to source" of SUA funds. When the Flood Control District calculates the disbursements of SUA funds, they hold back \$3.5 million to fund the Program. If the approved Program budget exceeds the \$3.5 million threshold, the amount over the threshold is taken from the Program's reserve fund. The reserve fund has two components. One component is a \$1.2 million fund established in FY 2011/12 to address cash flow fluctuations, and past policy has remained steadfast in not using it for any other purpose. This portion of the reserve fund is referred to as the "SUA Operating Fund". The other component is a true reserve that can be used to fund that portion of the Program budget exceeding the \$3.5 million threshold and is currently about \$4.2 million. This portion of the reserve fund is referred to as the "MRP Reserve".

How much time do we have before the reserve fund runs out? The answer to that question depends on the current reserve balance, end of year additions to the reserve fund, and future Program budgets. Each October the Program performs an end of year analysis of the prior year's budget. The Program budget is zeroed out at the end of each fiscal year, as there are no funds carried over from year to year. By policy, any unspent funds from the prior year's budget rolls

into the reserve fund. Unspent funds derive from projects that were budgeted but were not completed during the prior fiscal year, savings from joint regional projects or economies of repetition, and other cost-saving measures realized throughout the year. In November Program staff will be able to provide an accurate reserve balance for the current fiscal year. Attachment 2 is a chart that shows the reserve fund balance over the past several years.

The FY 22/23 budget was approved with 16 conditionally approved budget items that totaled \$803,300. These were items we knew had to be done, but there was insufficient information at the time to determine an accurate budget. Each of these conditionally approved items will be the subject of consideration and approval at a future Management Committee meeting where staff will present a more detailed scope and budget. As of October 2022, five of these items have been approved by the Committee, leaving 11 items left to approve, some of which may include an increased budget. Staff has also prepared a projected five-year budget for the entire MRP 3.0 permit term, which can be used to estimate future fiscal year budgets. From a staffing perspective, it is assumed the Program Manager position will be filled by FY 23/24, and the other vacant planner position(s) filled by FY 24/25, with corresponding levels of staff augmentation (consultant support) to cover the positions until they are filled. The five-year budget projection assumes that all vacant positions will be filled by FY 24/25.

The projected five-year budget uses the same format that is used each year for the Program budget. Line items have been added for work products or activities that are not part of the current fiscal year but will occur in later fiscal years. Work efforts that continue from year to year include a 3% inflation factor, and notes in the last column describe any assumptions made. While the projected five-year budget is a rough estimate of projected costs, it does provide a basis for planning purposes. The estimated amount over the \$3.5 million budget threshold is approximately \$600,000 for FY 22-23, \$200,000 for FY 23-24 and FY 24-25, and \$500,000 for FY 25-26 and FY 26-27 (note that the term of the two previous MRPs was longer than five years). There are four budget items that either have a zero budget allocation or have the potential of having a significantly increased budget: AGOL, C12.c control measure plan implementation, alternative compliance, and implementation of a stormwater funding option. Assuming there is a \$200,000 per year budget allocation for these four items, collectively, then the estimated amount over the \$3.5 million threshold for the next four years would increase to \$800,000, \$400,000, \$700,000, and \$700,000, for a total of \$2.6 million. The FY 22/23 budget, adjusted on August 17, 2022, is approximately \$1 million over the budget threshold. Based on the current fiscal year budget and the projected five-year budget, it appears the amount over the budget threshold at the end of the permit term will be \$3.6 million. This will leave \$600,000 remaining in the reserve (\$4.2 million minus \$3.6 million). The projected five-year budget does not account for increased planning costs for MRP 4.0 and it may take two or more years beyond MRP 3.0 to complete MRP 4.0 negotiations. Attachment 3 is the estimated five-year budget for MRP 3.0.

It is instructive to take a step back and look at some of the drivers for increased cost since 2009, the beginning of MRP 1.0. Each permit term, the Regional Water Board takes a new tact and or strategy or expands programs (e.g., moving from pilot to implementation stages) to reduce pollutant loading. Noted below are some of the cost drivers from the progression of municipal regional permits.

- **Green Infrastructure.** Green infrastructure, referred to in MRP 3.0 as green stormwater infrastructure, is another, yet more bolder, step in a multi-decade effort to rebuild the built environment so that eventually every drop of stormwater flowing over an impervious surface is captured and treated (converting gray infrastructure to green

infrastructure). This requires a change in the way that permittees plan, develop, build, and maintain their public roads, drainage, infrastructure, buildings, and facilities. Green infrastructure requirements began with MRP 1.0 pilot projects, ramped up in MRP 2.0 with Green Infrastructure Plans, and evolved into mandated metrics for acres treated in MRP 3.0. Municipal policy documents and business practices must be modified to accommodate stormwater treatment and infiltration. MRP 3.0 provision C.3.j requires the installation of green stormwater infrastructure to treat at least 57.32 acres of impervious surface throughout Contra Costa County and provision C.12.c requires treatment of 664 acres to reduce PCBs loads, some of which will be done through green stormwater infrastructure. These green stormwater infrastructure metrics will be very expensive to meet, yet not meeting them will result in noncompliance.

- **Low Impact Development.** In addition to the Green Infrastructure mandates, the progression of MRPs has steadily decreased the impervious area thresholds for regulated projects. Lower impervious area thresholds means that more municipal projects must incorporate low impact development (LID) practices, increasing project cost and requiring LID in less than optimal locations for pollutant load reduction and maintenance. MRP 3.0 also removed the road maintenance exemption adding stormwater treatment to a set of maintenance projects that were not previously required to implement LID.
- **Private Property.** The new MRP 3.0 mandates that permittees take on a stronger enforcement role by requiring trash management on private property. MRP 3.0 provision C.10.a.ii (b) requires permittees to ensure that storm drains on private property in trash generating areas that drain to the MS4 are equipped with full trash capture devices.
- **Full Trash Capture.** Installing full trash capture devices (e.g., screens in drainage inlets) is strongly encouraged as the solution for meeting trash reduction goals. Other elements of a holistic approach to meeting trash reduction goals receive smaller credits or are being phased out, such as creek cleanups or drastically reduced credits of source controls (e.g., Styrofoam food ware ban) as prescribed in MRP 3.0 provision C.10, particularly C.10.b.v and C.10.f.
- **Numeric Metrics.** Beginning with MRP 2.0, permittees have been required to establish methods and demonstrate the achievement of pollutant load reductions. Various source control programs have been assigned pollutant load reduction values and modeling is used to demonstrate the pollutant reduction value of green infrastructure and LID. MRP 3.0 includes specific numeric metrics for reductions of PCBs, mercury, and trash. Permittee compliance is measured against the established metrics. This is a significant change from the earlier stormwater permits where permittees implemented best management practices to the maximum extent practicable. In addition to the cost of developing the models and implementing and tracking the control programs, the use of numeric metrics makes it is easier for third parties to prevail in lawsuits. This adds another concern and cost to stormwater management decisions. MRP 3.0 provision C.12.c.i requires Contra Costa permittees, collectively, to reduce PCB loads by 121 gm/yr by the end of the permit term (this will also meet mercury load reduction requirements).

Additionally, each permittee must individually meet its trash load reduction requirements.

- **New Requirements.** MRP 2.0 included a new requirement to test diverting stormwater to a wastewater treatment plants by building pilot diversion projects. Each reissuance of the MRP introduces new and modified requirements and very seldomly are any requirements scaled back. MRP 3.0 includes several new requirements including: receiving water limitations monitoring, controlling firefighting discharges, controlling discharges from homeless encampments, developing and implementing asset management programs, initiating cost reporting, developing procedures to control oil-filled equipment operated by electrical utilities; implementing controls for PCBs-containing caulk on bridges and overpasses, and a host of minor changes that expand existing programs. These new and modified programs require significant investment to meet permit requirements.

3. 2012 Funding Initiative

Permittees have orchestrated two funding measures to pay for stormwater services and projects. The first was on August 30, 1992 when Assembly Bill 2768 was approved, amending the Flood Control Act to allow the formation of stormwater utility areas. This led to the Flood Control District adopting stormwater utility assessments for each permittee, with each permittee determining the range of assessments to be charged on the properties within their jurisdiction (with the exception of Brentwood and Richmond). Later, in 2012, the Clean Water Program conducted the Community Clean Water Initiative, a property owner ballot measure that would add an additional stormwater utility assessment. It took about 1.5 years to implement the project and cost about \$1.5 million, with \$1,442,128 in consultant costs and \$121,100 in project management costs by the former Program Manager. This does not include costs for a branding program that spanned several years prior to the ballot measure. The heart of the process to establish the property-related fee included a notice of public hearing mailed to all property owners in December 14, 2011, a public hearing for comments before the County Board of Supervisors on February 7, 2012, and a mailing of ballots to property owners on February 22, 2012.

The Program hired a consultant team, led by SCI Consulting Group, that included True North Research, Tramutola, Larry Walker Associates, and Dan Cloak Environmental Consulting. This team developed the work products to implement the Community Clean Water Initiative (Initiative). The project was developed in four phases, with Phase 1 broken down into five tasks:

- **Phase 1, Task 1: Background analysis and research.** Collect and analyze background and reference information for the Program, including expenditures, and sources of funding, as well as past and current MRP and NPDES requirements.
- **Phase 1, Task 2: Future program cost analysis.** Review and analyze projected future annual costs and sources of funding for each permittee.
- **Phase 1, Task 3: Potential funding source analysis.** Analyze and evaluate various funding mechanism alternatives.
- **Phase 1, Task 4: Opinion research and survey.** Evaluate voters' interest in supporting a local revenue measure and provide guidance on how to structure the measure.

- **Phase 1, Task 5: Stormwater funding needs and options report.** Recommend a strategy to address the additional funding required to implement the MRP.
- **Phase 2: Fee report and revenue enhancement action plan.** Develop the analysis, justification, and structure to implement an annual property-related fee.
- **Phase 3: Implementation and educational outreach.** Develop outreach materials, mailers and website to inform the public, and conduct the balloting process.
- **Phase 4: Balloting results and final perspectives.** Report on the balloting process and provide perspectives on the results.

To complete Task 1, two members of the consulting team visited each permittee to gather information on their stormwater expenditures, resources available, and business practices. The task report includes detailed information on each permittee's total stormwater program costs and revenue (albeit from 2012), providing valuable data when considering the final options in Phase 2 of this report. For Task 2, they took the estimates of those permittees that had developed the most comprehensive costs for each provision and used those to develop a predictive cost model for the entire permit. Based on the information gathered and the future cost modeling, the team was able to determine the revenue and costs for all permittees and the Program. The total revenue in FY 13/14 (last year of MRP 1.0) was about \$18 million, while the total costs were about \$37 million, resulting in a shortfall of about \$19 million.

Task 3 reviewed stormwater funding efforts in California since 2002, the entity that sponsored the funding measure, the annual rate, the type of funding mechanism used (e.g. parcel tax, property-related fee), and whether it was successful or not. A chart summarizing the funding needs of each permittee was also included. The bulk of the task revolved around identifying and analyzing 16 options for providing additional funding. Those same options are updated and analyzed later in this report.

Task 4 was a survey that showed "the vast majority of voters and property owners in the county consider protecting water quality, the Bay and the Delta to be among the most important issues facing their community." The consultant concluded that "if packaged appropriately and combined with a broad-based and effective public education effort, a measure to fund clean, safe water has a good chance of passage." The results of the mail survey indicated that a property-related fee had a good chance of success if the rate was kept affordable (\$22 or less), with a 52% level of support overall - 2% above the simple majority required for passage, and if the vote was conducted as a landowner vote (a two-thirds majority is required if the measure is submitted to the electorate). The consultant stressed the need for building and sustaining support for the funding measure through an effective, well-organized campaign that focused on the need for the measure as well as the many benefits that it would bring.

The remainder of the consultant report outlined two fundamental approaches, a parcel tax requiring two-thirds passage and a property-related fee requiring a majority passage. Based on surveys conducted, the property-related fee was selected as the results were 52% in support (tested using a \$22 per parcel fee), just over what was needed to be successful. The consultant team recommended moving forward with the ballot measure providing the project included fee rates that the majority of voters accepted as affordable, a broad-based and effective public education effort, a description of the benefits and projects that would derive from the fee, and an explanation of the need for the fee. The property-related fee requirements were described in Proposition 218. This proposition, approved by voters in 1996, provided detailed requirements for the imposition of any type of tax, assessment, or fee. In 2010 Proposition 26 was passed which tightened up the definition of taxes.

The Initiative, tailored to reflect regional differences, divided the County into three primary watersheds; west, central, and east watersheds. The base rate for a typical single-family home was \$19 per year in the west watersheds, \$22 per year in the central watersheds, and \$12 per year in the east watersheds. El Cerrito and Pittsburg were included in the central watersheds and all unincorporated County parcels had a base rate of \$19 per year. 100,768 ballots were returned and counted, resulting in 40.6% of the votes in favor of and 59.4% of the votes in opposition to the fee. There were many lessons learned from conducting the Initiative. The final report placed most of the blame for losing the election to the opposition of the local newspaper throughout the process. Other notable lessons learned were the need for a champion to advocate for the fee to counter opposition during the election process, developing a clear and succinct message and staying with it, explaining why funding was needed and what projects the funding would be spent on, and explicit and energetic support by all permittee jurisdictions. The final four-phase report from the Initiative, except for Phase 3, is included as [Attachment 4](#).

Would a new initiative be successful? At the time of the 2012 report, there were six successful property-related fee ballot measures and two successful parcel tax measures to fund stormwater services over the prior 10 years. Today, the list includes 28 balloted property-related fee measures since 2002, with 16 passing (three were a reauthorization/renewal) and 12 not passing. Of the 16 that passed, all were cities or special districts. Of the 12 that did not pass, one was a county (Contra Costa County) and 11 were cities or special districts. During the same time period, six parcel tax measures were processed and all were successful; one for a county (Los Angeles County), one for a special district (Santa Clara Valley Water District), and four for cities. Several of the successful communities had very large and supportive renter populations. One salient observation is that Contra Costa County is the only county to attempt a balloted property-related fee measure, and only one other county, Los Angeles County, was successful in getting a parcel tax measure passed. Perhaps counties are too big a political unit to have a successful property-related fee measure. It was the size and diversity within Contra Costa that resulted in dividing the County into three sections with three different base fees. If there is any thought of pursuing another balloted property-related fee measure or parcel tax measure, the first order of business would be conducting a detailed and comprehensive survey. It would also be beneficial to evaluate the factors that went into the successful parcel tax (Measure W) in Los Angeles County.

In June 2022, property owner Dessins LLC sued the City of Sacramento, alleging that the City violated state tax law by casting votes for the City's 2,007 properties, influencing the measure, which passed by 1,949 votes. Dessins also alleges that the City violated Proposition 218 by casting a ballot for each property the City owns while not allowing private property owners to do the same. At an April City Council meeting in which the City announced the result of the vote, City staff told the council that the City followed all required steps of Proposition 218, including sending one ballot for each parcel of land. Proposition 218 allows government entities to vote on ballot measures for properties they own, however it was envisioned this would be for ballot measures proposed by other government entities rather than their own ballot measure. It is unclear whether this lawsuit has any merit, but if it does it has the potential of creating some changes to the way Proposition 218 elections are conducted.

4. Options Analysis

This section will review and analyze possible options available, determine if they are best implemented individually by permittees or collectively by the Program, and identify those that

should not be considered further and those that should be further evaluated in Phase 2. The analysis includes providing pros and cons to those options that seem to have the most promise. The following options are listed in no particular order.

Special Tax. Special taxes are voted on by registered voters and require a two-thirds majority for approval. Special taxes include parcel-based taxes (the most popular), taxes linked with a general obligation bond, user taxes, transient occupancy taxes, sales taxes, and vehicle license fees. The various special taxes are grouped together and described and analyzed directly below.

Parcel-Based Tax. This is a special tax added to property tax assessments, with a rate that can be based on impervious area, gross area, percentage imperviousness, property use, size, and zoning (land use). This has been the only type of tax measure proposed for funding stormwater services in California over the last 20 years. The largest stormwater parcel-based tax passed was Measure W in Los Angeles County, which received 69% voter approval in 2018. The measure brings in an estimated \$300 million of annual revenue to fund their Safe Clean Water Program. The following are some of the advantages and disadvantages of using this type of special tax.

Pros

- **Legally Defensible.** These taxes are very reliable, rarely challenged, and when challenged the challenges are rarely successful.
- **Easy Administration.** Once approved, a property tax does not require an annual analysis (e.g. AB 1600), fee report, assessment roll coordination, etc.
- **Well Understood.** Parcel taxes have been around a long time and property owners and registered voters understand their concept, reach/limitations, and process.

Cons

- **Super Majority.** The necessary two-thirds approval threshold for success is very difficult to achieve, and if success hinges on a few percentage points it wouldn't take much of a campaign by the opposition to defeat the measure. The survey for the Contra Costa initiative in 2012 indicated support up to 70% only if the election was a high turnout, the voters were very familiar with the measure, and the tax rate was at \$14 per parcel.
- **Election Timing.** Tax elections are normally held along with the general election in November or the primary election in March or June, which can cause scheduling problems. However, an all-mail election can be conducted at any time during the year. There are some downsides to this, as one of the lessons learned from the 2012 initiative was confusion when the Elections Office was not involved.

In conclusion, of all the tax options, a parcel tax is probably the most feasible and well understood tax to fund stormwater services. However, it is not recommended because of the difficulty in achieving a two-thirds supermajority and in building community and political support. The success of Measure W in Los Angeles was in part due to support from community-based organizations and political constituents.

General Obligation Bonds. A funding measure that ties the sale of bonds to construct capital improvements with a tax to pay debt service can be successful if the proposed projects are very popular. The City of Los Angeles was successful in passing "Measure O" in 2004 for water quality related capital improvements, which was broadly supported. In the past, most of the work associated with stormwater permits has been less about projects and more about programs and

monitoring. MRP 3.0 does include a significant amount of project work primarily around green infrastructure, either as a designated minimum acreage or as a vehicle to reduce pollutant loading, such as PCBs. Though not legally required, from a practical and political perspective a bond measure should be big and have the ability to reach everyone or benefit everyone. For example, a measure where the Program partnered with park districts and land trusts throughout the county and came up with green stormwater infrastructure projects that improved water quality and created protected open space or passive recreational space might be at a scale that would be successful. The bond measure would build the projects and the park districts/land trusts would take over the projects for maintenance. This would be consistent with a triple bottom line (project/people/planet) approach where benefits would go to the project by funding its construction, to the people by providing passive recreational space, and to the planet by improving water quality and preserving habitat. It's the proverbial win-win-win. Additional social benefits could be accrued by partnering with workforce development and bringing in a community based organization to train local youth to perform maintenance activities. Since the bonds have an underlying tax to pay debt service, the pros and cons are similar to a parcel-based tax.

In conclusion, a general obligation bond and supporting tax would likely only be feasible if it could be scaled up in partnership with other agencies. This option has to achieve a two-thirds supermajority to pass and has the added complexity of partnering with other agencies, but if polling showed there was sufficient interest, then this option should be considered.

User Tax. A user tax, or user fee, would be a charge for the "use" of stormwater or stormwater services. For example, a user fee that has been discussed in the past would be a fee charged to all tourists traveling into the Tahoe Basin at designated entry points, such as Highway 50 into South Lake Tahoe. A more pertinent example is the storm drainage fee adopted by the City of Salinas in 1999 to pay for drainage and stormwater services. The Howard Jarvis Taxpayers Association sued the City claiming the fee was a property-related fee and should be subject to a vote. In court, the City described its storm drainage fee as a "user fee" charged to properties using the city's storm drain system. However, the appellate court did not agree, instead finding the drainage fee was a property-related fee not a user fee.

An inspection fee is an example of a user fee charged to individual properties that has been successful, as there is a clear nexus between the fee and the service provided to the property owner. A comprehensive listing of the permittee's fees, rates, and charges is usually summarized in a municipal fee schedule, which is reviewed annually. The fee schedule includes a description of the fee, the fee amount, the reason for the fee, and other details. Stormwater plan review and inspection fees can be considered cost recovery for a compliance-mandated service to a property owner. This type of fee would best be implemented at the permittee level as it would be very difficult to scale up to the county level.

In conclusion, this option is not recommended for Phase 2 as it would be difficult to establish a nexus for the use of stormwater or stormwater services that could be administered at the county level and even more difficult to explain to the electorate and gain a two-thirds vote. However, this option could be utilized at the permittee level if additional fees with a direct connection between the service and the fee can be identified, such as stormwater plan review and inspection fees.

Transient Occupancy Tax. This is a special tax charged when a "transient" is occupying a room in a hotel, inn, or other lodging for 30 days or less. There is no legal requirement to make a nexus between a transient occupancy tax and stormwater services, as long as the voters

approve the tax. However, it would be difficult to gain political support for a transient occupancy tax to pay for citywide stormwater services and virtually impossible for countywide stormwater services.

In conclusion, this option is not recommended for Phase 2, but could be utilized in a permittee jurisdiction if there is enough support to generate a two-thirds voter approval.

Sales Tax. This is a tax on certain goods and services at the point-of-purchase and based on a percentage of the sale amount. In November 2020, voters passed Measure X, a countywide 0.5% sales tax for 20 years that would “..... keep Contra Costa’s regional hospital open and staffed; fund community health centers, emergency response; support crucial safety-net services; invest in early childhood services; protect vulnerable populations; and for other essential county services”. The measure raised the County sales tax rate to 8.75% and passed by a margin of 58.45% for and 41.55% against. Some cities and towns have passed additional sales tax increases that are specific to their jurisdictions. In 1988 voters passed Measure H, with a 71.6% passage rate, “to finance improvements in emergency medical and trauma care system including expanded countywide paramedic coverage; improved medical communications and medical dispatcher training; and medical equipment and supplies and training for firefighter first responders, including training and equipment for fire services electing to undertake a specialized program of advanced cardiac care (defibrillation).” This was not a sales tax, however, but a benefit assessment administered through the formation of County Service Area EM-1. Assessment rates were based upon "benefit units" depending on how many residences were on a property and the demand for services. Measure H was passed and the assessments completed prior to the passage of Proposition 218.

In conclusion, the pros and cons of a sales tax would be similar to those of a parcel-based tax. This option might be possible in specific jurisdictions with water quality issues that are widely supported but would be difficult to establish as a countywide sales tax. There has been widespread support for a healthcare-related tax/assessment in the past, but it is unknown if the same broad support exists today for stormwater services. One possible scenario would be a countywide sales tax partnered with general obligation bonds, where a portion of the sales tax paid the debt service of the bonds and the balance of sales tax paid for stormwater programs. It should be noted that bonds can only fund public improvements. More research would have to be done to determine if a sales tax could be split to fund projects and programs, and an extensive survey would have to be conducted to understand the types of projects that resonates with the public and how much support could be expected. Finally, there are limits to how much sales tax can be imposed, so each city, town, and the County would have to be analyzed to determine how much capacity they have for raising their sales tax.

Vehicle License Fee. In the late 1990s and early 2000's, there were efforts to add a surcharge to vehicle registration fees to pay for stormwater pollution cleanup. The nexus argument was that cars created pollution that was picked up by stormwater, such as lubricants and fluids leaking from vehicles and dust from brake pads. These legislative attempts were, locally, spearheaded by the Bay Area Open Space Council. In 2003, Assembly Bill 1546 authorized the San Mateo City-County Association of Governments to assess up to \$4 in motor vehicle fees for congestion management activities and stormwater pollution reduction programs until 2009. Similar legislation to add a surcharge to vehicle registration fees was unsuccessfully attempted in Alameda, Contra Costa, Marin, Napa, Sacramento, and Santa Clara Counties. Tax-payer associations pushed back on this approach, believing an increase in vehicle license fees should be through voter approval not through legislation. In 2009 the legislature passed AB 83 allowing

countywide transportation planning agencies to sponsor a measure to add no more than a \$10 surcharge to vehicle license registration fees, some of which could pay for pollution prevention projects and programs (Government Code 65089.20). That same year, voters in San Mateo County passed a local funding measure (Measure M) to increase and continue their vehicle registration fee surcharge.

In conclusion, this option is not recommended, as it would require a two-thirds majority vote to pass and partnership with the Contra Costa Transportation Authority that passed its own sales tax measure (Measure J) in 2004 - a continuation of its 1988 Measure C.

Property-Related Fee. This option, compliant with Proposition 218, is voted on by property owners within a specified service area and requires a simple majority to approve. This was the option chosen in 2012, the failed Community Clean Water Initiative. There are two steps to the process. The first step is a public notice, mailed to each property owner, of the proposed funding measure and the date of a public hearing set at least 45 days after the date of the notice. If a majority of property owners protest the fee at the public hearing, then the proposed fee cannot move forward. If there is no majority protest, then ballots can be sent to all property owners.

The second step is sending out the ballots at least 45 days after the public hearing. The mailed ballot must contain the amount of the proposed fee to be imposed on the property, the basis for calculating the fee, the reason for the fee, and a place on the ballot to indicate support for or opposition to the proposed fee. The amount of the fee for each parcel is determined in the fee report. The Fee Report, sometimes referred to as the Engineers Report, establishes the methodology to calculate the fee on each parcel. Normally the amount of impervious surface on the parcel is the foundation for calculating the fee. Parcels are grouped by land use and size, or some other attribute, and an average impervious surface is assigned to each group to facilitate fee calculation. So, parcels of similar size and use will have the same fee amount. The following are some advantages and disadvantages of this option.

Pros

- **Popular Option.** Since 2002, there have been 34 proposed measures to fund stormwater services and projects in California, 28 of which were balloted property-related fees (with a 57% success rate) and six of which were special taxes (with a 100% success rate). So, property-related fees are definitely the most popular method to fund stormwater services, although the success rate is lower than a special tax.
- **Politically Viable.** The process is fair, the threshold for approval is a simple majority, and the voters are those directly affected by the fee, which makes this option politically appealing.

Cons

- **Not Well Understood.** Ballots are mailed directly to property owners, which is an unfamiliar process for many people.
- **Greater Scrutiny.** Property-related fees, though legal, are not as well established or widely used as a tax. Therefore, more attention is focused on these types of funding measures as opposed to a tax.

It might be worthwhile to review the specific requirements for adopting a fee. California Constitution Article XIIIID Section 6(b) describes "Requirements for Existing, New or Increased

Fees and Charges” and states that a fee or charge cannot be extended, imposed, or increased by any agency unless it meets five specific requirements. These requirements are discussed below:

- **Total Service Cost Limitation.** “Revenues derived from the fee or charge shall not exceed the funds required to provide the property-related service.” Annual fees are usually estimated based upon revenue requirement estimates, but no more than a maximum fee amount determined by surveys.
- **Use Limitation.** “Revenues derived from the fee or charge shall not be used for any purpose other than that for which the fee or charge was imposed.” This additional requirement relates to the terms for adoption of the fee and restrictions that would be put in place to ensure that fees generated for the stormwater program would not be used for purposes outside the program. The 2012 Initiative proposed an oversight committee to ensure transparency and that restricted revenue was spent only on applicable services.
- **Proportional Cost Limitation.** “The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel.” Fees are calculated using an average cost to provide services to parcels based on size and land use designation. These formulas are based on a study of impervious surface quantities that exist on typical parcels in various land use designations.
- **Future Services Prohibition.** “No fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question. Fees or charges based on potential or future use of a service are not permitted. Standby charges, whether characterized as charges or assessments, shall be classified as assessments and shall not be imposed without compliance with Section 4 ((section on assessment procedures))”.
- **General Government Service Prohibition.** “No fee or charge may be imposed for general governmental services including, but not limited to, police, fire, ambulance, or library services, where the service is available to the public at large in substantially the same manner as it is to property owners. Reliance by an agency on any parcel map, including, but not limited to, an assessor's parcel map, may be considered a significant factor in determining whether a fee or charge is imposed as an incident of property ownership for purposes of this article. In any legal action contesting the validity of a fee or charge, the burden shall be on the agency to demonstrate compliance with this article.” The impacts on stormwater from impervious surfaces is directly related to property development by property owners, not to the public at large.

There were several "lessons learned" from the property-related fee proposal in 2012. After the Community Clean Water Initiative failed, the Program identified lessons learned and noted them in a document dated April 24, 2012 and updated on November 14, 2013 (see [Attachment 5](#)). If the Program decides to conduct another property-related fee funding initiative, these lessons learned should be analyzed and addressed in detail. For this Phase 1 analysis three key lessons will be mentioned. First, Contra Costa County has been the only county to attempt a property-related fee measure to fund stormwater services in the last 20 years. Of the 28 funding measures proposed, 27 were by cities or special districts and one was by Contra Costa County. The initiative tried to compensate for the regional differences in the County by having three separate fees, but it wasn't enough to win the election. The theoretical advantage of a countywide election is that those areas of the county that have greater support will carry those areas of the county with less support. In 2012, only one city (a small West County city) exceeded 50% support level in the

election, while 8 jurisdictions had a support level between 40% and 50%, and 11 jurisdictions had a support level between 30% and 40%. If this option is chosen, the Program would have to think long and hard how to offset the disadvantages of conducting an election over such a large area.

The second issue was failure of the outreach campaign to educate the public. Public employees could not (and still cannot!) advocate for the funding measure but others could, yet there was no champion picking up support for the project and advocating for it down the stretch. If another initiative is pursued in the future, more time and resources will be needed for the outreach and advocacy part of the process. There are natural allies to this type of project, such as local creek groups, open space councils, and other environmental groups that need to be brought in early to actively advocate for the fee. We also had a failure of support and advocacy at the local political level, with some cities voting against the fee when ballots for city-owned property came before their Council.

The third issue was heavy opposition by the local print media. The most widely read newspaper in the county was highly critical of the funding initiative, publishing 11 major opinion columns and 10 letters to the editor against the proposal, and none in favor or objectively neutral. The newspaper had a consistent message in their opposition, which we had no response to. We did not have a consistent message, did not communicate a list of projects the funds would pay for, and did not do a good job of explaining the need for the fee. If the Program decides to attempt another property-related fee, the position of the newspaper and other media needs to be assessed and cultivated in advance.

In conclusion, a property-related fee is still one of the most viable options to fund stormwater services. It is recommended that this option be further considered, understanding that there are serious challenges that need to be analyzed and addressed.

Benefit Assessments. Proposition 218 was approved by California voters in 1996 and laid out the requirements for adopting assessments and fees. In 2002 the appellate court decided on a case involving the imposition of storm drainage fees by the City of Salinas. The Howard Jarvis Taxpayers Association sued the City, claiming they should have put the storm drain fees out to a vote. The appellate court sided with the Taxpayers Association finding that the City had imposed a "property-related fee" which required voter approval. Though the court ruling did not mention benefit assessments, it was clear that funding storm drainage or stormwater services in this case was a property-related fee. Benefit assessments, established with a benefit assessment district, must show that each parcel in the district receives a special benefit over and above the benefits conferred on the public at large. Benefit assessments are often used to pay for operations and maintenance of improvements built by development projects, where the parcels within the developments are voted into the benefit assessment district by the developer. This does not generate much revenue, but is politically easy to do as the vote occurs prior to selling the homes. It is politically much more difficult to establish a benefit assessment district over existing parcels where each property owner must vote their property into the district. Benefit assessment districts are similar to community facilities districts, but community facilities districts are favored more, having slightly more flexibility in application and slightly easier administration.

In conclusion, this option is not recommended for consideration in Phase 2. Although feasible to implement at the permittee level, it seems that community facilities districts are a more popular and common funding tool.

Senate Bill 231 Fee. SB 231, approved by the governor in October of 2017, clarifies the definition of "sewer" to explicitly include stormwater and storm drainage systems. This is very important, as the provisions in Proposition 218 require a vote of all property owners to adopt a property-related fee, *except* fees for water, sewer, or refuse collection services. SB 231 supports establishment of a dedicated fee for stormwater management services through the long-established majority protest process currently used for water, wastewater, and solid waste rates. This process relies on a noticed public hearing before the governing board to decide whether to adopt a fee or not, but does not require an election of all property owners within the service area.

Although there is a connection between the definition of sewer in SB 231 and the exemption provision in Proposition 218, it is not a direct connection. SB 231 did **not** change the provisions of Proposition 218, which are embedded in the California Constitution, instead it modified the legislative "omnibus" guidance for implementing property-related fees. In the Salinas decision, the Appellate Court held that "stormwater" is not sewer, and is not exempt from the Proposition 218 voting requirements. However, in a few court cases where the use of stormwater was shown to have a direct benefit to water or sewer service, the courts have found that stormwater is exempt from the voting requirements.

No city or county to date has established a stormwater fee utilizing SB 231. Communities and the bill author, Senator Hertzberg, anticipate implementation of SB 231 to be litigated. Shortly following the approval of SB 231, a small coalition began to evaluate potential test cases for implementation, but so far no community has agreed to serve as the test case. To adopt a defensible stormwater fee, the city or county must be as closely aligned with the exemptions in Proposition 218 and past court decisions as possible. For example, a city or county that has its own water and/or sanitary sewer services and can effectively demonstrate its stormwater program is a benefit to or is burdened by its existing water and/or sanitary sewer system. It's difficult to imagine such a defensible argument for a fee in Contra Costa County. Contra Costa imports much of its water from the Delta so it's difficult to make a nexus argument for a water exemption, and sanitary sewer services are generally provided by independent special districts. The argument that well maintained storm drainage systems reduce sewer inflow and infiltration is difficult to make without owning and operating the sanitary sewer system.

Aside from the implementation issues, below are the likely key steps involved in adopting a stormwater fee under the authority of SB 231. Many of these steps are the same regardless of the fee process used.

1. Initiate your stormwater fee program, including demonstrated need, relationship with water, sewer, or solid waste service, and estimated costs
2. Ensure political and community support for a non-balloted stormwater fee
3. Prepare a Stormwater Rate Study establishing and justifying the program, program costs, nexus to water or sanitary sewer service, and assessment spread
4. Send out notices to all property owners of a public hearing before the governing board
5. Conduct the public hearing and adopt the fee (assuming there is no majority protest)
6. Establish a fee collection system
7. Collect the fees and implement the program
8. Prepare response to a lawsuit if one is filed
9. Defend the fee throughout a 2-to-5-year judiciary process

In conclusion, a stormwater fee utilizing SB 231 seems more suited to funding drainage infrastructure services rather than water quality services, although funding for any portion of a stormwater program would be useful. However, this option is not recommended because there isn't a strong nexus argument between the Proposition 218 exemption and stormwater services in Contra Costa County and there are legal costs associated with defending the fee. In addition, the opposition could mount a very effective campaign to characterize this as an attempt to bypass the electorate, which voted the fee down in 2012.

Decentralize Costs. The objective of this option is to recognize and adhere to the exemptions for voting requirements specified in Proposition 218. In 2012 the Program conducted a property-related fee ballot measure voted on by property owners and lost. In 2022 the Program may decide to forgo the election process and instead focus on establishing fees through majority protest. In that case, the fees must be compliant with Proposition 218 and fall under one of the three exemptions: water, sewer, or refuse collection.

This option would analyze the cost centers within a permittee stormwater program and identify which services could be funded through a fee adopted with one of the three exemptions or transferred to another department/entity that has a rate structure that could be increased to cover the newly transferred services. For example, services such as removing trash from catch basins, replacing catch basin filters, and other trash/litter reduction activities could possibly be transferred to a refuse collection provider. Of course, there would need to be an agreement between the stormwater agency and the refuse collection provider to transfer the services and ensure support for increasing the rate needed to cover the increased cost. This would be difficult to do on a countywide basis. Unless they provide their own trash collection services, each jurisdiction generally has a franchise agreement with a refuse collection provider that would need to be amended to add new services. This can be politically unpopular. In addition, there are regional groupings of jurisdictions that have formed authorities to manage refuse collection services within their area, each with its own management structure and objectives. It would be a very complex undertaking to develop a countywide approach to realigning a stormwater service, such as catch basin cleaning, to refuse collection providers.

In conclusion, this option seems more suited to individual permittee implementation, as the organizational structure of permittee stormwater programs varies by jurisdiction, franchise agreements are controlled by each jurisdiction, service requirements unique to each jurisdiction can be addressed at the permittee level, and each permittee can resolve any pushback by the refuse collection provider to do activities they deem to be incompatible with their business capabilities. It is not recommended to advance this option for further consideration in Phase 2.

Litter/Trash District. A different approach to the Decentralize Costs option described above, but meeting the same objective, is to develop an independent district countywide that would assume trash/litter-related services. This district would have the authority to establish a fee, collect a fee, and provide the services. Of course, establishing the fee would have to comply with the requirements stipulated in Proposition 218 and Proposition 26. The process to form such a district would need to be thoroughly researched and reviewed with legal counsel, but would likely require legislation. Another option is to utilize an existing district and expand their authority, also likely requiring legislation. There are two types of special districts, independent districts that have their own elected Board of Directors, and dependent districts that utilize the county's Board of Supervisors as their governing board. A county service area cannot be used to provide

countywide service, as it can only be used in unincorporated territory (Government Code Section 25210.7). There will be political resistance either way, with opponents claiming this is another example of big government creating even bigger government and inefficiently spending money on additional staff, office space, consultant services, etc.

Aside from the challenges and difficulties of forming such a district, another challenge is establishing the nexus between property ownership and the service provided to calculate the fee. Street sweeping is straightforward, as a charge can be calculated for each property that fronts on a street being swept. The cost of litter pickup at random locations would be more difficult to attach to each property. Unfortunately, perhaps the easiest service fee to calculate, street sweeping, is considered a general government service and would not fall under the exemption of refuse collection. An ambitious project that forms a countywide district to provide inlet cleaning and litter pickup services would likely attract legal opposition from taxpayer associations.

In conclusion, while it may be technically possible to form a district and establish a fee to fund trash reduction services, there will be significant political hurdles to forming such a district and there will likely be legal challenges. It is not recommended to advance this option for further evaluation in Phase 2.

Litter/Trash Property-related Fee. A refinement of the Litter/Trash District option described above is to fund all trash reduction services through a property-related fee. This would be similar to the 2012 Initiative, except the fee would be focused solely on litter and trash reduction services so the fee could be adopted without a ballot. The fee would be adopted through the standard majority protest process under the "refuse collection" exemption in Proposition 218. The program to develop the fee report, the assessments, noticing, public hearings, and outreach would all be similar to the 2012 Initiative, however the process would stop just prior to the mailing of ballots to property owners. After the public hearing, assuming no majority protest, the Board of Supervisors could adopt the fee. That is assuming the Board of Supervisors would be agreeable to this project.

Pros

- **Easier Process.** A majority protest process is easier to administer and has fewer steps than a property-related fee with a balloting process.
- **Politically Defensible.** Litter is everywhere and affects everyone. Litter impacts the environment, degrading habitat, suffocating and trapping wildlife, etc., which also affects everyone.

Cons

- **Equity.** There may be arguments that some communities have less trash than others and should be charged a lower fee or have no trash and should not be charged at all. A study would be needed to show the link between trash and all citizens in the county.

In conclusion, this option should be evaluated further in Phase 2 to answer two key questions – is this option legally defensible, and would it be politically acceptable. On August 11, 2022 the California Supreme Court filed an opinion, *Zolly vs City of Oakland*, that the City did not show their franchise fees for garbage service were exempt from the process required when imposing a tax, as outlined in Propositions 218 and 26. The City had included a franchise fee in their garbage

service contracts that was higher than other franchise fees charged around the Bay Area. The City was sued by a group of property owners claiming the franchise fee exceeded the reasonable value of the franchise and the portion of the franchise fee that exceeded the reasonable value was therefore a tax. The case was remanded back to the Alameda County Superior Court to determine whether the franchise fee is a tax that must be approved by voters or whether it qualifies for an exemption from the definition of a tax under Proposition 26, so additional clarity may be forthcoming. This will have to be examined in more detail in Phase 2 to see if it would impact the viability of this option.

Regulatory Fee. Permittees, in their capacity to govern and provide services, can establish certain fees that are not taxes, assessments, nor property-related fees. These fees are adopted through the police powers they have as a local government entity. These are typically specific fees for specific identified mitigations to a specific subset of the community. For example, a fee on commercial and industrial polluters to offset cleanup costs or on liquor stores or fast-food restaurants to defray the cost of cleaning up litter. The concept for this option would be extending such a fee to all residential parcels to pay the cost of cleaning up pollution from their properties. This would require a thorough legal review to ensure its legality, recognizing it would be difficult to make the nexus between the cost of pollution cleanup and individual parcels. Pollutant generation based on land use would likely be the starting point for analysis, however there would have to be consideration for exemptions or reductions for a variety of reasons, such as owning an electric car which has fewer polluting oils, having no car at all, or having converted all external impervious surfaces to permeable paving.

Proposition 26, approved in 2010, tightly defined the definition of taxes but did allow seven exemptions, one of which allows charges "imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof." Since the "local government" referred to in the exemption are permittees, this could be implemented at the permittee level but difficult to do at the countywide level.

The City of Encinitas added a Clean Water Regulatory Fee to their monthly garbage bill in 2004 to pay for the compliance costs of their stormwater permit. A lawsuit was filed and settled out of court. Encinitas agreed to conduct a ballot measure, which subsequently failed, forcing the City to reimburse the fees that had been collected.

In conclusion, due to the difficulty in meeting the exemption for implementation at the Program level, this option is not recommended for further evaluation in Phase 2. However, each permittee should review their stormwater services needs and determine if anything can be charged out with this type of fee.

Impact Fee. This option involves adopting and charging a one-time fee, usually at the time of development application or construction, to mitigate the impact of the development project. Many permittees have fees for parks, schools, transportation, water, sewer, and other infrastructure or institutions that are impacted by the development. Development projects are designed to offset their stormwater impacts by infiltrating stormwater and treating runoff before it drains off from the site. However, even projects that fully treat or retain the design storm often create a net impact on stormwater quality that is not mitigated. An impact fee could therefore be justified to mitigate the project's impact, although a study may be required to determine the impact. This type of fee could only be adopted at the individual permittee level as it is charged by the project. This would require each permittee to analyze and evaluate their impact fee

schedule to determine if they could justify an increase in their stormwater fee to ensure full mitigation of development impacts.

In conclusion, as this option could only be implemented at the permittee level, it is not recommended for further evaluation in Phase 2.

Community Facilities District. These districts are also called Mello-Roos Districts because the legislation that enables the formation of these districts is the Mello-Roos Community Facilities Act adopted in 1982. Many permittees are currently utilizing community facilities districts to fund the maintenance of such things as lighting, landscaping, and park maintenance. The district charges a special tax on properties that have been voted into the district to pay for services and projects on the district's work program. This option works well on a permittee level and is compatible with current business practices in the permittee's jurisdiction. If this option were applied countywide, then a community facilities district would be adopted by the County Board of Supervisors, probably through the Flood Control District, an entity that has countywide jurisdiction and a mission that includes stormwater. Research would need to be done to verify if a dependent special district, such as the Flood Control District, could adopt a community facilities district. The Mello-Roos Act applies to all "local agencies", defined to include all districts and special districts, that have the power to install or contribute revenue to public improvements, so this should be a feasible approach (Government Code Sections 53316 and 53317(h)). Development projects would vote into the community facilities district, as part of the development process, before the development is sold. Permittees would have to condition development approval on joining the community facilities district and coordinate with the County to ensure their development is voted in. This option would not generate a lot of initial funding revenue, but the revenue would grow over time as more and more development projects vote into the community facilities district (CFD). The special tax created by a CFD is collected on the property tax bill but is not restricted to the 1% and 2% property tax limitations established by Proposition 13, as it is not based on the property's assessed value.

A multi-step process is required to form a viable Community Facilities District:

- **Initiation of CFD.** A property owner or local government agency identifies the need for a CFD and begins the process to form one.
- **Local Goals and Policies.** Local goals and policies must be developed and adopted by the agency proposing this special tax district. These are the rules that must be followed by participants in the prospective CFD.
- **Rate and Apportionment.** The Rate and Method of Apportionment outlines how a tax will be levied or charged, on which property, under what conditions, for how long, and at what rate.
- **Resolution of Intention.** If there are no objections to the proposed rules and policies, then a CFD can be formally proposed by the local government agency by adopting a resolution of intention.
- **Public Hearing.** A public hearing is held and if there are no objections by the majority of participants, then the CFD formation process continues.
- **Resolution of Formation.** This step is a resolution to incur debt if applicable.
- **Election.** An election is held amongst the residents or property owners. To establish a CFD, a two-thirds affirmative vote of property owners is required if there are no more than 12 registered voters living within the proposed district service area. However, if more than 12 registered voters are living within the district service area, then a two-thirds vote of registered voters is required.

- **Issue Debt.** If bonding is desired for capital improvements, then the last step in the formation process is to issue any necessary debt such as land-secured municipal bonds or bank loans.

Once the formation process is complete, a special tax is imposed on all property within the Community Facilities District (i.e., those properties that have voted in). This special tax is not part of the property tax but is collected on the property tax bill. Some of the advantages and disadvantages of this option include the following:

Pros

- **Versatile.** A CFD can fund a variety of services and finance virtually any infrastructure improvements that a local agency manages using special taxes.
- **Flexible Financing.** The Rate and Method of Apportionment, which determines the breadth and scope of taxes used in financing the CFD, is not subject to the strict principles of benefit assessment engineering. If bonds are desired, CFD taxes are often a favored approach because they are commonly bonded. The financial markets are familiar with this revenue stream and are willing to lend against it.

Cons

- **Administrative Burden.** A CFD can be complex to administer over time. The annual tax needs to be calculated and billed annually, parcels need to be tracked, payment delinquencies need to be monitored, specialized reports need to be created, and bond administration and reporting are needed (if bonds are involved). The use of specialized consultants may be needed to manage the CFD.
- **Higher Taxes.** The CFD special tax is an additional tax for the properties involved, which can be politically undesirable if the resultant taxes are substantially higher than adjacent communities or neighborhoods.
- **Failure to Pay Penalties.** If a bond is issued, it is considered a lien against the properties in the CFD and failure to pay the tax may result in foreclosure. CFDs are notably subject to accelerated foreclosure laws.
- **Coordination.** The vote into the CFD would occur at the permittee level where the development is located, but overall CFD administration would be at the county level, so coordination would be very important.

In conclusion, this option is easy to implement on a permittee level but needs to be researched to determine if it could be advantageously applied at the countywide level. A countywide CFD is currently being considered with the Regional Alternative Compliance System, so the research needed for that project could be expanded to include the needs for funding stormwater services and programs. The concept would be that a portion of the CFD fee would pay for the alternative compliance (mitigation requirements) component of the development's responsibility, and another portion of the CFD fee would pay for funding stormwater services to mitigate the impact of the development. The potential revenue from this option is relatively small initially but would grow over time. For example, in 2000 there were 256,994 parcels in jurisdictions subject to the Stormwater Utility Assessments (all permittees except Brentwood and Richmond) and in 2021 there were 297,766 parcels. Adjusting the numbers to include Brentwood and Richmond results in an increase of about 48,000 parcels over the last 20 years, parcels that were created through the development/redevelopment processes by jurisdictions throughout the entire county. Assuming a countywide district formed 20 years ago with a fee of \$100 per year, the CFD would now generate about \$4.8 million of additional annual revenue countywide.

Enhanced Infrastructure Financing Districts. In 2014, Senate Bill (SB) 628 was approved, revamping existing Infrastructure Financing Districts into Enhanced Infrastructure Financing Districts (EIFDs). An EIFD is a separate government entity created by a city or county within a defined area (the district boundary) to finance infrastructure projects with communitywide benefits. The EIFD is governed by a Public Financing Authority (PFA) that oversees the creation of the District's Infrastructure Financing Plan (IFP), which outlines the specific projects the district will fund. EIFDs are tax increment financing districts, though they do not increase property taxes and are specifically designed to not reduce tax income for school districts. Since property taxes are not increased, the tax increment comes from those other taxing entities (schools are excluded) that agree to forgo a portion of their tax in favor of the EIFD. Tax increment financing works by freezing tax revenues from a tax rate area in the base year and diverting tax revenue in future years (known as tax increment) to pay for projects and/or pay back bonds. Several subsequent legislative measures have passed that modified EIFD requirements: AB 733 (2017) allows EIFDs to fund climate change adaptation projects, including but not limited to projects that address conditions that impact public health (such as decreased air and water quality, temperatures higher than average, etc.) and extreme weather events (such as sea level rise, heat waves, wildfires, etc.); SB 1145 (2018) allows EIFDs to also fund infrastructure maintenance costs; AB 116 (2019) allows EIFDs to issue bonds without a public vote, however it does increase public engagement requirements.

In conclusion, this option is not recommended for further evaluation in Phase 2, as it requires the creation of a separate government entity and Public Financing Authority, relies on a portion of property tax that other taxing entities must be willing to give up, and requires significant coordination with other entities to demonstrate mutual benefit.

Unfunded Mandate Claim. An unfunded state mandate is a requirement imposed by a state law or regulatory action that requires local agencies to implement a new program or provide a higher level of service, and without accompanying revenue to cover the cost of compliance. When the Regional Water Board issues a stormwater permit with requirements that amount to an unfunded mandate, permittees may file a claim with the Commission on State Mandates. This so-called "test claim" is intended to determine whether the challenged permit requirements qualify as unfunded state mandates under the state mandates law. For example, the Commission on State Mandates will determine whether local agencies are required to pay the costs incurred to implement the permit requirement, without any associated tax or fee revenue, and that the permit requirement is not imposed under federal law. The claim must be filed within one year of the effective date of the new requirement or one year from the date new costs are incurred. To be safe, a claim relative to MRP 3.0 should be filed by July 1, 2023. The contents of the claim must include everything required by state statute, but in general must identify and describe the requirements specific to the mandate and a detailed description of the activities and costs incurred by the mandate. When the claim is filed, Commission staff will determine if the claim is complete or not and return incomplete submittals.

There are two important tests in the government code (Section 17556) that the Commission will analyze to determine if the claim is disqualified as an unfunded state mandate.

- **Meets Federal Requirement.** First, the State "statute or executive order (i.e. permit requirement) imposes a requirement that is mandated by a federal law or regulation and results in costs mandated by the federal government, unless the statute or executive order mandates costs that exceed the mandate in that federal law or regulation."

- **Local Capacity To Pay.** Second, the “local agency . . . has the authority to levy service charges, fees, or assessments sufficient to pay for the mandated program or increased level of service.”

Senate Bill 231, enacted in October 2017, theoretically allows local agencies to adopt stormwater fees without voter approval. Stormwater permit language typically states that this statute allows permittees to sufficiently fund their stormwater programs, so stormwater permits are therefore not an unfunded state mandate. The Court of Appeals is currently hearing a case on this issue with a stormwater permit issued to San Diego County (*Department of Finance et al. v. Commission on State Mandates* (San Diego County), 3rd District Court of Appeal Case No. C092139). The primary issue in this case is whether SB 231 applied retroactively to stormwater-related mandates claims prior to 2018. The outcome of this court case could affect future mandates claims if the court holds that SB 231 did apply retroactively and reaches the conclusion that SB 231 provides fee authority to local governments for purposes of funding their stormwater programs. In that case, all stormwater-related test claims would be largely unsuccessful.

A typical lengthy and transparent government process begins with the test claim submittal to the Commission on State Mandates. When the submittal is complete, Commission staff issue a notice of completion and send the claim out for comments. Claimants have an opportunity to rebut any comments sent to the Commission. Commission staff then prepare a draft proposed decision which is sent out for comment. The proposed decision is then finalized, and a hearing scheduled before the Commission. If the claim is approved by the Commission, then draft proposed parameters and guidelines are prepared to determine the reimbursement amount and distributed for comment. A second hearing is scheduled before the Commission to adopt the decision, parameters, and guidelines. Within 90 days of the Commission’s approval of a decision, the State Controller will issue claiming instructions, which permittees would then use to file a claim for reimbursement. Initial reimbursement claims to the State Controller must be filed within 120 days of the issuance of the claiming instructions. The State Legislature must then appropriate funding to pay the claims. The Commission, twice each year, reports on the initial claims filed, the number of mandates found to be unfunded, and a statewide cost estimate for eligible costs for each mandate and reimbursement.

It's quite a lengthy and expensive process for a claim to be approved and included on the list for appropriation. In terms of the success rate in receiving funds, the following should be considered:

- There are 13 stormwater permit claims filed with the Commission waiting to be heard. On August 17, 2022, Commission staff released a draft decision on the claim regarding the Santa Ana Regional Water Board permit refuting each claim by the claimant.
- There were test claims filed for MRP 1.0 and MRP 2.0 that are still waiting for a decision as to whether any or part of their permit can be reimbursable.
- For claims that are successful, the State legislature still needs to adopt an appropriation to fund permit work (a “subvention” of funds), which they may approve/amend/deny, or eliminate or reduce the mandate.

If the Commission approves the claim, but the Legislature fails to approve funding for an unfunded state mandate, then there is a separate process for local agencies to have the mandate removed or declared unenforceable.

In conclusion, it is costly to prepare and file a claim with the Commission and the odds are high that it will be denied. There remains uncertainty as to whether an unfunded mandate process

will be successful in light of SB 231 and the “hostile” treatment of stormwater claims by the Commission on State Mandates. While a successful unfunded mandate claim will not fully fund a stormwater program, the process does place pressure on the Regional Water Board to adopt permits that will withstand a test claim. Since a successful claim sets precedence and enforcement guidance for all similar permit requirements throughout the state, if a claim is filed it is recommended it be filed collectively through a regional collaborative, rather than individually by the Contra Costa Clean Water Program.

Time Schedule Order. A Time Schedule Order (TSO) has been used in the past to amend compliance schedules where permittees could not meet the permit requirements associated with final TMDL deadlines for water quality effluent limits. Typically, permittees would discuss a TSO with Regional Water Board staff before filing a request, and if agreeable the Regional Water Board would issue a TSO allowing permittees to comply with a schedule outside of the permit. For example, a TSO for stormwater discharges in the Ballona Creek watershed was granted to give permittees more time to meet the permit requirements. This approach doesn't add funding, but stretching a given amount of funding over time can result in the same positive impact on permittee budgets. It should be noted that a TSO protects permittees from Regional Water Board enforcement actions, but it does not necessarily immunize permittees from citizen suits under the Clean Water Act.

In conclusion, a time schedule order might be a good strategy where there are many permittees that cannot meet a required timeline, for example the 90% or 100% trash load reduction schedule. In that case, it would be more advantageous to request a time schedule order through a regional effort.

Basin Plan Amendment. The Regional Water Board amends its Basin Plan to meet statutory amendment requirements or make changes to reflect new information or understanding of regulatory drivers, time schedules, and pollutant loading. For example, it has been shown in the Reasonable Assurance Analysis that the required PCBs load reduction to the Bay will not be achieved by the Total Maximum Daily Load (TMDL) schedule in the Basin Plan. At some point, the Basin Plan will need to be amended to reflect a more realistic schedule based on new information and understanding. The Los Angeles Regional Water Board, for example, recently adopted a number of Basin Plan amendments for impending final TMDL deadlines that are impossible to meet, which have been approved by the State Water Board. Basin Plan amendments can reflect other agreed to changes that may be advantageous to permittees, such as trash load reduction schedules. One advantage of a Basin Plan amendment over a Time Schedule Order, is that a Basin Plan amendment protects permittees from third-party litigation. Under this option, permittees would work with the Regional Water Board to include desired permit changes along with a proposed Basin Plan amendment.

In conclusion, this option could be considered in tandem with a permit modification and should be implemented through regional collaboration. This option is dependent on the timing of Basin Plan amendments by the Regional Water Board.

Legislative Approach. There have been five attempts (the first in 2003) to amend the State Constitution to allow an agency to adopt stormwater funding without voter approval. The last attempt began in 2014 and was abandoned two years later. From a statewide perspective, in 2014 there were four driving forces that brought wider attention to the lack of funding for certain stormwater-related essential services.

- **Aging Infrastructure.** Many flood control and stormwater drainage facilities are reaching the end of their service life yet there is no funding available for capital replacement, let alone sufficient funding for routine maintenance.
- **Stormwater Permits.** Every five years the Regional Water Quality Control Boards issue permits to counties and cities requiring them to reduce pollutant loading in stormwater flowing through their jurisdiction. These requirements are becoming increasingly expensive with no dedicated source of revenue.
- **Flood Prone Areas.** Every County has communities with substandard or no stormwater drainage improvements resulting in property inundation during moderate storms. Though the problems are well-known, there is no funding available to install the necessary drainage improvements.
- **Drought.** California has experienced drought conditions over the past several years, which has focused attention on the need for alternative sources of water supply. Stormwater is recognized as a potential alternative source, but there is inadequate funding to develop the necessary infrastructure.

In 2014 the County Engineers Association of California approved a Funding Strategy, developed a Work Plan to implement the Strategy, formed a committee to oversee the project, and hired a consultant to do the work. The objective was to amend Proposition 218 to add stormwater as an exemption along with the existing exemptions of water, wastewater, and refuse collection. A coalition of diverse statewide organizations was formed, attorneys from four of the organizations began drafting ballot language, and in an effort to increase support, lifeline and conservation rates were included. Proposition 218 is embedded in Article 13 of the Constitution and is considered by many to be unassailable. To circumvent that hurdle, the attorneys proposed an elegant solution by modifying Article 10 instead. In early 2016, the Attorney General issued the official title and summary of the ballot measure. The coalition polled support for a ballot measure with that title and found there was insufficient support to win an election. At that point, the coalition abandoned the ballot measure.

There were lots of lessons learned from that effort, which are noted in a final project report to the County Engineers Association of California (see [Attachment 6](#)). One of the most strategic breakthroughs was focusing on changes to Article 10 instead of Article 13, which would be very helpful in an outreach campaign. Of course, timing is everything and polling should be done on an occasional basis to determine when the driving forces have impacted public opinion enough to launch another ballot measure.

In conclusion, the four driving forces that launched the ballot measure effort in 2014 still exist today and are arguably even more relevant. Climate resiliency is another driving force where a lot of grant money is being directed at projects to address rising sea levels and increasing storm intensities. It is a long and arduous process to win approval through the legislature for a ballot measure, and then it must go before the voters for final approval. However, it is an effort that requires a coalition of many statewide interests, so it is easy to participate through a statewide organization, such as CASQA, without expending a lot of time and effort.

Grants. State, Federal, and private entities provide grants for certain projects and programs. Every so often voters pass a bond measure that provides funding for a variety of state grants that supplement grant funding provided by the state legislature through various state departments, such as the Department of Water Resources. In addition, there are federally funded grant programs, such as the San Francisco Bay Water Quality Improvement Fund, foundation grants, and other local grant programs. The Program is currently tracking 30 different grants, so

there is no shortage of funding opportunities. Though there are many grant opportunities, funding is generally directed to meet specific objectives or outcomes, which can sometimes be difficult to achieve and still meet stormwater program objectives. Applying for grant funding is highly competitive, incurs resources and costs, and generally requires matching funds. If funding is awarded, the process to approve a contract, administer the funds, and meet the reporting requirements can be bureaucratic and time-consuming. Grants are generally focused on capital improvements with little or no funding available for operations and maintenance or program level activities. However, MRP 3.0 includes requirements that are focused on project level improvements, which makes grants more viable as a funding source. Caltrans is offering funding, similar to a grant, to build large stormwater treatment/trash capture facilities jointly with permittees. The funding agreement with Caltrans typically requires the permittee to maintain the facility, so this program would not be feasible at the countywide level.

In conclusion, grants as a source of funding are more viable under the current stormwater permit. If the Program chooses to focus on grants there should be consideration to either hire a staff person dedicated to writing and administering grants, partner/contract with a nonprofit or other organization (potentially the Alternative Compliance System) to write grant applications, or hire a grant writing consultant.

State Revolving Fund Loans. The state Clean Water Revolving Fund provides loans to applicants for a variety of projects. Funding for the program comes from a combination of state and federal EPA funds, but administration is through the state. Interest rates on the loans vary from market rate to 0% depending on state priorities for providing incentives to various types of projects or project location (e.g. disadvantaged communities). The loan term may extend out to 30 years. Interest payments from the loans go back into the revolving fund, which provides funding for more loans. Under certain circumstances the state can forgive the loans, in which case the loans become a match-free grant.

In the past, funding has gone primarily to wastewater related projects. In an effort to increase funding for stormwater projects related to NPDES permits, EPA is currently conducting a survey (Clean Watersheds Needs Survey) to determine the national financing need to meet local stormwater permit project requirements. Given this new interest from EPA, obtaining funding through the Revolving Fund may be more successful going forward. Like most loan programs, the applicant must show they have a dedicated revenue stream to make interest payments, giving the Program an advantage with its annual SUA funding.

In conclusion, this option is similar to grant funding in that there are generally more applications than funds available. If the Program decides to pursue grant funding and develops the resources to apply for grants, then this should be included as a potential funding source. And like most grants, these loans only cover capital costs, not maintenance.

Water Infrastructure Finance and Innovation Act Loans. The Act (WIFIA) was approved by Congress in 2014 for "regionally and nationally significant projects" to improve the nation's water infrastructure and is administered through the Environmental Protection Agency (EPA). Funds are loaned to prospective project proponents similar to the State Revolving Fund Loan (RFL) program. Projects that are eligible for the RFL program are also eligible for the WIFIA program. The minimum project size is \$20 million and there is a 51% match requirement. The loan interest rate is set equal to or greater than the US treasury rate of a similar maturity, and the project proponent must have a dedicated revenue stream to ensure loan payments. The first step in the application process is to submit a letter of interest to EPA. There is no specific deadline

for submitting the letter as EPA has a rolling application process so it can be submitted at any time until all the funds are loaned out. In the letter of interest, prospective borrowers provide information that EPA uses to determine the project's eligibility, creditworthiness, engineering feasibility, and alignment with EPA's policy priorities. In addition, the federal Office of Management and Budget evaluates whether the project complies with budgetary scoring rules. Based on these reviews, EPA selects projects which it intends to fund and invites them to continue to the application process. During the application process, EPA prepares terms and conditions for the project and negotiates them with the applicant until they develop a mutually agreeable term sheet and loan agreement. Upon approval from the EPA Administrator and the Office of Management and Budget, the applicant executes the credit agreement, which is the binding loan document to receive WIFIA funds.

In conclusion, this option is not recommended for further evaluation in Phase 2, as the project match would be substantial, at \$10 million, the process through the federal government would be time-consuming and bureaucratic, and the primary focus of the program is for water supply.

Regional Approach. When the Regional Water Board instituted the municipal regional permit in 2009, with MRP 1.0, the major stormwater programs around the Bay Area all had the same requirements. For certain permit provisions it is less expensive to meet a requirement through a regional effort than through individual local efforts. With MRP 3.0, the Bay Area Municipal Stormwater Collaborative (BAMSC) approved working on five projects that would meet requirements for all BAMSC permittees. There may be other permit requirements that would be more efficient and cost-effective to do through a regional effort, or through a sub-regional effort with another county, for example a joint effort between Contra Costa County and Alameda County.

In conclusion, the MRP 3.0 requirements should be analyzed thoroughly for further opportunities for regional or sub-regional collaboration. The Program's "MRP 3.0 Five-Year Work Plan" can be used to review and analyze all of the requirements.

California's Water Supply Strategy. In August 2022, Governor Newsom released the "California's Water Supply Strategy, Adapting to a Hotter, Drier Future". The report outlines a variety of actions to increase water supply, including incentivizing stormwater capture and use projects through permitting and funding and helping to offset the project costs. While the focus is on water supply reliability and sustainability, stormwater capture plays a role through such projects as increased infiltration to raise groundwater levels, diversion to wastewater treatment plants for subsequent use as reclaimed water, and rainwater harvesting for local community irrigation needs.

In conclusion, the Water Supply Strategy should be reviewed in depth to identify opportunities for funding stormwater projects and services applicable to the Program. If opportunities are identified, then the Strategy should be followed closely to be ready when an application process emerges, or follow the funding through the various departments implementing the Strategy. Any application process should be added to the resource needs for grant writing discussed in the "Grants" section above.

Alternative Compliance. This is not a typical funding option that brings in ongoing revenue but is more in line with a Time Schedule Order that reduces the annual budget thereby improving the bottom line. Alternative compliance can play a role in at least one of the prominent funding options, so it is included here for completeness. MRP 3.0 requires treatment of stormwater from development projects, but also allows for the treatment requirement to be met off-site through

alternative compliance. Permittees are currently in the middle of a grant funded project to develop a regional alternative compliance system. The draft system report, defining the system and how it would operate administratively, fund projects and fund maintenance, was released in October for comment from permittees. A pilot project will then be processed to develop all the required agreements and other documents necessary to implement a project that would provide compliance units (mitigation) for sale. After developing all the agreements, a final project report will be released in June 2023. The regional alternative compliance system could also potentially be extended to other entities, including Phase II permittees and Caltrans, and perhaps, eventually, commercial, industrial, and institutional entities (though an effort for a statewide CII permit, AB 2106, was recently vetoed by Newsom). The system has been designed and is intended to provide overall cost savings in implementing green stormwater structure.

Development and redevelopment projects can maintain a healthy economy and restore a flagging economy. If the alternative compliance system is successful and developers have a quicker, more efficient and timely way to meet stormwater treatment requirements, then it becomes an incentive for development projects. In addition, the alternative compliance system is currently looking at using a community facilities district to pay for maintenance of constructed projects. This effort could be done collaboratively with the community facilities district option noted above and assist in providing revenue for stormwater programs and services.

In conclusion, this is not a true revenue-generating option, but should be considered in Phase 2 in conjunction with other options that may be compatible.

5. Summary and Recommendations

This report analyzes 26 different options for developing additional revenue to fund stormwater services, programs, and projects at either the permittee level or the Program level. The next several sections of the report summarize those options that are not viable for either Permittee or Program implementation, those that would best be implemented at the permittee level, those that would best be implemented at a regional level and those that are recommended for further evaluation in Phase 2, as they are viable options for the Program. The criteria for determining whether an option is viable or not is somewhat subjective, but the reasoning is explained in the analysis of each option. None of the options are hurdle free, but some hurdles are higher than others. An option with a two-thirds vote requirement has a very high hurdle, making that option non-viable. An option that lacks community support and is politically difficult would also be non-viable. One option, community facilities district, is shown in two sections, as it could be viable implemented at the permittee level or the Program level.

Non-Viable Options. The following options are considered nonviable options at the permittee level and countywide level at this time. It is always good to review this list of options from time to time, as some currently non-viable options may become viable when the statutory, political, and/or regulatory context changes.

- **Parcel-based Tax:** Requires two-thirds voter approval.
- **General Obligation Bonds:** Requires two-thirds voter approval for a tax to pay debt service. However, could be viable if an appropriate partner is identified.
- **Transient Occupancy Tax:** Difficult to show nexus with stormwater services.
- **Vehicle License Fee:** Not an appropriate vehicle for funding stormwater services as it has previously been unsuccessful in Contra Costa County.

- **Senate Bill 231 Fee:** Guaranteed legal challenge.
- **Litter/Trash District:** Too many structural, political, and institutional hurdles to overcome.
- **Enhanced Infrastructure Financing District:** Requires creation of a separate government entity and relies on a portion of property tax that other taxing entities must be willing to give up, which seems unlikely.
- **Water Infrastructure Finance and Innovation Act Loans:** Requires substantial project match and the primary focus of the program is for water supply.

Viable Options for Permittee Implementation. These are options that are not recommended for Phase 2 but could be implemented at the permittee level. It is understood that if any permittee embarked on one of these options individually, they would inform and coordinate with all other permittees.

- **User Tax:** Each permittee would need to identify service areas where there is a direct connection with individual property owners so a user type fee could be implemented. Permittees should review their fee schedule to determine if all potential fees are on the schedule and the amount is the maximum that can be justified.
- **Sales Tax:** Each permittee would need to determine if their community would support a sales tax to fund stormwater services. Requires two-thirds voter approval.
- **Benefit Assessments:** Permittees would need to decide what improvements, or maintenance, would be funded and whether the district would cover the entire jurisdiction or subsets of the jurisdiction and whether it would be for development projects only or also include existing homes.
- **Decentralize Costs:** Each permittee would analyze their stormwater services needs, the infrastructure they control, and their capacity to charge a fee and determine if any fees could be adopted under the Proposition 218 exemption of either water, sewer, or refuse collection.
- **Regulatory Fee:** Each permittee would review their stormwater services needs to determine if anything can be charged out with this type of fee.
- **Impact Fee:** Each permittee would analyze their development impact fee schedule to see if any additional fees or fee increases could be justified for development projects.
- **Community Facilities District:** If a countywide CFD is not formed then each permittee would review the feasibility of adopting a CFD for their jurisdiction.

Viable Options for Regional Implementation. These are options that are not recommended for Phase 2, but could be implemented at the regional level.

- **Unfunded Mandate Claim:** Since all permittees in the Bay Area would benefit, it makes sense to share the cost of preparing and filing a joint claim (or similar claims filed separately) with the State Commission on Mandates. The region, through the Bay Area Municipal Stormwater Coalition, would decide what aspects of the stormwater permit are appropriate for filing a claim, if any.
- **Time Schedule Order:** The region, through the Bay Area Municipal Stormwater Coalition, would decide what aspects of the stormwater permit are appropriate for requesting a TSO from the Regional Water Board. A collective request for a TSO would be a stronger request than an individual request, however each countywide program would be free to explore their own TSO if BAMSC decides not to pursue one.

- **Basin Plan Amendment:** This approach would be similar to the Time Schedule Order option, but would take advantage of a planned Basin Plan amendment by the Regional Water Board to implement extensions or modifications to TMDLs that would allow for permit modifications (e.g., schedule extensions).
- **Legislative Approach.** The Program would need to discuss with the California Stormwater Quality Association's Legislation Subcommittee how to become more involved in supporting and influencing a legislative approach to place a ballot measure before the voters that would support stormwater funding and/or modify Proposition 218.

Options Recommended for Phase 2. The following are the options recommended for further evaluation in Phase 2 of this report. Phase 2 will further analyze these options and describe the process to make the final decision on which option to choose, if any.

- **Property-related Fee**
- **Litter/Trash Property-related Fee**
- **Community Facilities District**
- **Grants**
- **State Revolving Fund Loans**
- **Regional Approach**
- **California's Water Supply Strategy**
- **Alternative Compliance**

Though there are seven options for further evaluation in Phase 2, three of the options (grants, States Revolving Fund Loans, California Water Supply Strategy) are very similar, as they are opportunities for one time injection of funds and would be evaluated together. The Regional Approach option would not develop additional ongoing revenue but would result in savings through regional efficiencies. That leaves three options for increasing revenue: a property-related fee similar to the 2012 Initiative, a litter/trash property-related fee, and a community facilities district.

Phase 2 Questions. The following are policy or high-level questions/issues that should be considered as part of the Phase 2 evaluation process. Additional questions/issues will likely emerge as the project moves into Phase 2.

- **Program Assistance.** If a large enough group of permittees are implementing an option at the local level, would it make sense for implementation templates to be developed at the Program level?
- **Monsanto Settlement.** Most permittees opted out of the settlement agreement with Monsanto that purported to mitigate the impact of PCBs and permittee incurred costs to remove them from the environment. Instead, most permittees are gearing up to file a claim against Monsanto based on more accurate costs to remove PCBs and meet TMDL load reduction requirements. Would a settlement with Monsanto impact the need for additional revenue and pursuing a funding measure?
- **2024 Ballot Measure.** The California Business Roundtable has gathered signatures for a proposed statewide ballot measure that would add further procedural hurdles and limitations on local tax and fee authority. If it qualifies, the measure would be on the November 2024 ballot, but some of its provisions could reach back to taxes and fees adopted this year. This ballot measure will need to be followed closely to see if it would impact any option chosen by the Management Committee for further evaluation.

- **Program Structure.** The Program is currently governed through a Program Agreement which provides no authority for contracting, hiring, entering into an agreement (e.g. a grants contract with the state) or making financial payments. Depending on the option chosen, it may be beneficial to consider a different organizational structure.

6. Next Steps

- Review and consider Phase 1 of this Stormwater Funding Options Report and conclusions, and provide any direction and comments to staff
- Describe and discuss the process, at the Program and permittee level, to approve the recommendations in this Phase 1 report
- Identify additional information needed, if any, prior to deciding on next steps
- Describe and discuss project objectives
 - Provide funding to as many permittees as possible to ensure equity?
- Discuss the need for and timing of polling and/or surveys
- Agree on the options to further evaluate in Phase 2 and approve the Phase 1 Stormwater Funding Options Report
- Direct staff to prepare Phase 2 of the report

7. Disclaimer

This Stormwater Funding Options Report (Report) was prepared by Watershed Resources Consulting (Consultant). Information contained herein and any statements contained in this Report are based on information provided to and reviewed by the Consultant during the writing of this Report.

The Consultant has received and referenced information from third parties and has relied upon the reasonable assurances of the third parties but does not warrant or guarantee the accuracy of such information. Findings are time-sensitive and relevant only to conditions at the time of writing. Factors influencing the accuracy and completeness of the forward-looking statements may exist that are outside of the purview or knowledge of those involved.

The Consultant assumes no liability with respect to the use of any information, advice, or methods disclosed in this document. It is understood and agreed that this Report contains reasonable assumptions, estimates, and projections that may not be indicative of actual or future values or events and are therefore subject to substantial uncertainty.

Attachment 1: CCCWP Budget Totals 2009-2023

Fiscal Year	Total Net Group Program Budget
2006-2007	\$2,968,638
2007-2008	\$2,952,972
2008-2009	\$3,990,615
2009-2010	\$4,098,140
2010-2011	\$2,250,079
2011-2012	\$2,497,856
2012-2013	\$2,528,966
2013-2014	\$2,449,793
2014-2015	\$2,503,621
2015-2016	\$2,579,372
2016-2017	\$2,625,516
2017-2018	\$3,053,432
2018-2019	\$3,085,545
2019-2020	\$3,499,213
2020-2021	\$3,497,338
2021-2022	\$3,705,837
2022-2023	\$4,489,187
Total	\$42,863,897

Attachment 2: CCCWP Reserves Balance 2009-2023

Fiscal Year	MRP Reserve	Operating Fund	Total Reserve Balance
2006-2007	\$ -	\$ -	\$1,514,352.97
2007-2008	\$ -	\$ -	\$2,089,352.97
2008-2009	\$ -	\$ -	\$3,287,038.41
2009-2010	\$ -	\$ -	\$3,180,402.89
2010-2011	\$ -	\$ -	\$3,314,823.55
2011-2012	\$1,574,741.30	\$1,000,000.00	\$2,574,741.30
2012-2013	\$1,776,401.56	\$1,000,000.00	\$2,776,401.56
2013-2014	\$1,671,641.43	\$1,200,000.00	\$2,871,641.43
2014-2015	\$2,080,771.29	\$1,200,000.00	\$3,280,771.29
2015-2016	\$1,876,908.88	\$1,200,000.00	\$3,076,908.88
2016-2017	\$2,023,169.71	\$1,200,000.00	\$3,223,169.71
2017-2018	\$1,787,228.94	\$1,200,000.00	\$2,987,228.94
2018-2019	\$1,567,103.90	\$1,200,000.00	\$2,767,103.90
2019-2020	\$1,883,095.35	\$1,200,000.00	\$3,083,095.35
2020-2021	\$3,037,944.23	\$1,200,000.00	\$4,237,944.23
2021-2022	\$4,282,100.25	\$1,200,000.00	\$5,482,100.25

Notes

The Operating Fund was established in FY 2011/12.

CCCWP 5-Year Budget Outlook 2022-2027

Description/Expenditure	Adjusted FY 2022/23 August 17, 2022 (Approved)	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27
Administrative/Personnel (See Admin Worksheet)	\$2,064,798	\$1,872,304	\$1,558,817	\$1,631,258	\$1,707,321
Staff Salaries and Benefits + County Overhead	\$1,304,120	\$1,369,326	\$1,437,792	\$1,509,682	\$1,585,166
Staff Augmentation (Watershed Resources Consulting for 6 months)	\$109,200	\$0	\$0	\$0	\$0
On-Call Staff Augmentation (as needed) (LWA, GC, H&A)	\$138,000	\$100,000	\$100,000	\$100,000	\$100,000
Staff Augmentation (LWA for 6 months plus transition)	\$223,000	\$112,000	\$0	\$0	\$0
Staff Augmentation (Geosyntec)	\$270,478	\$270,478	\$0	\$0	\$0
Staff Training and Conferences	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Non-Program County Staff Labor	\$10,000	\$10,500	\$11,025	\$11,576	\$12,155
General Supplies & Equipment	\$7,788	\$7,817	\$7,846	\$7,877	\$7,908
Misc. Office Equipment/Supplies not covered by County Overhead	\$5,640	\$5,640	\$5,640	\$5,640	\$5,640
Zoom annual fee	\$960	\$989	\$1,018	\$1,049	\$1,080
Groupsite Annual Fee	\$1,188	\$1,188	\$1,188	\$1,188	\$1,188
Association/Memberships/License Fees	\$33,554	\$34,261	\$34,988	\$35,738	\$36,510
ESRI (AGOL Annual License Fee)	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
California Stormwater Quality Association (CASQA)	\$23,554	\$24,261	\$24,988	\$25,738	\$26,510
Legal Services	\$95,000	\$61,800	\$63,654	\$65,564	\$67,531
County Counsel and Contract Administration	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255
MRP 3.0 Appeal (Richards, Watson & Gershon)	\$35,000	\$0	\$0	\$0	\$0
On-Call Legal Services (Richards, Watson & Gershon)	\$30,000	\$30,900	\$31,827	\$32,782	\$33,765
Alternative Compliance Legal Review (Richards, Watson & Gershon/County Counsel)	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
Regional Projects/Regional Cooperation	\$230,000	\$236,300	\$242,789	\$249,473	\$256,357
BAMSC	\$30,000	\$30,900	\$31,827	\$32,782	\$33,765
SFEI - RMP	\$180,000	\$185,400	\$190,962	\$196,691	\$202,592
SFEI - CECs	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
General Consultant Services/Projects (See Consultant Services/Projects Worksheet)	\$342,000	\$425,960	\$255,039	\$259,240	\$263,567
5-Year MRP 3.0 Budget (LWA/GC)	\$10,000	\$0	\$0	\$0	\$0
Financing Plan Strategy for MRP 4.0 (LWA/GC)	\$20,000	\$0	\$0	\$0	\$0
Implementation of Financing Plan Strategy for MRP 4.0 (TBD)	\$0	\$0	\$0	\$0	\$0
MRP 3.0 Compliance Checklist (LWA/GC)	\$10,000	\$0	\$0	\$0	\$0
Grant Tracking & Application (LWA/GC)	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Alternative Compliance Administrator Set Up (LWA/GC)	\$55,000	\$25,000	\$25,000	\$25,000	\$25,000
Project Management, Technical Review, Regulatory Compliance, etc. (LWA/GC)	\$97,000	\$99,910	\$102,907	\$105,995	\$109,174
GIS/AGOL Major Upgrades (TBD)	\$0	\$150,000	\$0	\$0	\$0
GIS/AGOL Maintenance, Minor Upgrades (Psomas)	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
GIS/AGOL Support Staff (LWA)	\$35,000	\$36,050	\$37,132	\$38,245	\$39,393
Brochures (TBD)	\$25,000	\$25,000	\$0	\$0	\$0
Municipal Operations (C.2) - Training/Workshop (See MOC Worksheet)	\$3,100				
New Development/Redevelopment (C.3) (See Development Committee Worksheet)	\$436,000	\$270,060	\$183,776	\$178,839	\$184,054
Hydromodification Management Modeling, CCCHM and/or BAHM (TBD)	\$100,000	\$25,000	\$10,000	\$0	\$0
Hydrograph Management Compliance Options Report (H&A)	\$10,000	\$0	\$0	\$0	\$0
Hydromodification Management Maps (Psomas)	\$15,000	\$15,000	\$0	\$0	\$0

	Hydromodification Management Calculator (TBD)	\$41,000	\$0	\$0	\$0	\$0
	Green Infrastructure Design Guidelines (H&A)	\$40,000	\$41,200	\$0	\$0	\$0
	Peak Flow Control Calculator (TBD)	\$52,000	\$0	\$0	\$0	\$0
	Update Stormwater C.3 Guidebook (H&A)	\$36,000	\$20,000	\$0	\$0	\$0
	Update CCCWP Website (Dev Committee Pages) (SGA)	\$0	\$5,000	\$5,000	\$5,000	\$5,000
	BAHM Regional Update (EOA/Clear Creek)	\$25,000	\$0	\$0	\$0	\$0
	Alternative Compliance Program Implementation (2 Pilot Projects)(LWA/GC)	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275
	Frequently Asked Questions	\$5,000	\$0	\$0	\$0	\$0
	Annual C.3 Training/Workshop (H&A)	\$12,000	\$12,360	\$12,731	\$13,113	\$13,506
	General Technical Services Support (H&A)(LWA/GC)	\$50,000	\$100,000	\$103,000	\$106,090	\$109,273
Industrial/Commercial Controls (C.4) - Training/Workshop (See MOC Worksheet)(LWA)		\$3,100	\$3,100	\$3,100	\$3,100	\$3,100
Illicit Discharge/Detection and Elimination (C.5) (See MOC Worksheet)		\$0	\$0	\$0	\$0	\$0
Construction Controls (C.6) (See Development Committee worksheet)		\$0	\$9,000	\$3,000	\$9,400	\$3,000
	Biennial Construction Training (LWA-Training only)	\$6,000	\$6,000	\$0	\$6,400	
	PCBs C.6 inspection enhancements	\$0	\$3,000	\$3,000	\$3,000	\$3,000
Public Information/Participation (C.7) (See PIP Committee Worksheet)		\$159,300	\$234,995	\$185,505	\$186,030	\$211,571
	School-Aged Children Outreach (SGA)	\$9,000	\$20,000	\$20,000	\$20,000	\$20,000
	Watershed Stewardship Green Business Program	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
	Public Outreach through Bringing Back the Natives Garden Tour (Kathy Kramer-Sponsor)	\$16,500	\$16,995	\$17,505	\$18,030	\$18,571
	Used Oil/Student Outreach /Youth Programs (Matt Bolender)	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
	Outreach Campaign, Public Education, Citizen Involvement (SGA)(Caltrans)	\$70,800	\$70,000	\$70,000	\$70,000	\$70,000
	Public Outreach through Website Maintenance and Hosting (WebSight Design)	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
	Public Outreach through Website Maintenance and Hosting (SGA)	\$0	\$50,000	\$0	\$0	\$0
	General Youth/Public Outreach; Media Management (SGA)	\$35,000	\$50,000	\$50,000	\$50,000	\$50,000
	Outreach Contingency	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
	Effectiveness Assessment of outreach programs (due 9/30/2027)	\$0	\$0	\$0	\$0	\$25,000
Water Quality Monitoring (C.8) (See Monitoring Committee Worksheet)		\$605,000	\$562,730	\$612,984	\$714,570	\$641,743
	LID Monitoring Plan (KEI)(LWA/GC)	\$60,000	\$4,120	\$4,244	\$4,371	\$4,502
	LID Monitoring TAG	\$0	\$7,210	\$7,426	\$7,649	\$7,879
	LID Monitoring	\$0	\$164,800	\$169,744	\$174,836	\$180,081
	Trash Monitoring Plan (LWA/GC)(KEI)	\$70,000	\$4,120	\$4,244	\$4,371	\$4,502
	Trash Monitoring TAG	\$0	\$6,180	\$6,365	\$6,556	\$6,753
	Trash (Outfall) Monitoring (KEI)(LWA)	\$185,000	\$140,750	\$140,750	\$140,750	\$140,750
	Pollutants of Concern Monitoring (KEI)(LWA/GC)	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275
	Pesticides and Toxicity Monitoring (KEI)(LWA/GC)	\$70,000	\$36,050	\$37,132	\$38,245	\$39,393
	Urban Creeks Monitoring Report (POC, Pesticides and Toxicity, Trash, LID) (KEI)(LWA/GC)	\$90,000	\$72,100	\$127,308	\$207,618	\$135,061
	Creek Status Monitoring Follow-Up	\$20,000	\$0	\$0	\$0	\$0
	POC Receiving Water Monitoring Plan	\$30,000	\$0	\$0	\$10,927	\$0
	POC Receiving Water Monitoring	\$0	\$30,000	\$30,900	\$31,827	\$32,782
	Bioassessment Final Report	\$0	\$15,000	\$0	\$0	\$0
	Monitoring Management Support	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
	All Monitoring Contingency	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255
Pesticide Toxicity Control (C.9) (See MOC Worksheet)		\$81,023	\$86,216	\$88,788	\$91,436	\$94,165
	Our Water Our World Local Outreach and Training (Plant Harmony)	\$69,500	\$71,585	\$73,733	\$75,945	\$78,223
	Our Water Our World Outreach Materials (Paid to CASQA)	\$5,080	\$8,010	\$8,250	\$8,498	\$8,753
	Pesticide Regulatory Coordination Program (Paid to CASQA)	\$5,943	\$6,121	\$6,305	\$6,494	\$6,689
	Outreach to Pest Control Professionals	\$500	\$500	\$500	\$500	\$500
Trash Load Reduction (C.10) (See MOC Worksheet)		\$60,000	\$30,000	\$55,600	\$21,218	\$21,855

Trash Load Reduction Plan (LWA)	\$10,000	\$0	\$0	\$0	\$0
Trash Reduction and Impracticability Report (LWA)	\$50,000	\$0	\$0	\$0	\$0
Direct Discharge Report	\$0	\$10,000	\$0	\$0	\$0
Mapping (general PLDAs, trash maps, locations)	\$0	\$0	\$35,000	\$0	\$0
Trash Reduction and Demonstration of Trash Reduction Outcomes	\$0	\$20,000	\$20,600	\$21,218	\$21,855
Mercury Controls (C.11) (requirements addressed under C.12)	\$0	\$0	\$0	\$0	\$0
PCBs Controls (C.12) (See Monitoring Committee Worksheet)	\$460,914	\$221,361	\$196,175	\$289,479	\$219,377
Old Industrial Area PCBs Control Measure Plan (LWA/GC)	\$40,000	\$4,120	\$4,244	\$4,371	\$4,502
Old Industrial Area PCBs Treatment Project (first project to implement the Plan) (TBD)	\$200,000	\$0	\$0	\$0	\$0
Annual Progress Report on Controlling PCBs (LWA/GC)	\$30,000	\$20,600	\$21,218	\$54,636	\$22,510
Report total loads reduced and update Load Reduction Assessment Methodology (due 9/30/2026)	\$0	\$0	\$0	\$54,636	\$11,255
Source Property Investigation (KEI) (LWA/GC)	\$140,000	\$144,200	\$148,526	\$152,982	\$157,571
Implement Caltrans Bridge/Overpass Specification and report loads reduced	\$0	\$15,450	\$0	\$0	\$0
PCBs in Electrical Utilities (LWA/GC)	\$10,000	\$15,450	\$0	\$0	\$0
Guidance for MRP 3.0 Building Demolition Requirements (LWA/GC)	\$20,000	\$0	\$0	\$0	\$0
Provide Fish Risk Flyers/Signs	\$5,305	\$5,464	\$5,628	\$5,797	\$5,971
Distribute Fish Risk Flyers (KEI)	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941
Annual Fish Risk Status Report (KEI)	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628
Exempted and Conditionally Exempted Discharges (C.15) (See PIP Committee Worksheet)	\$15,000	\$15,000	\$15,000	\$15,000	\$35,000
Firefighting Discharges (LWA/GC)	\$15,000	\$15,000	\$15,000	\$15,000	\$35,000
Unsheltered Homeless Discharges (C.17) (See MOC Worksheet)	\$120,000	\$0	\$20,000	\$0	\$0
Homeless Mapping (TBD)	\$20,000	\$0	\$10,000	\$0	\$0
BMP Report (TBD)	\$50,000	\$0	\$0	\$0	\$0
Implementation Plan (TBD)	\$50,000	\$0	\$10,000	\$0	\$0
East Contra Costa County Projects (C.19) (See Monitoring Committee Worksheet)	\$105,000	\$51,500	\$47,432	\$54,009	\$49,693
Methylmercury Monitoring for Delta TMDL (LWA/GC)	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
Marsh Creek Dissolved Oxygen (BOD) Monitoring (LWA/GC)	\$30,000	\$0	\$0	\$0	\$0
Annual Mercury Monitoring Plan (LWA/GC)	\$25,000	\$10,300	\$10,300	\$10,300	\$10,300
Pyrethroid Control Program Baseline Monitoring Report (LWA/GC)	\$5,000	\$0	\$0	\$0	\$0
Pyrethroid Control Program Annual Report	\$0	\$10,300	\$5,305	\$5,464	\$5,628
Pyrethroid Control Program UCMR	\$0	\$10,300	\$10,609	\$16,391	\$11,255
East County TMDL Control Measure Plan (LWA/GC)	\$25,000	\$0	\$0	\$0	\$0
Cost Reporting (C.20) (see PIP Committee Worksheet)	\$20,000	\$0	\$15,000	\$0	\$0
Cost Reporting Framework (LWA/GC)	\$20,000	\$0	\$15,000	\$0	\$0
Asset Management (C.21) (see Development Committee Worksheet)	\$30,000	\$30,900	\$31,827	\$35,000	\$0
Asset Management Framework (TBD - H&A)	\$30,000	\$30,900	\$31,827	\$0	\$0
Climate Change Adaptation Report	\$0	\$0	\$0	\$35,000	\$0
Annual Report (C.22)	\$0	\$43,100	\$43,100	\$43,100	\$43,100
Program Annual Report	\$0	\$40,000	\$40,000	\$40,000	\$40,000
Permittee forms		\$3,100	\$3,100	\$3,100	\$3,100
Report of Waste Discharge (C.25)	\$0	\$0	\$0	\$0	\$30,000
GROUP PROGRAM BUDGET SUBTOTAL	\$4,871,577	\$4,196,404	\$3,664,420	\$3,890,330	\$3,875,852
2% CONTINGENCY	\$97,432	\$83,928	\$73,288	\$77,807	\$77,517
TOTAL GROUP ACTIVITIES BUDGET	\$4,969,008	\$4,280,332	\$3,737,709	\$3,968,137	\$3,953,369
CONTINGENCY EXPENSE	\$0	\$0	\$0	\$0	\$0
SALARY CREDIT (PM)(12 Months)	\$0	\$0	\$0	\$0	\$0
SALARY SAVINGS (SWMPS 12 months)	(\$266,763)	\$0	\$0	\$0	\$0

SALARY SAVINGS (WMPS 12 months)	(\$213,058)	(\$223,211)	\$0	\$0	\$0
<i>SUBTOTAL</i>	<i>(\$479,821)</i>	<i>(\$223,211)</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
NET SUBTOTAL GROUP PROGRAM BUDGET	\$4,489,187	\$4,057,121	\$3,737,709	\$3,968,137	\$3,953,369
SUA FUNDING CAP	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000
NET TOTAL GROUP PROGRAM BUDGET	\$4,489,187	\$4,057,121	\$3,737,709	\$3,968,137	\$3,953,369
<i>SUA FUNDING GAP</i>	<i>(\$989,187)</i>	<i>(\$557,121)</i>	<i>(\$237,709)</i>	<i>(\$468,137)</i>	<i>(\$453,369)</i>

Lessons Learned
Clean Water Initiative
Contra Costa County Flood Control & Water Conservation District
April 24, 2012
(updated November 14, 2013)

The following are lessons learned during the planning and implementation of the 2012 Community Clean Water Initiative in Contra Costa County. These lessons learned were gathered from interviewing staff involved in the funding initiative with the Flood Control District and Clean Water Program.

1. Have someone on the consultant interview panel that has experience in the elections process.
2. Talk to other agencies that have gone through the process during the project planning phase.
3. Amend the Flood Control District Act to better defend a property related fee and provide more funding flexibility.
4. Is a 54% survey result enough to go forward with an election? What is an appropriate factor of safety.
5. Was a countywide approach a viable model? Should a different approach, such as regional elections be implemented? Were we too committed to a countywide election?
6. Better ways to track costs are needed for our storm water permit (MRP) activities so we have better data to explain our need for funding.
7. Not submitting ballots to the Elections Office was a problem. Need to go through the Elections Office or do a better job of informing people of the property owner ballot process. Registered voter process as opposed to property owner process.
8. Ballots had to be signed by the property owner per law, which created a problem for some people. Need better informational material on the process and compare with other similar processes that have signature requirements that people may be more familiar with.
9. There was no pro/con argument in the ballot packet, which was not required by law. Need better description/information on the process. What can we do, what are the limitations for us to do a pro/con argument?

10. Our "PR" campaign started too late. It should have started way before the notice of public hearing. We should have tapped into our connections with creek groups better and earlier. Should we hold public debates or a voter's forum instead?
11. We had no champion. We need to engage creek groups early on before the election process to be our champions after election process starts. We also needed cities to champion the election.
12. We had no succinct talking points. Need to develop 3 key talking points that resonate with people and keep repeating them.
13. A lot of questions were asked about the legality of the election process. Need to hire an attorney/professor/judge to write up an informational piece on the legal requirements.
14. The local newspaper mounted a vigorous opposition to the initiative. Need to bring in our PIO early on to talk to media up front.
15. There was a sentiment that the Regional Board is unreasonable and the MRP should be changed/modified. Need to bring in the Regional Board to discuss the MRP. Why it is required and why county/cities have permit requirements.
16. There was confusion as to what the fee would be spent on. Need better communication on a project list and what the fee will pay for. Also, need some "sexy" projects that resonate with the public.
17. There was no full disclosure of the existing Stormwater Utility Assessment during the election. Need to think of how to communicate this out to the public.
18. Not all cities supported the election. Need a resolution of support from each city before the election process begins.
19. It wasn't clear to the public why we were using a property related fee. We need to have a better informational mailer about this.
20. There was some reported confusion by people not being able to determine their assessment from the ballot. This might have been a problem more for commercial parcels. Need to make sure the ballot language is crystal clear on how the property fee is calculated.

Stormwater Funding Project Final Project Report

Prepared for
County Engineers Association of California
By
Mitch Avalon, Watershed Resources Consulting
July, 2016
(Revised November, 2016)

Introduction

Counties provide a variety of stormwater related services that protect people, property, and the economic vitality of their communities. These services include regional flood control infrastructure, local drainage systems in unincorporated communities, stormwater quality programs and treatment facilities, and groundwater recharge through capture and reuse. For a variety of reasons, program managers who provide these services do not have adequate funding to meet their long-term needs. Four driving forces have emerged over the last 10 years to bring wider attention to the lack of funding for these essential services.

- **Aging Infrastructure.** Many flood control and drainage facilities are reaching the end of their service life yet there is no funding available for capital replacement, let alone sufficient funding for routine maintenance.
- **Stormwater Permits.** Every five years the Regional Water Quality Control Boards issue permits to counties and cities requiring them to reduce pollutant loading in stormwater flowing through their jurisdiction. These requirements are becoming excessively expensive with no dedicated source of revenue.
- **Flood Prone Areas.** Every County has communities with substandard or no drainage improvements resulting in property inundation during moderate storms. Though the problems are well-known, there is no funding available to install the necessary drainage improvements.
- **Drought.** California has experienced drought conditions over the past several years, which has focused attention on the need for alternative sources of water supply. Stormwater is recognized as a potential alternative source, but there is inadequate funding to develop the necessary infrastructure.

Adequate funding was needed for these services and a statewide legislative approach was required. CEAC, a statewide association of County engineers, was the logical entity to work on this issue.

On March 16, 2014 the County Engineers Association of California's Flood Control and Water Resources Policy Committee (Committee) approved a Funding Strategy to develop reliable funding for stormwater quality and drainage infrastructure services. The Strategy was subsequently approved by the CEAC Board of Directors on March 28, 2014. The Committee asked for a Work Plan to implement the Strategy and formed a Stormwater Funding Subcommittee (Subcommittee) to oversee the project. On June 9, 2014, the Subcommittee approved a draft Work Plan. Around this same time a coalition (Coalition) of diverse statewide organizations was formed, with the initial objective to seek funding for stormwater quality programs. The CEAC Board of Directors approved hiring Watershed Resources Consulting on September 18, 2014, to provide technical support to CSAC as a member of the Coalition, to look out after CEAC interests during Coalition proceedings, and report back to the Subcommittee and Committee as necessary. The contract with Watershed Resources Consulting was executed on December 5, 2014 for a two-year period. The contract requires a final report at the end of the project and a preliminary project report after one year. The preliminary report was submitted in December 2015. This report constitutes the final project report for the Stormwater Initiative project.

Summary

Over the course of several months in early 2015, the Coalition agreed that including stormwater and drainage infrastructure was a key element of the proposed ballot measure, and agreed to language that included the needs of CEAC members. Modifying their objective to include flood control services in addition to stormwater quality services was a significant milestone. Around April, due to the drought and recently rendered legal proceedings, the Coalition effort to modify Proposition 218 to include stormwater changed to also include conservation rates and lifeline rates. Through the summer and fall, attorneys from CSAC, ACWA, the League of Cities, and the California Water Foundation worked on ballot measure language that met the identified needs of the interested parties (including CEAC) and would have the best chance of success based on the results of preliminary polling. Towards the end of 2015 the group developed title and summary language for a ballot measure, which was filed with the Attorney General on December 14, 2015. On February 18, 2016, the Attorney General issued the official Title and Summary. Polling was conducted and the results showed the Title and Summary wording would not pass in an election. The League of Cities, CSAC, and ACWA decided to not move forward with the ballot measure in 2016.

This was the fifth legislative effort to fund Stormwater services. Our first effort was Assembly Constitutional Amendment 10 by Assembly Member Harmon in 2003. While the current effort is stalled, we can take some comfort in reaching further towards our goal than ever before and having a much more solid strategy by modifying Article 10 of the California Constitution rather than Article 13. As with any human endeavor, lessons were learned and those are enumerated at the end of this report.

Process Review

Before getting into the details of what occurred during the course of the Stormwater Initiative project, it may be instructive to review a few of the key process elements.

- **Stormwater.** In the context of this report the term “Stormwater” includes stormwater quality (MS4 permit compliance), stormwater infiltration and groundwater supply (hydrograph modification management), community drainage (local drainage operated by cities and counties), and flood protection (typically regional flood control district facilities).
- **CEAC Objective.** The objective of CEAC was, and still is, to have a process to establish and raise charges or fees for Stormwater projects and services similar to the current process used by water districts and wastewater districts. The current process for Stormwater agencies to establish or raise fees requires a two-thirds vote of the electorate or majority vote of the property owners within the service area. The current process for water districts and wastewater districts to establish or raise fees or charges requires a noticed public hearing before their district’s governing board, at which time their governing board can decide to approve the fee or charge.
- **Constitutional Amendment.** The current process to establish and raise fees or charges for Stormwater services is embedded in Article 13 of the California Constitution (Proposition 218). To meet the CEAC objective requires a Constitutional Amendment that must be approved by California voters. There are two ways to get a ballot measure before the voters, one is a populist approach through the initiative process and the other is a legislative approach through the Legislature.
- **Populist Approach.** This requires collection of signatures of voters registered in the State equal to 8% of the votes cast for all candidates for Governor in the last election. The proposed initiative (ballot measure) to amend the Constitution must be submitted to the Attorney General for review. The Attorney General will develop the official title and summary of the proposed initiative. If enough signatures are gathered the measure will qualify for the ballot. When the signatures are certified the initiative is submitted to the Secretary of State and it will be placed on the next general election that occurs at least 131 days from the date of submittal.
- **Legislative Approach.** The Constitutional Amendment must be introduced into the Legislature by a member of the Senate or Assembly and requires a two-thirds vote by both houses to pass. If the Legislature approves the Constitutional Amendment, it will proceed onto the ballot.
- **Ballot Measure.** Once on the ballot, the ballot measure to amend the Constitution requires a 50% vote of the people voting in the election.

Project Overview

The Funding Strategy adopted by CEAC, the “Strategy to Fund Flood Protection and Water Quality Services”, had three strategic approaches. The first was to develop a ballot measure to add an exemption for stormwater under Proposition 218 similar to the exemption for water and wastewater. This Project Overview section outlines the activities that took place to move that objective forward.

After CEAC approved the Work Plan, the concept of modifying Proposition 218 to include an exemption for stormwater was “shopped around” to various organizations and entities to see if there was support for this legislative effort. The first meeting was with the California State Association of Counties (CSAC) to discuss support for the project and agree on the roles and responsibilities between CEAC and CSAC. A couple of white papers were developed to help explain the Stormwater funding project, why funding was needed, how we got into the situation we were in, and what needed to be done. About the time the Subcommittee was working on the draft Work Plan, Heal the Bay was in Sacramento seeking support and partners to amend Proposition 218 to fund stormwater MS4 permit compliance. Drainage and flood control services were not part of their objective. CSAC staff met with them to see if they were willing to partner on legislation. On July 23, 2014, Heal the Bay set up a “roundtable” meeting in Sacramento with various organizations to discuss who might be interested in moving forward with a stormwater quality funding measure. The roundtable participants represented an impressive array of statewide organizations, such as the Association of California Water Agencies (ACWA), the League of Cities, the California Building Industry Association (CBIA), the California Association of Sanitation Agencies (CASA), and of course Heal the Bay representing the environmental community and CSAC. All of the organizations were interested in forming a coalition to work together for stormwater quality funding. The big question for CEAC was whether flood protection services would be included.

Over the next several months this group coalesced into the Stormwater Coalition. An Action Plan was drafted, largely based on the CEAC Work Plan, and other statewide organizations were solicited to join in. Subsequent Coalition members included the California Association of Stormwater Quality Agencies (CASQA), Metropolitan Water District, California Water Foundation, Community Water Center (CWC), and the Natural Resources Defense Council (NRDC). The Coalition spent several meetings essentially teambuilding and working through issues to develop a common understanding of the legislative effort. These issues included the following:

- **Stormwater Definition.** Initially the group considered stormwater to include only MS4 permit requirements. A white paper was developed to outline the definition of stormwater from the perspective of CEAC which included four elements; stormwater quality, stormwater infiltration and groundwater supply, local community drainage, and regional flood protection. Eventually there was support to define Stormwater to include all four elements.
- **Flood Control Maintenance.** Many environmental groups did not trust flood control districts to maintain facilities in a manner that would protect environmental resources and did not want to give flood control districts carte blanche funding for maintenance services without some restrictions on how the funds would be used. However, the environmental groups eventually realized they could support the ballot measure without resolving this issue, as it would be easier to negotiate proper maintenance with flood control districts later on if they had additional funding.

- **Why Now?** Some Coalition members pointed out this was the fifth attempt to modify Proposition 218 and prior attempts had failed. This begged the question why we should pursue a legislative effort at this time. A white paper was developed describing current and recent events that made a legislative effort today much more likely to succeed, and eventually everyone agreed to move forward.
- **Expanded Reform.** As word got out the Coalition was proposing to modify Proposition 218, there were requests to expand the modification to include other items besides Stormwater. Generally the Coalition position was to not expand the legislative effort unless there was a strategic advantage. One item that was included was lifeline rates, so a local agency (including a Stormwater agency) could establish a rate structure to include lifeline rates on a voluntary basis.

The Coalition recognized there were two foundational tasks that needed to be done; conduct polling and draft legislative language. There was a lot of discussion about polling, how to fund it, and what types of questions should be included. The CBIA had a polling consultant they used often and offered to talk with them and get a preliminary scope of work and cost. It took several months to figure out how to pay for polling, and eventually each member agreed to contribute either \$2000 or \$5000. CSAC and CEAC each contributed \$2000.

By the end of 2014, CSAC's legal liaison with the County Counsels Association of California and other key attorneys had developed legislative language for a Constitutional Amendment. Proposition 218 requires voter approval before an agency can establish or raise fees or charges, although there is an exemption for agencies that provide services for water, sewer, or refuse collection. The initial approach for the Constitutional Amendment was to add "Stormwater" to the list of exemptions, thereby eliminating the voter requirement. Stormwater was originally defined in the draft Amendment as a system of public improvements but did not include program activities or services. This was corrected. It was then decided to simplify the Constitutional Amendment and move forward with two pieces of legislation, a bill that would define the term "Stormwater" in detail, and an Amendment that would add the word "Stormwater" as an exemption plus a section on lifeline rates. The Constitutional Amendment would require two-thirds vote of the Legislature to approve a ballot measure for a statewide election, while the legislation would only require a majority vote of the Legislature to pass. Legislation language was submitted to Legislative Counsel on January 29, 2015, and shortly thereafter an author was found to carry the bill. Assembly Member Richard Gordon introduced AB 1362 on February 27, 2015, just before the filing deadline, with Senator Lois Wolk as a co-author. This legislation was an amendment of the Proposition 218 Omnibus Implementation Act and focused on the definition of "Stormwater". The Constitutional Amendment was to be introduced at a later date, as a Constitutional Amendment doesn't have the same filing deadlines as legislation.

Meanwhile, each member of the Coalition was moving forward within their organization to get approval to ultimately support a legislative effort. For example, CSAC added "Stormwater funding" to its legislative platform in the beginning of 2015 to facilitate organizational approval.

The CBIA polling consultant continued to work with a subcommittee of the Coalition to develop questions and finalize their scope of work for a statewide poll. In March the League of Cities informed the Coalition they had lost confidence in the approach taken by the polling consultant and weren't comfortable funding polling in its proposed form. The Coalition terminated its contract with the CBIA polling consultant and ultimately the League of Cities took the lead to conduct polling with their own consultant.

On April 1, 2015, the Governor issued an Executive Order mandating a 25% reduction in urban water use. One of the strategies to achieve this reduction would be adoption of conservation rates by water agencies. However, at about the same time, an appellate court decided against the City of San Juan Capistrano for adopting tiered rates for water service that charged customers who used more water a higher rate to encourage conservation (conservation rates). The court found this violated the constitutional provision (Proposition 218) that requires the charge for water service cannot exceed the cost of providing the service. Suddenly, there was interest in expanding the modification of Proposition 218 to include conservation rates. An updated legislative effort emerged to include Stormwater funding, the ability to adopt conservation rates, and the ability to adopt lifeline rates.

Through the summer of 2015 four Coalition members, the League of Cities, CSAC, ACWA, and the California Water Foundation, worked together to craft polling questions for this new expanded legislative effort. The League of Cities contracted with a polling consultant at no additional cost to CSAC, CEAC, or any other Coalition member. Polling was completed towards the end of summer and the results showed strong support for flood control projects and flood protection services, and support for conservation rates and lifeline rates. There was little support, however, to modify the voter approval provisions of Proposition 218. Attorneys from the four lead organizations spent the next several months crafting final legislative language. They evolved a strategy that did not modify the provisions of Proposition 218 in Article 13 of the Constitution, but instead developed modifications of Article 10 that included an alternative funding system for stormwater agencies (including flood control districts). The evolved strategy also included filing a ballot measure with the Attorney General, which would allow the flexibility to gather signatures as a fallback measure if there wasn't enough support in the Legislature.

A draft Title and Summary for the ballot measure was meticulously prepared and ultimately submitted to the Attorney General on December 14, 2015. The Attorney General's Office assigned the ballot measure Initiative 15 - 116. Several meetings and conference calls ensued with staff from the Attorney General's Office to go over the ballot measure and its purpose, answer questions, and explain why the draft title and summary that was submitted was worded the way it was. On February 18, 2016, the Attorney General issued the official Title and Summary. This would be the language printed on the ballot for the statewide election. While the wording was very close to what was filed with the Attorney General, the first sentence was viewed as potentially detrimental to passing the ballot measure. It described the optional funding procedure as one that allowed local government to impose fees "without voter approval". The League of Cities, CSAC, and ACWA conducted follow-up polling on the Title and

Summary to obtain a more thorough picture of voter sentiment. The polling results showed the Title and Summary would fail to get majority support, and opposition to the measure exceeded support. The polling results also revealed that any funded opposition would have a strong influence on voter's reaction to the ballot measure. As a result, CSAC, the League of Cities, and ACWA decided to not move forward with the proposed ballot measure in 2016.

Outreach

The second strategic approach in the CEAC Funding Strategy was to begin building a coalition of organizations, associations, and other entities that would support the ballot measure. Several presentations were made, white papers prepared, and a website presence developed to move this objective forward. Attached is a list of the presentations, white papers, and the website work that was developed over the last year (Attachment 1).

Application of Policy

The third strategic approach in the CEAC Funding Strategy was to start thinking about the issues that may need to be addressed if the ballot measure was successful. For example, how will we "bill" our "ratepayers"? Would we need legislative changes to form a Stormwater utility similar to a wastewater or water district? The answer to some of these questions required a legal analysis and was highly dependent on local needs and politics. It was, admittedly, hard for people to focus on these issues when there was no assurance the ballot measure would move forward, however, there were entities that were intrigued by these issues and willing to help:

- **UC Berkeley.** Two professors at UC Berkeley, Matt Kondolf with the Department of Landscape Architecture and Environmental Planning and Michael Kiparsky with the Wheeler Institute for Water Law and Policy, were, and still are, interested in the intersection of how Stormwater services are provided by local government, how those services could best be performed to meet multiple objectives, and what organizational structures are possible to efficiently achieve those objectives. They provided valuable feedback on the Stormwater Initiative project as it was developed, but were particularly interested in this third strategic approach. Their interest was so strong they proposed a research project that would look at how multiple objective Stormwater services could be performed and then develop options for local government agencies to consider when deciding what kind of institutional and administrative structure they could develop to provide Stormwater services, once the ballot measure passed. Funding would be needed to develop this proposal further.
- **ReNUWIt.** A partnership between UC Berkeley, Stanford, and the Colorado School of Mines, the Re-inventing the Nations Urban Water Infrastructure program (ReNUWIt) is funded by the National Science Foundation. Discussions with Professor David Sedlak, author of the book "Water 4.0" and Deputy Director of ReNUWIt, revealed an interest in helping explore our third strategic approach and how it might dovetail into their research efforts.

- **BAFPAA.** The Bay Area Flood Protection Agencies Association (BAFPAA) had been following the efforts of the Stormwater Initiative project and was willing to provide assistance as needed. They were also interested in the third strategic approach and formed a subcommittee to develop options to implement a Proposition 218 exemption, or equivalent, for flood control districts and local government. A “discussion paper” was developed as a starting point for the subcommittee work.

There wasn't enough funding or impetus to get these efforts beyond the initial discussion stage, but they moved the third strategic approach forward in a positive direction.

Budget

The consultant two-year contract was approved with a maximum annual budget of \$60,000. Attached is a spreadsheet showing the charges for each month, the total for 2015, and the year to date total for 2016. The project is under budget at this point and CEAC is considering whether to terminate the contract, continue work on the project, or continue in a limited capacity. At the end of the December 2015, there was a carryover of about \$35,000.

Lessons Learned

There are several lessons learned over the last two years in the effort to move a ballot measure forward and meet CEAC objectives.

- **Proposition 218.** Polling consistently showed no support for removing voter approval to establish or raise rates for Stormwater services. Proposition 218 was correctly viewed as a sacred cow and the team had to figure out a way to achieve our objectives without modifying Proposition 218 provisions. This was successfully done by proposing modifications to Article 10 instead, a brilliant legal concept. Along with that successful legal strategy should be a commensurate outreach campaign to the effect that we are not modifying Proposition 218, but instead we are consistent with and building upon its protections. This is something that will need to be done with the next effort.
- **Coalition Trust.** Coalition members were satisfied with communication within the group until a critical juncture when CSAC, the League of Cities, ACWA, and the California Water Foundation took on the polling. At that point on, those four organizations met outside of the Coalition and communication with the larger Coalition suffered. The low point occurred after the Attorney General released the official Title and Summary and the League of Cities, ACWA, and CSAC decided not to move forward. There was no meeting of the Coalition to explain this decision and why it was made, leaving Coalition members hanging for weeks and finding out about the decision through secondhand channels. Some environmental organizations lost trust in the Coalition at that time. Future efforts will need to do a better job of communicating with all team members.

- **Polling Results.** Every legislative effort we attempt will be subject to polling and polling results. Our efforts will live or die based on the polling results. Between now and the next opportunity to place a ballot measure before the electorate, we need to take steps to ensure polling results will be positive. This can be done in two ways. First, continual tweaking of the legislative language to remove as much of the distasteful wording as possible. Since voter approval is the lightning rod verbiage, perhaps we should include an "election" section within the legislation that deals with this straight on. For example, a formal "election" process could be established for submitting protest letters before the hearing, and the number of protest letters submitted would be compared to the total number of parcels in the service area, rather than compared to the votes cast. Second, we should identify partners and jointly embark on an outreach campaign to inform the public of the challenges and constraints we operate under, the consequences of not investing in our Stormwater infrastructure, and the advantages and opportunities additional funding would have on the environment and our water supply.
- **It's Not a Tax!** Many people viewed the proposed ballot measure as a tax. If it was on the ballot and passed then all Californians would be saddled with an additional tax. In reality, passage of the ballot measure, in and of itself, would provide no additional funding for any stormwater agency in the state. Passage would only allow each stormwater agency a process to establish a fee for services, or not – depending on the needs of each stormwater agency. We need to do a better job of communicating the mechanics of the proposed ballot measure. It's not a tax.
- **Need Administration Support.** We thought the Administration and Governor would be very supportive of our ballot measure, especially with the addition of conservation rates. While they were supportive of our efforts, they did not actively push the ballot measure. Naturally, there are a lot of political considerations that go into the support of anything in Sacramento, but we need to work on building support at the Administration level as well as with the Legislature.
- **Stormwater as a Resource.** One revelation from the drought was public awareness that stormwater is a resource. Stormwater can be used to help solve California's water issues. This concept is also true throughout California, not just in certain areas, which makes it especially appealing. We need to focus our messaging on this aspect of stormwater.
- **Environmental Message is Strong.** Polling has showed that people are willing to pay for clean water and efforts to improve the environment. We never really had a strong connection with the environmental community to build on that message. Next time we need to work more closely with environmental groups to reach out to the public with this type of messaging.
- **Stormwater Elements.** Stormwater is a complicated topic. We need to remember to break it down into its four elements of Groundwater/Recharge, Local Community Drainage, Stormwater Quality (MS4), and Regional Flood Protection. Breaking it down to its four elements allows us to communicate the importance and benefits of stormwater to more people and tailor the message to their specific issues. The issues that local communities face are varied throughout the state. Some may have

huge groundwater issues, others may struggle with collapsing storm drainage systems in their streets, some may have MS4 permit requirements that are unfunded, or a portion of their community that suffers from flooding. If we break stormwater down into its elements is easier for us to communicate exactly what resonates with each community.

The November 2016 revisions added several more lessons learned from this project.

Potential
Funding
Cost
Analysis

Task #1

Task #2

Contra Costa Clean Water Program
Stormwater Quality Funding Initiative
March 28, 2011



SCI Consulting
Group



TRAMUTOLA
THE DISCIPLINE OF WINNING



Dan Cloak
Environmental
Consulting

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EXECUTIVE SUMMARY

The Contra Costa Clean Water Program (CCCWP) retained SCI Consulting Group to investigate additional public financing mechanisms that the municipalities could use to fulfill the requirements of the 2009 Municipal Regional Permit.

This memorandum documents Task 1, to collect and analyze background and reference information, and Task 2, to review and analyze projected future annual costs and sources of funding.

The SCI consultant team interviewed stormwater staff of all 21 municipalities. Existing costs are based on budget information provided by the permittees. The SCI team also created a linear model to predict future, additional costs as a function of municipal characteristics.

This report summarizes the existing expenditures and sources of funding as well as the projected future annual costs. Attachments A through U include text, tables and figures presenting the results for each municipality.

1.0 INTRODUCTION

Since 1991, Contra Costa County, the 19 cities and towns within the County, and the County Water Conservation and Flood Control District have been permittees under a series of municipal stormwater National Pollutant Discharge Elimination System (NPDES) permits issued by the California Regional Water Quality Control Board for the San Francisco Bay Region (Water Board). In 1992, to fund permit-mandated activities and to support maintenance of their drainage infrastructure, most of the Contra Costa permittees initiated a countywide stormwater utility assessment (SUA) through a legislative amendment to the Contra Costa Flood Control and Water Conservation District Act. Revenues from the assessment support activities the permittees implement jointly—through the countywide Contra Costa Clean Water Program (CCCWP)—and also support local implementation activities. The cities of Richmond and Brentwood do not participate in the SUA and instead fund their local activities and contributions to the countywide program through other sources.

In the ensuing years, inflation and ever-expanding permit mandates have progressively increased the costs of NPDES permit implementation and drainage system maintenance. All municipalities now charge the maximum authorized by the SUA.

In 2009, the Water Board adopted a Municipal Regional Stormwater Permit (MRP). The MRP is more prescriptive regarding ongoing pollution-prevention activities and mandates greatly expanded stormwater monitoring (implemented mostly on a countywide and regional basis) and trash control (implemented mostly locally). This created a situation where the municipalities are mandated to perform activities well beyond their current funding capacity.

In 2010, the CCCWP retained SCI Consulting Group to investigate additional public financing mechanisms that the municipalities could use to fulfill permit mandates. The elements of that effort are:

Phase I

Task 1: Background Analysis and Research

Task 2: Future Program Cost Analysis

Task 3: Potential Funding Source Analysis

Task 4: Opinion Research and Survey

Task 5: Stormwater Funding Needs and Options Report

Phase II

Fee Report (also known as an Engineer's Report) and Revenue Enhancement Action Plan

Phase III

Implementation and Educational Outreach

This report summarizes the results of Tasks 1 and 2. The objective of Task 1 is to collect and analyze background and reference information for the Program, including expenditures, sources of funding and past and current MRP and NPDES requirements. The objective of Task 2 is to review and analyze projected future annual costs and sources of funding.

3.0 METHODS USED

EXISTING COSTS

Current (FY 2009/2010 and in many cases 2010/2011) costs are estimated based on budget information provided by individual permittees. Municipalities have different ways of splitting, lumping, and allocating expenses within budget lines and categories. For this reason, costs for specific items or individual program elements, as presented in the tables in Attachments A through U, are not necessarily comparable from municipality to municipality. To the extent possible, the information provided was organized according to specific program elements as defined in the MRP provisions. The permittees should consider revisions to budgeting and reporting procedures that would facilitate consistent future analyses.

Funds supporting current implementation of the 2009 MRP include those derived from the SUA (except for Richmond and Brentwood, which did not join in the 1992 SUA). Where SUA funds are unavailable or inadequate, permittees supplement local stormwater program implementation with transfers from municipal General Funds and other sources.

In many cases, municipalities absorb the costs of current activities that implement permit requirements using non-stormwater accounts or funds. For example, various MRP provisions require regular municipal staff training. Staff time to attend these training sessions is not, in many cases, charged to a stormwater-specific account.

Costs of existing countywide program activities are based on CCCWP estimates. To obtain the most complete information on local expenditures, consultant team members Karen Ashby and Dan Cloak visited each municipality and met with local stormwater program staff. These meetings, which ranged from one to three hours in length, included obtaining and reviewing local budget spreadsheets and information as well as structured interviews and discussion of the municipality's staffing and methods of implementing the local activities mandated by the permit.

Budget information obtained through this process is tabulated for each municipality in the following sections.

FUTURE MRP IMPLEMENTATION COSTS (MODELED ADDITIONAL COSTS)

To extrapolate future costs of implementing the MRP, the project team considered costs required to sustain a level of service sufficient to assure long-term compliance. Because of current fiscal difficulties, most municipalities are deferring some required maintenance on infrastructure. Some permit-mandated activities, such as staff training, routine surveillance and inspections, and outreach, are also being minimized. While these budget-balancing reductions will not necessarily compromise permit compliance in the short term, in the long-term, they could erode local program effectiveness. Therefore the estimate incorporates minimum staffing levels that, in municipal staff's view (and the project team's view) constitute full implementation of the permit's intent over the longer term.

Costs of activities not in the previous permit and being phased in during the current permit term were also calculated. These activities include:

- Provision C.10 (Trash Load Reduction Local Costs)
- Provision C.8 (Monitoring to be conducted by the countywide Clean Water Program)
- Provisions C.11 through C.14 (Controls and activities in the countywide Clean Water Program budget to address mercury, PCBs, copper, PBDEs, legacy pesticides, and selenium)

Future MRP implementation costs were evaluated by identifying and selecting, for each major task or set of tasks, one or more municipalities that were relatively confident of their estimated staffing needs and costs, both regard to what was being expended and, importantly, what would need to be expended when the existing program fulfills MRP requirements. This estimate was then extrapolated linearly to estimate the costs for other municipalities. In each case, the linear estimate comprises a fixed cost (intercept) and an incremental cost in proportion (slope) to an independent variable. The independent variables used were as follows:

Table 2-1. Variables Used in Estimating Future Costs (Modeled Additional Costs).

Implementation of Provisions	Independent Variable(s)
Program Administration and Coordination C.7 Public Information and Outreach C.15 Conditionally Exempted Discharges C.16 Annual Reporting	Population
C.2 Municipal Operations C.5 Illicit Discharge Detection and Elimination C.9 Pesticides Toxicity Control	Number of Catch Basins Maintained
C.4 Industrial and Commercial Site Controls	Retail/Wholesale Commercial Acres
C.3 New Development and Redevelopment C.6 Construction Site Controls	Number of C.3 Projects Approved 2006-2009
C.10 Trash Load Reduction	Retail/Wholesale Commercial Acres Minimum Number Trash “Hot Spots” per the MRP
C.8 Water Quality Monitoring C.11 Mercury Controls C.12 PCBs Controls C.13 Copper Controls C.14 PBDEs, Legacy Pesticides, and Selenium	(Program-provided estimates were used.)

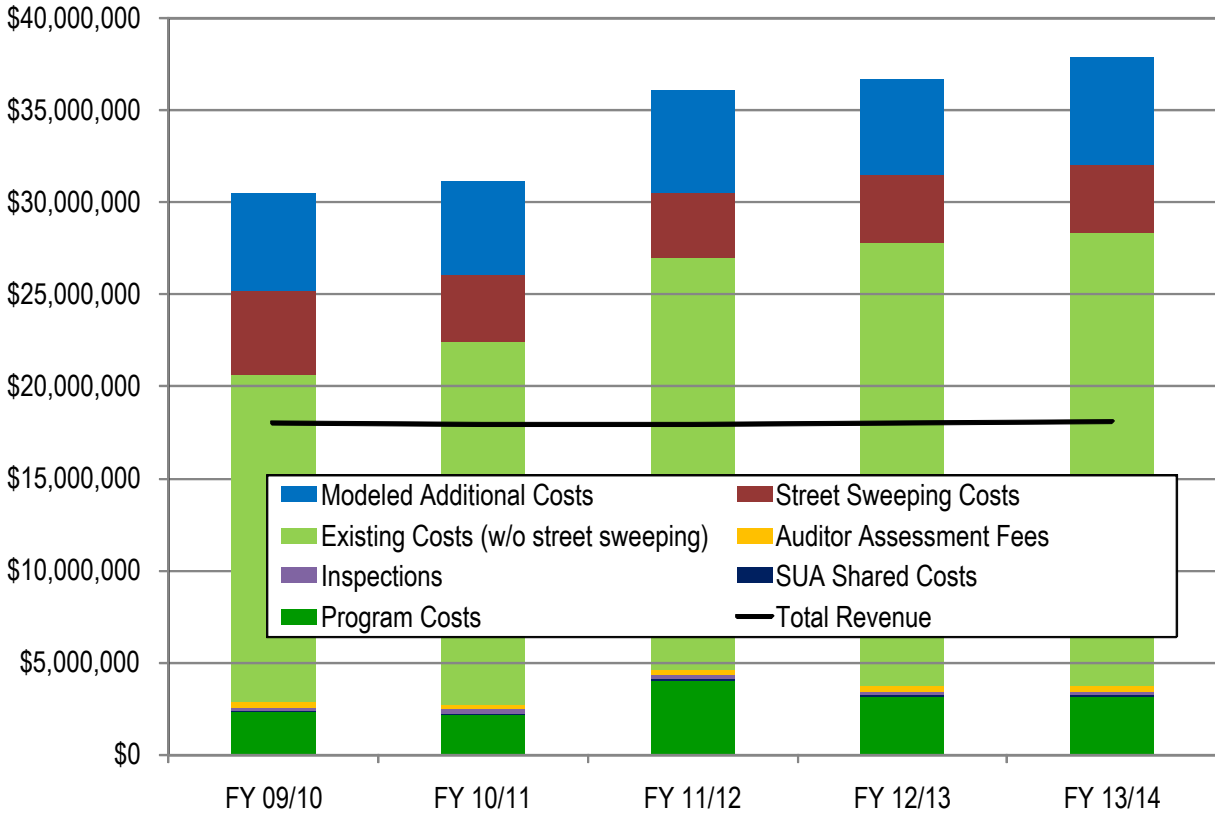
3.0 Results and Discussion

The summed countywide results for all municipalities are in Table 4-1 and Figure 4-1. Results for each municipality are presented in Attachments A through U.

Table 4-1. Contra Costa Countywide Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^[a]		\$ 14,191,882	\$ 14,191,882	\$ 14,191,882	\$ 14,191,882	\$ 14,191,882	\$ 70,959,410
Additional Funding ^[b]		\$ 3,805,146	\$ 3,716,202	\$ 3,760,804	\$ 3,818,145	\$ 3,870,562	\$ 18,970,859
Subtotal		\$ 17,997,028	\$ 17,908,084	\$ 17,952,686	\$ 18,010,027	\$ 18,062,444	\$ 89,930,269
Total Program Expenditures							
Program Costs ^[c]	100%	\$ (2,320,204)	\$ (2,199,772)	\$ (4,063,101)	\$ (3,180,130)	\$ (3,179,381)	\$ (14,942,587)
SUA Shared Costs ^[d]		\$ (57,727)	\$ (57,727)	\$ (57,727)	\$ (57,727)	\$ (57,727)	\$ (288,637)
Inspections ^[e]		\$ (205,373)	\$ (219,411)	\$ (221,285)	\$ (227,323)	\$ (233,543)	\$ (1,106,935)
Auditor Assessment Fees ^[f]		\$ (246,844)	\$ (254,249)	\$ (261,877)	\$ (269,733)	\$ (277,825)	\$ (1,310,527)
Subtotal		\$ (2,830,148)	\$ (2,731,160)	\$ (4,603,990)	\$ (3,734,914)	\$ (3,748,476)	\$ (17,648,687)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (17,808,000)	\$ (19,730,000)	\$ (22,394,000)	\$ (24,061,000)	\$ (24,593,000)	\$ (108,586,000)
Street Sweeping Costs ^[g]		\$ (4,541,295)	\$ (3,633,112)	\$ (3,533,296)	\$ (3,638,947)	\$ (3,747,897)	\$ (19,094,547)
Modeled Additional Costs ^[h]		\$ (5,333,373)	\$ (5,056,535)	\$ (5,554,581)	\$ (5,224,939)	\$ (5,783,946)	\$ (26,953,373)
Subtotal		\$ (27,682,667)	\$ (28,419,647)	\$ (31,481,877)	\$ (32,924,886)	\$ (34,124,843)	\$ (154,633,921)
Balance		\$ (12,515,787)	\$ (13,242,723)	\$ (18,133,181)	\$ (18,649,772)	\$ (19,810,876)	\$ (82,352,339)
Footnotes:							
[a] Assumes that the SUA funding generated remains the same from year to year.							
[b] Additional funding is from investment income, other revenue, and transfers in.							
[c] Agency shares of Program costs are based on the Estimated Group Program Costs worksheet.							
[d] Assumes that SUA Shared Costs remain the same from year to year.							
[e] Assumes a 3% increase from year to year.							
[f] Cost for collecting assessment with the property tax bill. Assumes the parcel numbers remain the same.							
[g] Additional detail is provided in the individual "Existing Program Elements" spreadsheets.							
[h] For the purpose of final cost estimates, any positive values generated by the model were set to zero within this table.							

Figure 4-1. Contra Costa Countywide Estimated Revenues and Expenditures



City of Antioch

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

Antioch's full-time stormwater program coordinator (Phil Hoffmeister) oversees the City's NPDES compliance, coordinates among city departments, and interacts with the countywide Clean Water Program and the Regional Water Quality Control Board staff. All monies allocated to the City's NPDES fund (229) are applied to efforts related to permit compliance; however, that budget is not broken down by permit provision.

The City's Environmental Resource Coordinator, Julie Haas-Wajdowicz, contributes general Program support at about 12.5% time; her duties include coordination with the public, coordinating school-based outreach, and citizen involvement events; these activities fulfill various portions of MRP Provision C.7.

The City's stormwater-related municipal operations (Provision C.2) include maintenance of a storm drain system with approximately 6800 inlets. Creek cleanups are carried out annually, with participation by crews from the County Sheriff Department's Work Alternatives Program. Special costs related to stormwater pollution prevention include approximately \$200,000 budgeted annually for desilting drainage channels. Future costs include the need to update the corporation yard SWPPP.

The City plans to update its Integrated Pest Management policy (Provision C.9) during 2010-2011.

Illicit discharges (Provision C.5) require response approximately 12 times per year, on average. City staff has supplemented BASMAA and Program outreach to mobile cleaners by sending a local letter to those carpet cleaners and mobile washers who have obtained business licenses.

The City contracts commercial and industrial inspections (Provision C.4) to the Delta Diablo Sanitation District at a cost of \$10,000 to \$14,000 annually.

Implementation of Provision C.3 (New Development) and Provision C.6 (Construction) is mostly outside of the stormwater budget. The City requires a deposit with applications for development approval and costs for staff review of the application is charged against that deposit. A similar arrangement is required for review of building permit applications and for construction inspection.

Overall Antioch local program implementation costs (not including street sweeping) are currently \$1,172,000 (FY 09-10).

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS) (MODELED ADDITIONAL COSTS)

Based on Antioch's 100,000 population, it is estimated that the local program coordination and local outreach activities (Provision C.7) will require 3.1 FTEs with a total cost of \$679,960 (All estimates use 2009-2010 as a basis).

Attachment A—City of Antioch

Based on the number of storm drain inlets maintained, we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 4.1 FTEs, with a total cost of \$888,940. Based on Antioch's commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$48,800 per year.

Antioch funds the costs of reviewing new development applications for stormwater compliance (Provision C.3) and reviewing construction plans and inspecting construction sites for stormwater compliance (Provision C.6) through fees; however, we estimate, based on the number of C.3-related projects in recent years, that 0.13 FTEs funded from public sources will be needed to coordinate the program and stay abreast of regulatory requirements, including training and reporting at a cost of \$25,720.

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$9,143 for the mandated hot-spot cleanups and \$219,000 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices. The total independent estimate of Antioch's local stormwater program cost, based on the linear model, is \$1,871,563, an increase of 60% over reported 2009-2010 local program expenditures.

TABLES

Table A-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table A-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table A-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure A-3-1 summarizes this information in a bar graph.

Table A-3-1. City of Antioch Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^[a]		\$ 1,160,793	\$ 1,160,793	\$ 1,160,793	\$ 1,160,793	\$ 1,160,793	\$ 5,803,965
Additional Funding ^[b]		\$ 43,077	\$ 37,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 185,077
Subtotal		\$ 1,203,870	\$ 1,197,793	\$ 1,195,793	\$ 1,195,793	\$ 1,195,793	\$ 5,989,042
Total Program Expenditures							
Program Costs ^[c]	9.54%	\$ (221,416)	\$ (209,858)	\$ (387,620)	\$ (303,384)	\$ (303,313)	\$ (1,425,592)
SUA Shared Costs ^[d]		\$ (6,106)	\$ (6,106)	\$ (6,106)	\$ (6,106)	\$ (6,106)	\$ (30,530)
Inspections ^[e]		\$ (4,372)	\$ (4,503)	\$ (4,638)	\$ (4,777)	\$ (4,921)	\$ (23,211)
Auditor Assessment Fees ^[f]		\$ (25,824)	\$ (26,599)	\$ (27,397)	\$ (28,219)	\$ (29,065)	\$ (137,103)
Subtotal		\$ (257,719)	\$ (247,066)	\$ (425,761)	\$ (342,486)	\$ (343,405)	\$ (1,616,437)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (1,172,000)	\$ (1,257,000)	\$ (1,087,000)	\$ (1,119,000)	\$ (1,152,000)	\$ (5,787,000)
Street Sweeping Costs ^[h]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Modeled Additional Costs		\$ (699,563)	\$ (670,710)	\$ (898,541)	\$ (926,108)	\$ (954,461)	\$ (4,149,384)
Subtotal		\$ (1,871,563)	\$ (1,927,710)	\$ (1,985,541)	\$ (2,045,108)	\$ (2,106,461)	\$ (9,936,384)
Balance		\$ (925,412)	\$ (976,983)	\$ (1,215,509)	\$ (1,191,801)	\$ (1,254,073)	\$ (5,563,779)

Footnotes:

[a] Assumes that the SUA funding generated remains the same from year to year.

[b] Additional funding is from investment income, other revenue, and transfers in.

[c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.

[d] Assumes that SUA Shared Costs remain the same from year to year.

[e] Assumes a 3% increase from year to year.

[f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.

[g] Additional detail is provided in the "Existing Program Elements" spreadsheet.

[h] Street sweeping costs are paid for through sewer fee.

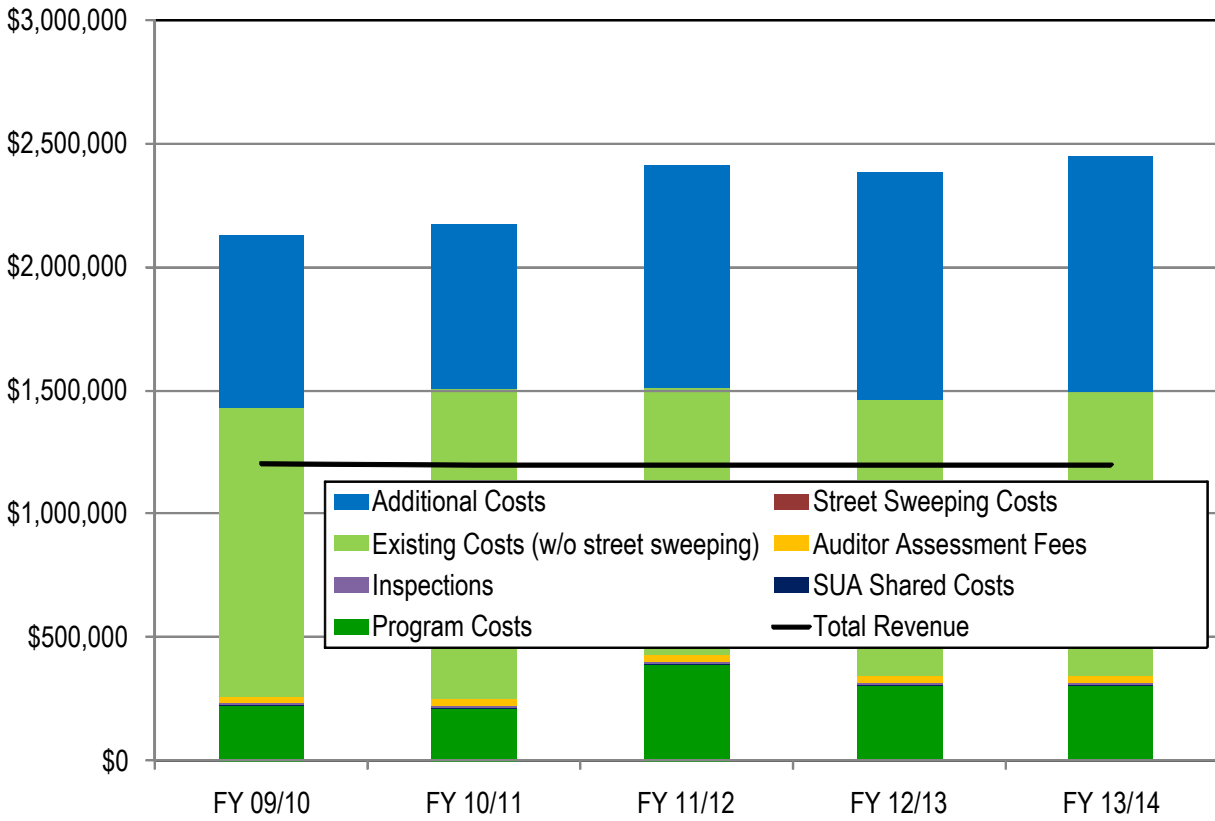
Table A-3-2. City of Antioch Budgeted Expenditures

City of Antioch Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10 ²	FY 10/11 ³	FY 11/12 ⁴	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$1,172,000	\$1,257,000	\$1,087,000	\$1,119,000	\$1,152,000	\$5,787,000
Total Estimated Existing Costs (w street sweeping)	\$1,172,000	\$1,257,000	\$1,087,000	\$1,119,000	\$1,152,000	\$5,787,000
Other Local Implementation Expenses	\$971,752	\$1,056,992	\$1,086,656	\$1,118,698	\$1,151,701	\$5,385,799
C.2. Municipal Operations	\$200,000	\$200,000	\$0	\$0	\$0	\$400,000
C.3. New Development and Redevelopment	\$0	\$0	\$0	\$0	\$0	\$0
C.4. Industrial and Commercial Site Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.5. Illicit Discharge Detection and Elimination	\$0	\$0	\$0	\$0	\$0	\$0
C.6. Construction Site Control	\$0	\$0	\$0	\$0	\$0	\$0
C.7. Public Information and Outreach	\$0	\$0	\$0	\$0	\$0	\$0
C.8. Water Quality Monitoring	\$0	\$0	\$0	\$0	\$0	\$0
C.9. Pesticides Toxicity Control	\$0	\$0	\$0	\$0	\$0	\$0
C.10. Trash Load Reduction	\$0	\$0	\$0	\$0	\$0	\$0
C.11. Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	\$0	\$0	\$0	\$0	\$0	\$0
1 - Information is from the National Pollutant Discharge Elimination (NPDES) Fund (229) 2010-11 Operating Budget						
2 - Information from the 2009-10 Revised Budget						
3 - Information from the 2010-11 Proposed Budget						
4 - Information from the 2011-12 Projected Budget						
Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.						

Table A-3-3. City of Antioch Projected Future Program Costs and Comparison to Budgeted Costs

City of Antioch Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$679,960	\$700,359	\$721,370	\$743,011	\$765,301	\$3,610,002
C.2 Municipal Operations						
C.5 Illicit Discharge Identification and Elimination						
C.9 Pesticide Toxicity Reduction	\$888,940	\$915,608	\$943,076	\$971,369	\$1,000,510	\$4,719,503
C.4. Industrial and Commercial Site Controls	\$48,800	\$50,264	\$51,772	\$53,325	\$54,925	\$259,086
C.3. New Development Controls (nonrecoverable)	\$10,520	\$10,836	\$11,161	\$11,495	\$11,840	\$55,852
C.6. Construction Site Controls (nonrecoverable)	\$15,200	\$15,656	\$16,126	\$16,609	\$17,108	\$80,699
C.10. Trash Controls -- Hot Spots	\$9,143	\$9,417	\$9,700	\$9,991	\$10,290	\$48,541
C.10. Trash -- Planning & Full Trash Capture	\$219,000	\$225,570	\$232,337	\$239,307	\$246,486	\$1,162,701
Totals	\$1,871,563	\$1,927,710	\$1,985,541	\$2,045,108	\$2,106,461	\$9,936,384
Estimate of Current Expenditures (without Street Sweeping)	\$1,172,000	\$1,257,000	\$1,087,000	\$1,119,000	\$1,152,000	\$5,787,000
Increase:	\$699,563	\$670,710	\$898,541	\$926,108	\$954,461	\$4,149,384
Percentage increase	60%	53%	83%	83%	83%	72%
Assumed inflation factor:	3%					

Figure A-3-1. City of Antioch Estimated Revenues and Expenditures



City of Brentwood

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

Brentwood is not part of the Stormwater Utility Assessment and receives no SUA funds. About 80% of stormwater pollution prevention activities are funded through the City's General Fund and the remainder through Community Facilities Districts.

Brentwood staff estimate \$225,638 annual cost, primarily staff time, for general local program coordination, interaction with the countywide Program, and for local public outreach (MRP Provision C.7). Jeff Cowling, Jagtar Dhaliwal, and Laurie Monte share these responsibilities. Local outreach includes periodic workshops with land developers, pool operators, schools, and community groups. These efforts are coordinated with the City's solid waste department.

The City maintains approximately 5,034 storm drain inlets and has about 130 installed CDS hydrodynamic separators. Total cost of maintenance of the inlets and CDS units is estimated to be \$95,000 per year. Response to illicit discharges (Provision C.5) is estimated to cost about \$39,462 per year.

City staff inspects approximately a total of 700 industrial and commercial businesses. Most of these businesses have been established within the last 10 years. Costs of the inspection program are estimated to be \$59,192 annually.

Brentwood charges costs for review of development applications (including review for Provision C.3 compliance) to individual accounts established for each project and funded by the applicant. A similar arrangement is used to recoup costs for plan checking and construction inspection.

City staff estimates the non-recoverable cost of construction inspections (Provision C.6) at about \$98,654 and of review for compliance with new development requirements (Provision C.3) at about \$50,000 annually. This includes operation and maintenance inspections of installed stormwater treatment facilities as required by the MRP. The city had approximately 15 active construction sites and 15 inactive sites at the time of this assessment.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on Brentwood's 50,600 population, we estimate local program coordination and local outreach activities (Provision C.7) could require 1.8 FTE at a cost of \$354,514 per year.

Based on the number of storm drain inlets maintained, the maintenance cost, together with implementation of the City's illicit discharge program and pesticide controls, could require 3.3 FTE at a cost of \$654,420.

Based on the amount of land zoned for commercial/retail use, we estimate implementation of the business inspection program could be \$24,200.

Attachment B—City of Brentwood

We have estimated the cost of preparing and implementing the trash reduction plan mandated by the MRP at \$101,486. However, some of this additional cost may be avoided if Brentwood's existing CDS units can be credited toward meeting the full-trash-capture requirement. This will be explored in the City's short-term trash reduction plan, due February 1, 2012.

The model-based total estimate of Brentwood's stormwater program costs is \$1,166,500, an 83% increase over the reported 2009-2010 estimate of local expenditures.

TABLES

Table B-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table B-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table B-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure B-3-1 summarizes this information in a bar graph.

Table B-3-1. City of Brentwood Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^[a]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Funding ^[b]		\$ 1,146,000	\$ 1,146,000	\$ 1,180,000	\$ 1,215,000	\$ 1,251,000	\$ 5,938,000
Subtotal		\$ 1,146,000	\$ 1,146,000	\$ 1,180,000	\$ 1,215,000	\$ 1,251,000	\$ 5,938,000
Total Program Expenditures							
Program Costs ^[c]	4.81%	\$ (111,665)	\$ (105,809)	\$ (195,435)	\$ (152,964)	\$ (152,928)	\$ (718,801)
SUA Shared Costs ^[d]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inspections ^[e]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Auditor Assessment Fees ^[f]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal		\$ (111,665)	\$ (105,809)	\$ (195,435)	\$ (152,964)	\$ (152,928)	\$ (718,801)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (638,000)	\$ (638,000)	\$ (657,000)	\$ (676,000)	\$ (696,000)	\$ (3,305,000)
Street Sweeping Costs ^[g]		\$ (507,900)	\$ (507,900)	\$ (523,137)	\$ (538,831)	\$ (554,996)	\$ (2,632,764)
Modeled Additional Costs		\$ (528,500)	\$ (563,495)	\$ (580,540)	\$ (598,666)	\$ (616,906)	\$ (2,888,108)
Subtotal		\$ (1,674,400)	\$ (1,709,395)	\$ (1,760,677)	\$ (1,813,497)	\$ (1,867,902)	\$ (8,825,872)
Balance		\$ (640,065)	\$ (669,204)	\$ (776,112)	\$ (751,462)	\$ (769,830)	\$ (3,606,673)
Footnotes:							
[a] Brentwood does not receive SUA funding.							
[b] From the General Fund.							
[c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.							
[d] None.							
[e] None.							
[f] None.							
[g] Additional detail is provided in the "Existing Program Elements" spreadsheet.							

Table B-3-2. City of Brentwood Budgeted Expenditures

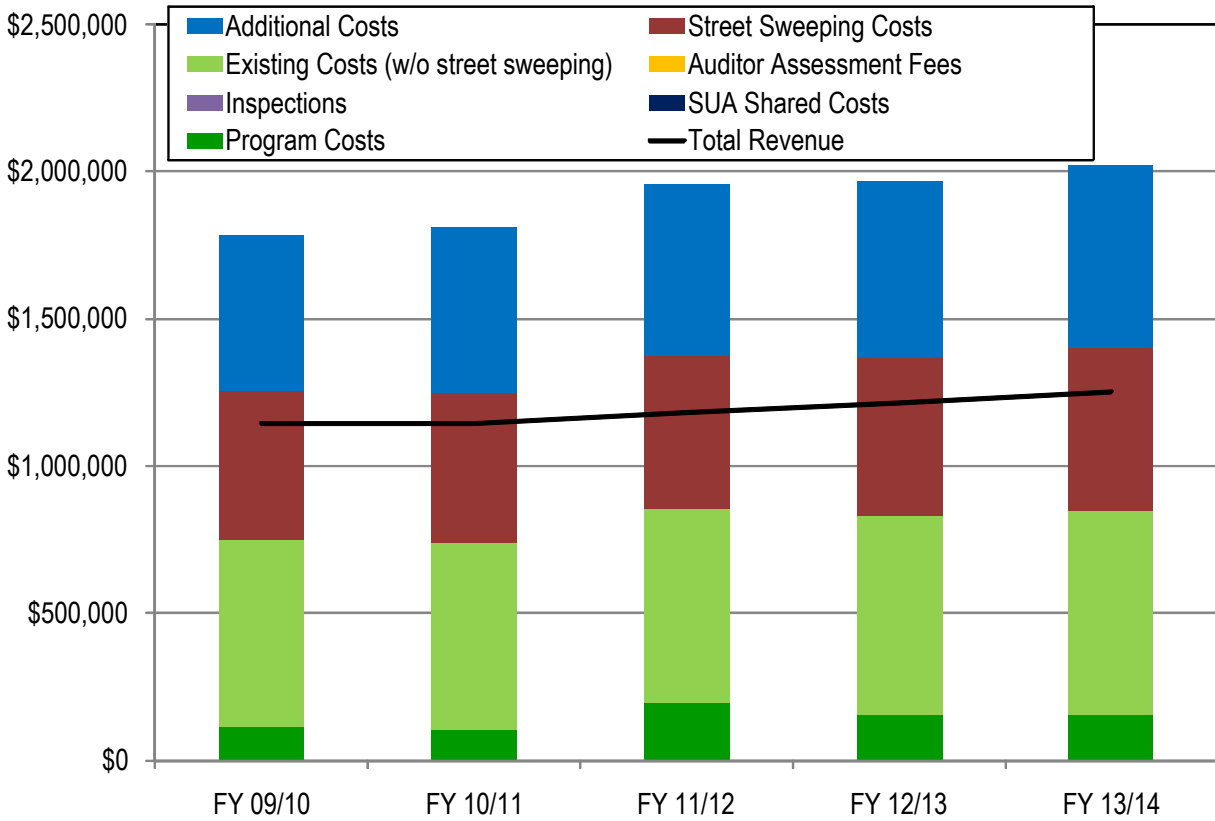
City of Brentwood Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$638,000	\$638,000	\$657,000	\$676,000	\$696,000	\$3,306,000
Total Estimated Existing Costs (w street sweeping)	\$1,146,000	\$1,146,000	\$1,180,000	\$1,215,000	\$1,251,000	\$5,938,000
Other Local Implementation Expenses	\$155,638	\$155,638	\$160,084	\$164,663	\$169,380	\$805,404
C.2. Municipal Operations	\$507,900	\$507,900	\$523,137	\$538,831	\$554,996	\$2,632,764
C.3. New Development and Redevelopment	\$50,000	\$50,000	\$51,500	\$53,045	\$54,636	\$259,181
C.4. Industrial and Commercial Site Controls	\$59,192	\$59,192	\$60,968	\$62,797	\$64,681	\$306,829
C.5. Illicit Discharge Detection and Elimination	\$39,462	\$39,462	\$40,646	\$41,865	\$43,121	\$204,556
C.6. Construction Site Control	\$98,654	\$98,654	\$101,614	\$104,662	\$107,802	\$511,386
C.7. Public Information and Outreach	\$70,000	\$70,000	\$72,100	\$74,263	\$76,491	\$362,854
C.8 Water Quality Monitoring	\$0	\$0	\$0	\$0	\$0	\$0
C.9 Pesticides Toxicity Control	\$0	\$0	\$0	\$0	\$0	\$0
C.10 Trash Load Reduction	\$165,000	\$165,000	\$169,950	\$175,049	\$180,300	\$855,298
C.11 Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	\$0	\$0	\$0	\$0	\$0	\$0

1 - Information is from the Cost Estimate for Municipal Regional Permit (MRP) for the City of Brentwood Assumed inflation factor is 3%.

Table B-3-3. City of Brentwood Projected Future Program Costs and Comparison to Budgeted Costs

City of Brentwood Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$354,514	\$365,150	\$376,104	\$387,387	\$399,009	\$1,882,165
C.2 Municipal Operations C.5 Illicit Discharge Identification and Elimination C.9 Pesticide Toxicity Reduction	\$654,420	\$674,053	\$694,274	\$715,102	\$736,555	\$3,474,405
C.4. Industrial and Commercial Site Controls	\$24,200	\$24,926	\$25,674	\$26,444	\$27,237	\$128,481
C.3. New Development Controls (nonrecoverable)	\$11,080	\$11,412	\$11,755	\$12,107	\$12,471	\$58,825
C.6. Construction Site Controls (nonrecoverable)	\$20,800	\$21,424	\$22,067	\$22,729	\$23,411	\$110,430
C.10. Trash Controls -- Hot Spots	\$5,486	\$5,650	\$5,820	\$5,994	\$6,174	\$29,124
C.10. Trash -- Planning & Full Trash Capture	\$96,000	\$98,880	\$101,846	\$104,902	\$108,049	\$509,677
Totals	\$1,166,500	\$1,201,495	\$1,237,540	\$1,274,666	\$1,312,906	\$6,193,108
Estimate of Current Expenditures (without Street Sweeping)	\$638,000	\$638,000	\$657,000	\$676,000	\$696,000	\$3,305,000
Increase:	\$528,500	\$563,495	\$580,540	\$598,666	\$616,906	\$2,888,108
Percentage increase	83%	88%	88%	89%	89%	87%
Assumed inflation factor:	3%					

Figure B-3-1. City of Brentwood Estimated Revenues and Expenditures



City of Clayton

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

Clayton is Contra Costa's least populous municipality. The City has a relatively small base to which fixed costs of program administration can be distributed. Further, this suburban residential community is spread out, and that characteristic increases the amount of storm drain pipe and inlets relative to population. For these reasons, the per capita cost of the City's program is on the high end of the range for Contra Costa municipalities.

Assistant to the City Manager Laura Hoffmeister is the City's stormwater coordinator, and estimates one-third to one-half of her time is spent on stormwater program implementation, including general administration and outreach (MRP Provision C.7).

The City maintains 650 storm drain inlets. One-quarter of an FTE is budgeted for storm drain maintenance and implementation of municipal maintenance activities (Provision C.2), plus illicit discharge identification and elimination (Provision C.5) and municipal efforts to minimize pesticide use (Provision C.9).

Another one-quarter FTE is assigned to unrecoverable costs of review of development projects for compliance with Provision C.3 and inspection of construction sites and Clayton's small number of commercial businesses. (Provisions C.6 and C.4). Some inspection costs are recovered through storm water inspection fees per the City's fee schedule.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on Clayton's 10,800 population, we estimate future local program coordination and local outreach activities (Provision C.7) could require 0.5 FTE at a cost of \$91,174 per year. (All estimates use 2009-2010 as basis.)

Based on the number of storm drain inlets maintained, the maintenance cost, together with implementation of the City's illicit discharge program and pesticide controls, could require 0.4 FTE at a cost of \$84,500.

We estimated effort of implementation of Provisions C.3 (new development) and C.6 (construction site controls) at 0.1 FTE (combined), for a cost of \$20,000. Based on the amount of land zoned for commercial/retail use, we estimate implementation of the business inspection program could be \$6,800.

We have estimated the cost of preparing and implementing the trash reduction plan mandated by the MRP at \$9,000. Because of its small size and limited commercial area, Clayton is exempt from the requirement to implement full-trash-capture devices. However, the City is participating in region-wide purchase of grant-funded trash capture devices through the San Francisco Estuary Project.

The model-based total estimate of Brentwood’s stormwater program costs is \$213,303, a 73% increase over the reported 2009-2010 estimate of local expenditures on the stormwater program (not including street sweeping).

TABLES

Table C-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table C-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table C-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure C-3-1 summarizes this information in a bar graph.

Table C-3-1. City of Clayton Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^{[a][b]}		\$ 125,641	\$ 125,641	\$ 125,641	\$ 125,641	\$ 125,641	\$ 628,205
Subtotal		\$ 125,641	\$ 125,641	\$ 125,641	\$ 125,641	\$ 125,641	\$ 628,205
Total Program Expenditures							
Program Costs ^[c]	1.03%	\$ (23,792)	\$ (22,658)	\$ (41,850)	\$ (32,755)	\$ (32,748)	\$ (153,802)
SUA Shared Costs ^[d]		\$ (824)	\$ (824)	\$ (824)	\$ (824)	\$ (824)	\$ (4,118)
Inspections ^[e]		\$ (3,042)	\$ (3,133)	\$ (3,227)	\$ (3,324)	\$ (3,423)	\$ (16,148)
Auditor Assessment Fees ^[f]		\$ (3,701)	\$ (3,812)	\$ (3,927)	\$ (4,044)	\$ (4,166)	\$ (19,650)
Subtotal		\$ (31,358)	\$ (30,426)	\$ (49,827)	\$ (40,947)	\$ (41,160)	\$ (193,718)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (123,000)	\$ (98,000)	\$ (110,000)	\$ (128,000)	\$ (163,000)	\$ (622,000)
Street Sweeping Costs ^[h]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Modeled Additional Costs		\$ (90,303)	\$ (121,702)	\$ (116,293)	\$ (105,082)	\$ (77,074)	\$ (510,454)
Subtotal		\$ (213,303)	\$ (219,702)	\$ (226,293)	\$ (233,082)	\$ (240,074)	\$ (1,132,454)
Balance		\$ (119,020)	\$ (124,487)	\$ (150,479)	\$ (148,388)	\$ (155,594)	\$ (697,967)

Footnotes:

- [a] Assumes that the SUA funding generated remains the same from year to year.
- [b] All funding is currently generated by SUA.
- [c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.
- [d] Assumes that SUA Shared Costs remain the same from year to year.
- [e] Assumes a 3% increase from year to year.
- [f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.
- [g] Additional detail is provided in the "Existing Program Elements" spreadsheet.
- [h] Street sweeping costs (\$42,000/year) are covered by the garbage bill as a pass-through cost.

Table C-3-2. City of Clayton Budgeted Expenditures

City of Clayton Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10 ²	FY 10/11 ³	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$123,000	\$98,000	\$110,000	\$128,000	\$163,000	\$622,000
Total Estimated Existing Costs (w street sweeping)	\$123,000	\$98,000	\$110,000	\$128,000	\$163,000	\$622,000
Other Local Implementation Expenses	\$115,722	\$91,000	\$93,550	\$96,177	\$98,882	\$495,330
C.2. Municipal Operations	\$0	\$0	\$0	\$0	\$0	\$0
C.3. New Development and Redevelopment	\$0	\$0	\$0	\$0	\$0	\$0
C.4. Industrial and Commercial Site Controls	\$7,000	\$7,000	\$16,000	\$32,000	\$64,000	\$126,000
C.5. Illicit Discharge Detection and Elimination	\$0	\$0	\$0	\$0	\$0	\$0
C.6. Construction Site Control	\$0	\$0	\$0	\$0	\$0	\$0
C.7. Public Information and Outreach	\$0	\$200	\$206	\$212	\$219	\$837
C.8. Water Quality Monitoring	\$0	\$0	\$0	\$0	\$0	\$0
C.9. Pesticides Toxicity Control	\$0	\$0	\$0	\$0	\$0	\$0
C.10. Trash Load Reduction	\$0	\$0	\$0	\$0	\$0	\$0
C.11. Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	\$0	\$0	\$0	\$0	\$0	\$0

1 - Information is from the Special Revenue Adopted Budget

2 - Information from the 2009-10 Adopted Budget

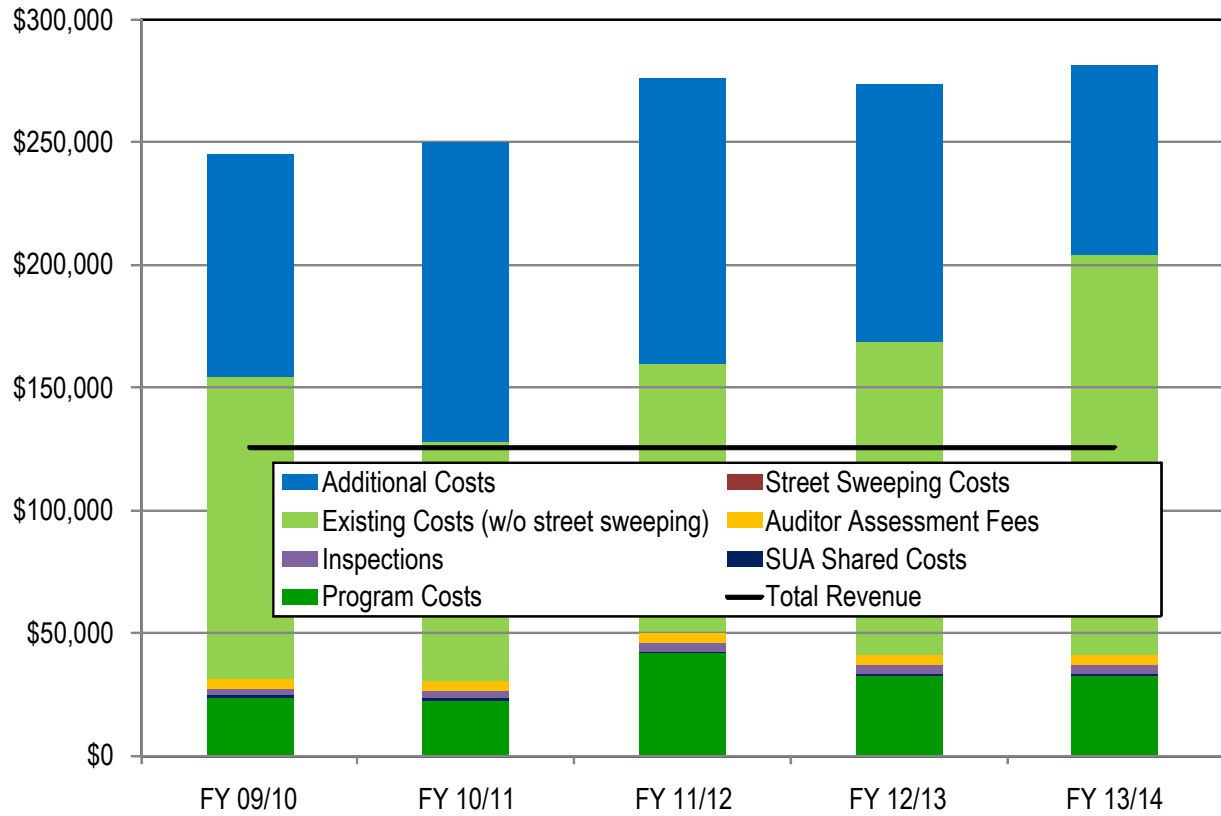
3 - Information from the 2010-11 Proposed Budget

Assumed inflation factor is 3%.

Table C-3-3. City of Clayton Projected Future Program Costs and Comparison to Budgeted Costs

City of Clayton Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$91,174	\$93,910	\$96,727	\$99,629	\$102,618	\$484,057
C.2 Municipal Operations						
C.5 Illicit Discharge Identification and Elimination						
C.9 Pesticide Toxicity Reduction	\$84,500	\$87,035	\$89,646	\$92,335	\$95,105	\$448,622
C.4. Industrial and Commercial Site Controls	\$6,800	\$7,004	\$7,214	\$7,431	\$7,653	\$36,102
C.3. New Development Controls (nonrecoverable)	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$53,091
C.6. Construction Site Controls (nonrecoverable)	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$53,091
C.10. Trash Controls -- Hot Spots	\$1,829	\$1,883	\$1,940	\$1,998	\$2,058	\$9,708
C.10. Trash -- Planning & Full Trash Capture	\$9,000	\$9,270	\$9,548	\$9,835	\$10,130	\$47,782
Totals	\$213,303	\$219,702	\$226,293	\$233,082	\$240,074	\$1,132,454
Estimate of Current Expenditures (without Street Sweeping)	\$123,000	\$98,000	\$110,000	\$128,000	\$163,000	\$622,000
Increase:	\$90,303	\$121,702	\$116,293	\$105,082	\$77,074	\$510,454
Percentage increase	73%	124%	106%	82%	47%	82%
Assumed inflation factor:	3%					

Figure C-3-1. City of Clayton Estimated Revenues and Expenditures



City of Concord

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

Under Concord's performance-based budgeting system, the costs of labor and benefits, vehicle use, overhead, and other costs (that is, a fully load cost) are allocated to specific tasks and then evaluated against metrics to track productivity. For example, catch-basin cleaning is tracked as the annual cost per catch-basin. The City's budgeted stormwater expenditures track SUA revenues closely. Ten percent of revenues are allocated to reserves.

The City adopted a 10-year budget in July 2010 and projects deficits for years 7-10. The City Council has not yet approved reductions needed to bring the budget into line with available revenues. The City may draw down reserves to cover future-year deficits.

Management of the overall stormwater program is in flux due to staff changes and reassignments. Budgeted assignments include a full-time administrative analyst, part-time permit center technicians, and a part-time senior civil engineer, for a total of 1.5 FTE. This staff also engages in outreach events, and the overhead charge covers community liaison activities related to stormwater (Provision C.7).

Implementation of stormwater BMPs by municipal maintenance staff, and participation in BMP training, is funded in part through gas tax revenues. The City's corporation yard has received upgrades over the years and implementation of the stormwater pollution prevention plan (SWPPP) for the yard is routine; with inspections requiring about 0.5 days per year (Provision C.2). The City does not operate any stormwater pump stations. Surveillance of the storm drain system includes annually walking of the creeks (2 people for about 2 weeks). The City's budget shows 2.6 FTE for drainage management activities. An additional 2.5 FTE are allocated to street sweeping.

The Contra Costa Central Sanitary District performed 214 commercial/industrial inspections (Provision C.4) last year at a cost of about \$90,000. This cost also included the District's participation in response to spills/illicit discharges (Provision C.5).

Concord has adopted an IPM policy based on the County's policy (Provision C.9).

The City coordinates review of development projects for compliance with Provision C.3 with review of grading plans. A separate fee for C.3 projects is set at a rate intended to cover costs of this portion of the review. Grading plan review fees also fund monitoring of erosion and sediment control requirements for construction sites. (Provision C.6) The fee is based on the amount cut and fill, plus a \$21 charge for each day grading is in progress. Additional enforcement is billed at an hourly rate. City staff estimate 70-80% of the permit center's costs are covered by fees. The City currently tracks operation and maintenance inspections for installed stormwater treatment facilities (Provision C.3) using a spreadsheet but may include this function in the permit tracking system as the City is currently transitioning to the Acela system.

Implementation of required eight hot spot cleanups (Provision C.10) required two people for two days.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on Concord's 124,000 population, we estimate that local program coordination and local outreach activities (Provision C.7) will require 4.2 FTEs with a total cost of \$836,922.

Based on the number of storm drain inlets maintained, we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 3.6 FTEs, with a total cost of \$728,000.

Based on Concord's commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$96,500 per year.

We estimate, based on the number of C.3-related projects in recent years, the unrecoverable portion of the cost of implementing Provisions C.3 and C.6 will be 0.12 FTEs. This includes activities related to coordinating the program and staying abreast of regulatory requirements, including training and reporting. We estimate the cost to be \$23,960 per year.

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$14,629 for the mandated hot-spot cleanups and \$457,500 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices.

The total independent estimate of Concord's local stormwater program cost, based on the linear model, is \$2,157,510. This is 8% less than expenditures currently budgeted for 2010-2011.

TABLES

Table D-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table D-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table D-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure D-3-1 summarizes this information in a bar graph.

Table D-3-1. City of Concord Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^[a]		\$ 2,056,558	\$ 2,056,558	\$ 2,056,558	\$ 2,056,558	\$ 2,056,558	\$ 10,282,790
Additional Funding ^[b]		\$ 650,703	\$ 672,318	\$ 690,272	\$ 703,800	\$ 711,581	\$ 3,428,674
Subtotal		\$ 2,707,261	\$ 2,728,876	\$ 2,746,830	\$ 2,760,358	\$ 2,768,139	\$ 13,711,464
Total Program Expenditures							
Program Costs ^[c]	11.77%	\$ (273,075)	\$ (258,913)	\$ (478,227)	\$ (374,301)	\$ (374,213)	\$ (1,758,729)
SUA Shared Costs ^[d]		\$ (7,400)	\$ (7,400)	\$ (7,400)	\$ (7,400)	\$ (7,400)	\$ (37,001)
Inspections ^[e]		\$ (58,455)	\$ (60,209)	\$ (62,015)	\$ (63,876)	\$ (65,792)	\$ (310,347)
Auditor Assessment Fees ^[f]		\$ (31,257)	\$ (32,194)	\$ (33,160)	\$ (34,155)	\$ (35,179)	\$ (165,945)
Subtotal		\$ (370,187)	\$ (358,716)	\$ (580,802)	\$ (479,732)	\$ (482,585)	\$ (2,272,022)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (2,271,000)	\$ (2,352,000)	\$ (2,416,000)	\$ (2,484,000)	\$ (2,556,000)	\$ (12,079,000)
Street Sweeping Costs ^[g]		\$ (503,598)	\$ (533,483)	\$ (550,464)	\$ (568,830)	\$ (588,027)	\$ (2,744,402)
Modeled Additional Costs ^[h]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal		\$ (2,774,598)	\$ (2,885,483)	\$ (2,966,464)	\$ (3,052,830)	\$ (3,144,027)	\$ (14,823,402)
Balance		\$ (437,524)	\$ (515,323)	\$ (800,436)	\$ (772,204)	\$ (858,473)	\$ (3,383,960)

Footnotes:

- [a] Assumes that the SUA funding generated remains the same from year to year.
- [b] Additional funding comes from use of money and property (interest).
- [c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.
- [d] Assumes that SUA Shared Costs remain the same from year to year.
- [e] Assumes a 3% increase from year to year.
- [f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.
- [g] Additional detail is provided in the "Existing Program Elements" spreadsheet.
- [h] For the purpose of final cost estimates, any positive values generated by the model were set to zero within this table.

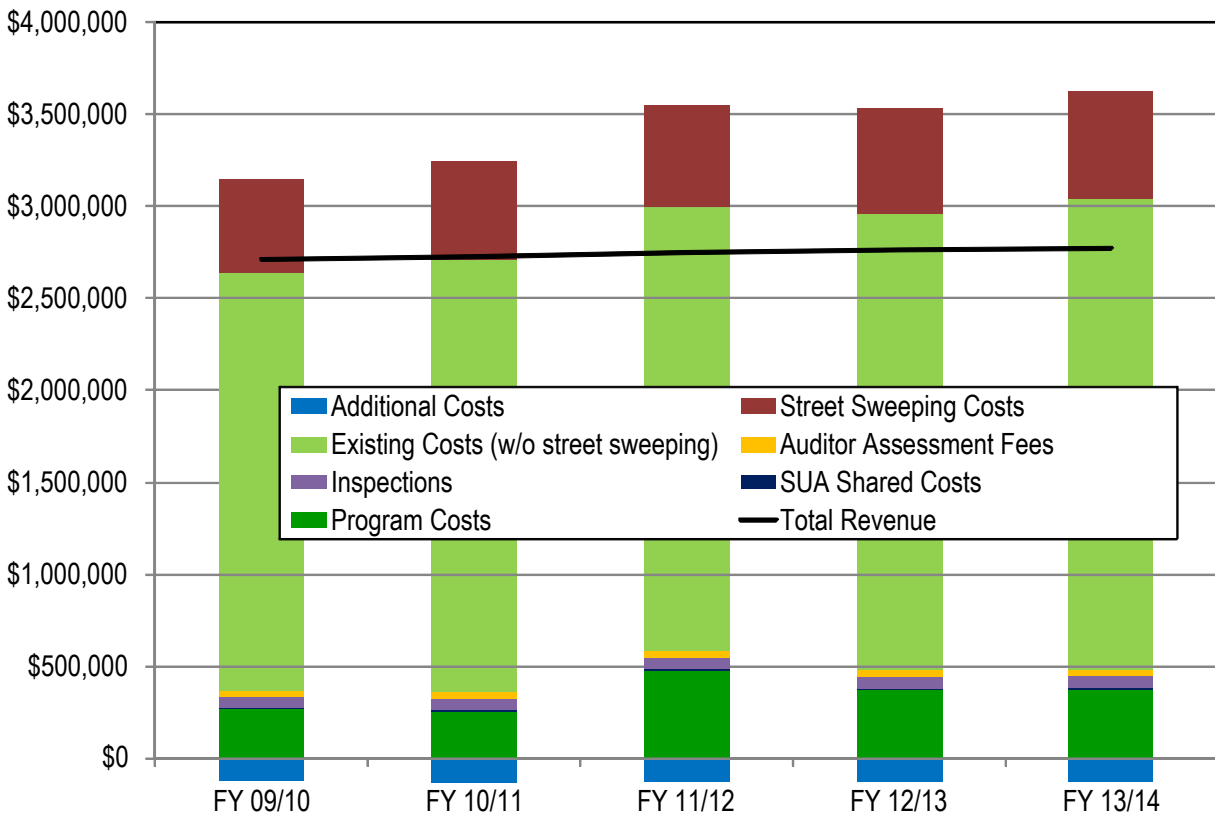
Table D-3-2. City of Concord Budgeted Expenditures

City of Concord Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10 ²	FY 10/11 ³	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$2,271,000	\$2,352,000	\$2,416,000	\$2,484,000	\$2,556,000	\$12,079,000
Total Estimated Existing Costs (w street sweeping)	\$2,774,000	\$2,885,000	\$2,967,000	\$3,053,000	\$3,144,000	\$14,823,000
Other Local Implementation Expenses	\$2,270,514	\$2,351,670	\$2,416,040	\$2,483,876	\$2,556,148	\$12,078,248
C.2. Municipal Operations	\$503,598	\$533,483	\$550,464	\$568,830	\$588,027	\$2,744,402
C.3. New Development and Redevelopment	\$0	\$0	\$0	\$0	\$0	\$0
C.4. Industrial and Commercial Site Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.5. Illicit Discharge Detection and Elimination	\$0	\$0	\$0	\$0	\$0	\$0
C.6. Construction Site Control	\$0	\$0	\$0	\$0	\$0	\$0
C.7. Public Information and Outreach	\$0	\$0	\$0	\$0	\$0	\$0
C.8. Water Quality Monitoring	\$0	\$0	\$0	\$0	\$0	\$0
C.9. Pesticides Toxicity Control	\$0	\$0	\$0	\$0	\$0	\$0
C.10. Trash Load Reduction	\$0	\$0	\$0	\$0	\$0	\$0
C.11. Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	\$0	\$0	\$0	\$0	\$0	\$0
1 - Information is from the Storm Water Fund Ten Year Projection						
2 - Information from the 2009-10 Budgeted Figures						
3 - Information from the 2010-11 Proposed Budget						
Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.						

Table D-3-3. City of Concord Projected Future Program Costs and Comparison to Budgeted Costs

City of Concord Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$836,922	\$862,029	\$887,890	\$914,527	\$941,963	\$4,443,330
C.2 Municipal Operations						
C.5 Illicit Discharge Identification and Elimination						
C.9 Pesticide Toxicity Reduction	\$728,000	\$749,840	\$772,335	\$795,505	\$819,370	\$3,865,051
C.4. Industrial and Commercial Site Controls	\$96,500	\$99,395	\$102,377	\$105,448	\$108,612	\$512,332
C.3. New Development Controls (nonrecoverable)	\$10,360	\$10,671	\$10,991	\$11,321	\$11,660	\$55,003
C.6. Construction Site Controls (nonrecoverable)	\$13,600	\$14,008	\$14,428	\$14,861	\$15,307	\$72,204
C.10. Trash Controls -- Hot Spots	\$14,629	\$15,067	\$15,519	\$15,985	\$16,465	\$77,665
C.10. Trash -- Planning & Full Trash Capture	\$457,500	\$471,225	\$485,362	\$499,923	\$514,920	\$2,428,930
Totals	\$2,157,510	\$2,222,235	\$2,288,903	\$2,357,570	\$2,428,297	\$11,454,515
Estimate of Current Expenditures (without Street Sweeping)	\$2,271,000	\$2,352,000	\$2,416,000	\$2,484,000	\$2,556,000	\$12,079,000
Increase:	-\$113,490	-\$129,765	-\$127,097	-\$126,430	-\$127,703	-\$624,485
Percentage increase	-5%	-6%	-5%	-5%	-5%	-5%
Assumed inflation factor:	3%					

Figure D-3-1. City of Concord Estimated Revenues and Expenditures



Town of Danville

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

Danville's stormwater coordinator, Chris McCann, administers overall program coordination and conducts outreach activities. About 0.1 FTE is applied to local outreach at a cost of around \$15,000 (Provision C.7). Local volunteers participate in occasional creek cleanups and mark storm drain inlets.

One FTE for storm drain maintenance, plus a substantial portion of the \$125,000 annual contract for street sweeping, is charged to the stormwater fund. Chris McCann provides annual training to public works maintenance staff on implementation of stormwater BMPs and attends the countywide Program's Maintenance and Operations Committee meetings. Maintenance staff spends 2-3 weeks per year on creek maintenance (Provision C.2).

The City's Corporation Yard is a certified green business. Yard stormwater pollution prevention procedures were recently reviewed and the SWPPP updated, with Chris McCann's input. Vehicles are currently not washed on-site; a capital improvement project to update the wash rack is planned (Provision C.2).

Public works crews respond to about 10 illicit discharge incidents per year, on average. The system is surveyed for evidence of illegal discharges during the annual cleaning cycle (Provision C.5).

The Town budgets \$29,000 per year for commercial/industrial inspections, which are conducted by the Central Contra Costa Sanitary District (Provision C.4).

The Town's Master Fee Schedule includes modest fees for review of development projects for NPDES compliance (Provision C.3). Grading fees are intended to cover the cost of performing construction site inspections (Provision C.6).

After consulting with maintenance crews regarding the location of trash problems, Danville is working with local high schools to educate and involve students in trash reduction (Provision C.10).

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on Danville's 43,000 population, we estimate that local program coordination and local outreach activities (Provision C.7) will require 1.5 FTEs with a cost of \$301,500. (All estimates use 2009-2010 as a basis.)

Based on the number of storm drain inlets maintained, we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 3.1 FTEs, with a total cost of \$610,220.

Based on Danville's commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$17,000 per year.

Attachment E—Town of Danville

We estimate, based on the number of C.3-related projects in recent years, the unrecoverable portion of the cost of implementing Provisions C.3 and C.6 will be 0.11 FTEs. This includes activities related to coordinating the program and staying abreast of regulatory requirements, including training and reporting. We estimate the cost to be \$22,200 per year.

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$1,829 for the mandated hot-spot cleanups and \$60,000 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices.

The total independent estimate of Danville's local stormwater program cost, based on the linear model, is \$1,012,000. This is a 248% increase from 2009-2010 expenditures.

TABLES

Table E-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by Town staff.

Table E-3-2 shows budgeted expenses, with a breakdown provided by Town staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table E-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure E-3-1 summarizes this information in a bar graph.

Table E-3-1. Town of Danville Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^{[a][b]}		\$ 557,363	\$ 557,363	\$ 557,363	\$ 557,363	\$ 557,363	\$ 2,786,815
Subtotal		\$ 557,363	\$ 557,363	\$ 557,363	\$ 557,363	\$ 557,363	\$ 2,786,815
Total Program Expenditures							
Program Costs ^[c]	4.05%	\$ (94,048)	\$ (89,091)	\$ (164,556)	\$ (128,795)	\$ (128,765)	\$ (605,255)
SUA Shared Costs ^[d]		\$ (3,107)	\$ (3,107)	\$ (3,107)	\$ (3,107)	\$ (3,107)	\$ (15,536)
Inspections ^[e]		\$ (16,467)	\$ (16,962)	\$ (17,470)	\$ (17,994)	\$ (18,534)	\$ (87,428)
Auditor Assessment Fees ^[f]		\$ (13,268)	\$ (13,666)	\$ (14,076)	\$ (14,499)	\$ (14,933)	\$ (70,443)
Subtotal		\$ (126,891)	\$ (122,826)	\$ (199,209)	\$ (164,395)	\$ (165,340)	\$ (778,661)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (291,000)	\$ (295,000)	\$ (266,000)	\$ (274,000)	\$ (282,000)	\$ (1,408,000)
Street Sweeping Costs ^[g]		\$ (125,000)	\$ (141,000)	\$ (124,550)	\$ (129,087)	\$ (133,609)	\$ (653,246)
Modeled Additional Costs		\$ (721,600)	\$ (747,978)	\$ (808,267)	\$ (832,495)	\$ (857,690)	\$ (3,968,031)
Subtotal		\$ (1,137,600)	\$ (1,183,978)	\$ (1,198,817)	\$ (1,235,582)	\$ (1,273,299)	\$ (6,029,276)
Balance		\$ (707,128)	\$ (749,441)	\$ (840,664)	\$ (842,614)	\$ (881,276)	\$ (4,021,122)

Footnotes:

[a] Assumes that the SUA funding generated remains the same from year to year.

[b] All funding is currently generated by SUA.

[c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.

[d] Assumes that SUA Shared Costs remain the same from year to year.

[e] Assumes a 3% increase from year to year.

[f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.

[g] Additional detail is provided in the "Existing Program Elements" spreadsheet.

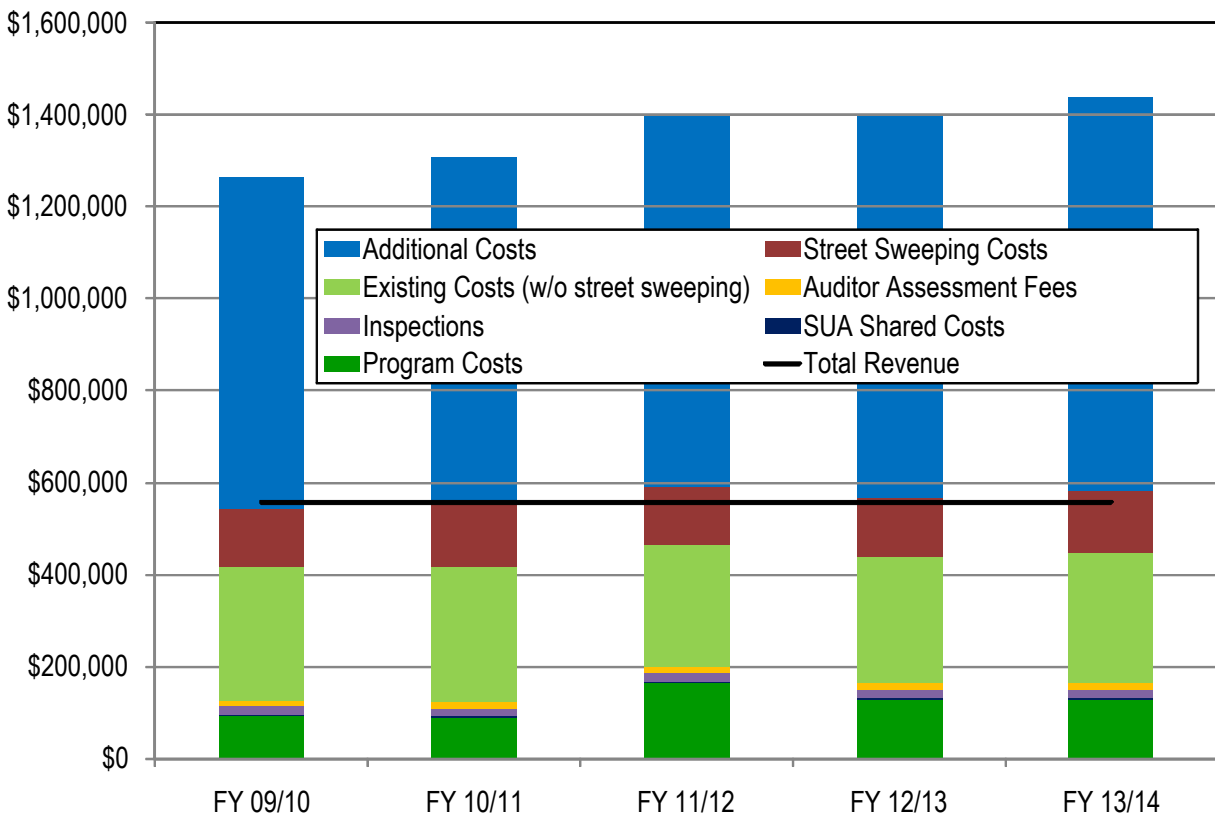
Table E-3-2. Town of Danville Budgeted Expenditures

Town of Danville Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$291,000	\$295,000	\$266,000	\$274,000	\$282,000	\$1,408,000
Total Estimated Existing Costs (w street sweeping)	\$416,000	\$436,000	\$391,000	\$403,000	\$415,000	\$2,061,000
Sum of Existing Costs (w/o street sweeping)	\$291,065	\$295,050	\$266,337	\$273,997	\$281,887	\$1,408,336
Sum of Estimated Existing Costs (w street sweeping)	\$416,065	\$436,050	\$390,887	\$403,084	\$415,496	\$2,061,582
Other Local Implementation Expenses	\$171,065	\$175,050	\$142,737	\$146,689	\$150,760	\$786,301
C.2. Municipal Operations	\$155,000	\$171,000	\$155,450	\$160,914	\$166,391	\$808,754
C.3. New Development and Redevelopment	\$10,000	\$10,000	\$10,300	\$10,609	\$10,927	\$51,836
C.4. Industrial and Commercial Site Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.5. Illicit Discharge Detection and Elimination	\$25,000	\$25,000	\$25,750	\$26,523	\$27,318	\$129,591
C.6. Construction Site Control	\$25,000	\$25,000	\$25,750	\$26,523	\$27,318	\$129,591
C.7. Public Information and Outreach	\$15,000	\$15,000	\$15,450	\$15,914	\$16,391	\$77,754
C.8. Water Quality Monitoring	\$0	\$0	\$0	\$0	\$0	\$0
C.9. Pesticides Toxicity Control	\$0	\$0	\$0	\$0	\$0	\$0
C.10. Trash Load Reduction	\$15,000	\$15,000	\$15,450	\$15,914	\$16,391	\$77,754
C.11. Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	\$0	\$0	\$0	\$0	\$0	\$0
1 - Information is from the SPCP Expenses 2010-11						
Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.						

Table E-3-3. Town of Danville Projected Future Program Costs and Comparison to Budgeted Costs

Town of Danville Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$301,351	\$310,392	\$319,704	\$329,295	\$339,174	\$1,599,916
C.2 Municipal Operations C.5 Illicit Discharge Identification and Elimination C.9 Pesticide Toxicity Reduction	\$610,220	\$628,527	\$647,382	\$666,804	\$686,808	\$3,239,741
C.4. Industrial and Commercial Site Controls	\$17,000	\$17,510	\$18,035	\$18,576	\$19,134	\$90,255
C.3. New Development Controls (nonrecoverable)	\$10,200	\$10,506	\$10,821	\$11,146	\$11,480	\$54,153
C.6. Construction Site Controls (nonrecoverable)	\$12,000	\$12,360	\$12,731	\$13,113	\$13,506	\$63,710
C.10. Trash Controls -- Hot Spots	\$1,829	\$1,883	\$1,940	\$1,998	\$2,058	\$9,708
C.10. Trash -- Planning & Full Trash Capture	\$60,000	\$61,800	\$63,654	\$65,564	\$67,531	\$318,548
Totals	\$1,012,600	\$1,042,978	\$1,074,267	\$1,106,495	\$1,139,690	\$5,376,031
Estimate of Current Expenditures (without Street Sweeping)	\$291,000	\$295,000	\$266,000	\$274,000	\$282,000	\$1,408,000
Increase:	\$721,600	\$747,978	\$808,267	\$832,495	\$857,690	\$3,968,031
Percentage increase	248%	254%	304%	304%	304%	282%
Assumed inflation factor:	3%					

Figure E-3-1. Town of Danville Estimated Revenues and Expenditures



City of El Cerrito

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

El Cerrito's stormwater program is currently being reorganized. General administrative responsibility for the program will reside with a new hire in the Department of Public Works. Currently responsibilities are split between the Public Works and the Environmental Services Division.

City Environmental Analyst Garth Schulz estimates approximately 200 staff hours per year (0.15 FTE) are expended on program administration. Public Information Specialist Suzanne Iarla assists with outreach tasks; her efforts are covered in the overhead portion of staff hours charged to the stormwater budget. The city provides \$15,000 per year to support efforts such as Kids for the Bay and the Bay-Friendly Garden Tour (Provision C.7) and about \$2,000 annually to support citizen "green teams" (neighborhood cleanup).

The municipal maintenance (Provision C.2) portion of the stormwater budget includes \$145,000 annual cost for street sweeping, which includes a contract sweeper and dump fees. The City paid a consultant \$2,000 to assist with preparation of an updated SWPPP for the Corp Yard. Staff devoted another 8 hours to the task. The SWPPP was completed in June 2010. Implementation of BMPs (beyond everyday activities) is estimated to require about 20 hours per year. Annual staff training in stormwater BMPs takes about 2 hours, with 25 staff in attendance.

Response to illicit discharges (Provision C.5) is coordinated through public works and calls are directed to Public Works maintenance crews, building officials, or the El Cerrito Fire Department depending on the location and nature of the discharge and the material discharged. There are about 12 incidents a year; typically about 6 require action (code enforcement) and two or three require follow up after the initial response.

The City contracts with the East Bay Municipal Utility District for commercial/industrial to conduct 30-35 inspections of commercial/industrial facilities at a cost of approximately \$9,000 (Provision C.4). Updating the inspection plan requires about two hours of staff time each year.

The costs of stormwater review for private new development projects (Provision C.3) is built into planning fees and plan check fees. The City charges a fee for inspection for operation and maintenance of stormwater facilities based on the amount of impervious surface. Review of CIP projects for stormwater compliance is carried back to the capital project budget.

City staff report implementation costs for stormwater inspection of construction sites (Provision C.6) are minimal because of the low level of construction activity in El Cerrito.

City staff has roughed out a tentative short-term trash reduction plan (Provision C.10), pending further direction from BASMAA and CCCWP. The plan, which required about 12 staff hours to prepare, calls for more receptacles, volunteer clean-ups, the required full capture devices, and continuation of street sweeping.

City staff estimates a complete program, if unconstrained by limited budget, would require a one-quarter time stormwater coordinator, 10% of the public works manager's time, a one-quarter-time management analyst, another 10% time analyst, and one quarter of the outreach specialists' time, for a total of 0.95 FTE for administration and outreach. In addition. Between one and two maintenance worker FTEs should be assigned to maintenance of the storm drain system and illegal discharge detection and elimination.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on El Cerrito's 23,000 population, we estimate that local program coordination and local outreach activities (Provision C.7) will require nearly 1.0 FTEs with a cost of \$173,912. (All estimates use 2009-2010 as a basis.)

Based on the number of storm drain inlets maintained, we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 0.6 FTEs, with a total cost of \$117,000. Based on El Cerrito's commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$14,600 per year.

We estimate, based on the number of C.3-related projects in recent years, the unrecoverable portion of the cost of implementing Provisions C.3 and C.6 will be about than 0.1 FTE. This includes activities related to coordinating the program and staying abreast of regulatory requirements, including training and reporting. We estimate the cost to be \$20,440 per year.

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$1,829 for the mandated hot-spot cleanups and \$48,000 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices.

The total independent estimate of El Cerrito's local stormwater program cost, based on the linear model, is \$376,221. This is a 72% increase from 2009-2010 expenditures (excluding street sweeping).

TABLES

Table F-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table F-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table F-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with te current budget.

Figure F-3-1 summarizes this information in a bar graph.

Table F-3-1. City of El Cerrito Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^{[a][b]}		\$ 400,019	\$ 400,019	\$ 400,019	\$ 400,019	\$ 400,019	\$ 2,000,095
Subtotal		\$ 400,019	\$ 400,019	\$ 400,019	\$ 400,019	\$ 400,019	\$ 2,000,095
Total Program Expenditures							
Program Costs ^[c]	2.22%	\$ (51,449)	\$ (48,835)	\$ (90,201)	\$ (70,599)	\$ (70,582)	\$ (331,666)
SUA Shared Costs ^[d]		\$ (1,709)	\$ (1,709)	\$ (1,709)	\$ (1,709)	\$ (1,709)	\$ (8,546)
Inspections ^[e]		\$ (8,563)	\$ (8,819)	\$ (9,084)	\$ (9,357)	\$ (9,637)	\$ (45,460)
Auditor Assessment Fees ^[f]		\$ (7,412)	\$ (7,634)	\$ (7,863)	\$ (8,099)	\$ (8,342)	\$ (39,351)
Subtotal		\$ (69,132)	\$ (66,998)	\$ (108,858)	\$ (89,764)	\$ (90,271)	\$ (425,023)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (219,000)	\$ (206,000)	\$ (212,000)	\$ (218,000)	\$ (225,000)	\$ (1,080,000)
Street Sweeping Costs ^[g]		\$ (145,000)	\$ (145,000)	\$ (149,350)	\$ (153,831)	\$ (158,445)	\$ (751,626)
Modeled Additional Costs		\$ (157,221)	\$ (181,507)	\$ (187,132)	\$ (193,106)	\$ (198,440)	\$ (917,406)
Subtotal		\$ (521,221)	\$ (532,507)	\$ (548,482)	\$ (564,937)	\$ (581,885)	\$ (2,749,032)
Balance		\$ (190,334)	\$ (199,486)	\$ (257,321)	\$ (254,682)	\$ (272,137)	\$ (1,173,960)

Footnotes:

[a] Assumes that the SUA funding generated remains the same from year to year.

[b] All funding is currently generated by SUA.

[c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.

[d] Assumes that SUA Shared Costs remain the same from year to year.

[e] Assumes a 3% increase from year to year.

[f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.

[g] Additional detail is provided in the "Existing Program Elements" spreadsheet.

Table F-3-2. City of El Cerrito Budgeted Expenditures

City of El Cerrito Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$219,000	\$206,000	\$212,000	\$218,000	\$225,000	\$1,080,000
Total Estimated Existing Costs (w street sweeping)	\$364,000	\$351,000	\$362,000	\$372,000	\$383,000	\$1,832,000
Other Local Implementation Expenses	\$204,096	\$191,154	\$196,709	\$202,430	\$208,323	\$1,002,711
C.2. Municipal Operations	\$145,000	\$145,000	\$149,350	\$153,831	\$158,445	\$751,626
C.3. New Development and Redevelopment	\$0	\$0	\$0	\$0	\$0	\$0
C.4. Industrial and Commercial Site Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.5. Illicit Discharge Detection and Elimination	\$0	\$0	\$0	\$0	\$0	\$0
C.6. Construction Site Control	\$0	\$0	\$0	\$0	\$0	\$0
C.7. Public Information and Outreach	\$15,000	\$15,000	\$15,450	\$15,914	\$16,391	\$77,754
C.8. Water Quality Monitoring	\$0	\$0	\$0	\$0	\$0	\$0
C.9. Pesticides Toxicity Control	\$0	\$0	\$0	\$0	\$0	\$0
C.10. Trash Load Reduction	\$0	\$0	\$0	\$0	\$0	\$0
C.11. Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	\$0	\$0	\$0	\$0	\$0	\$0

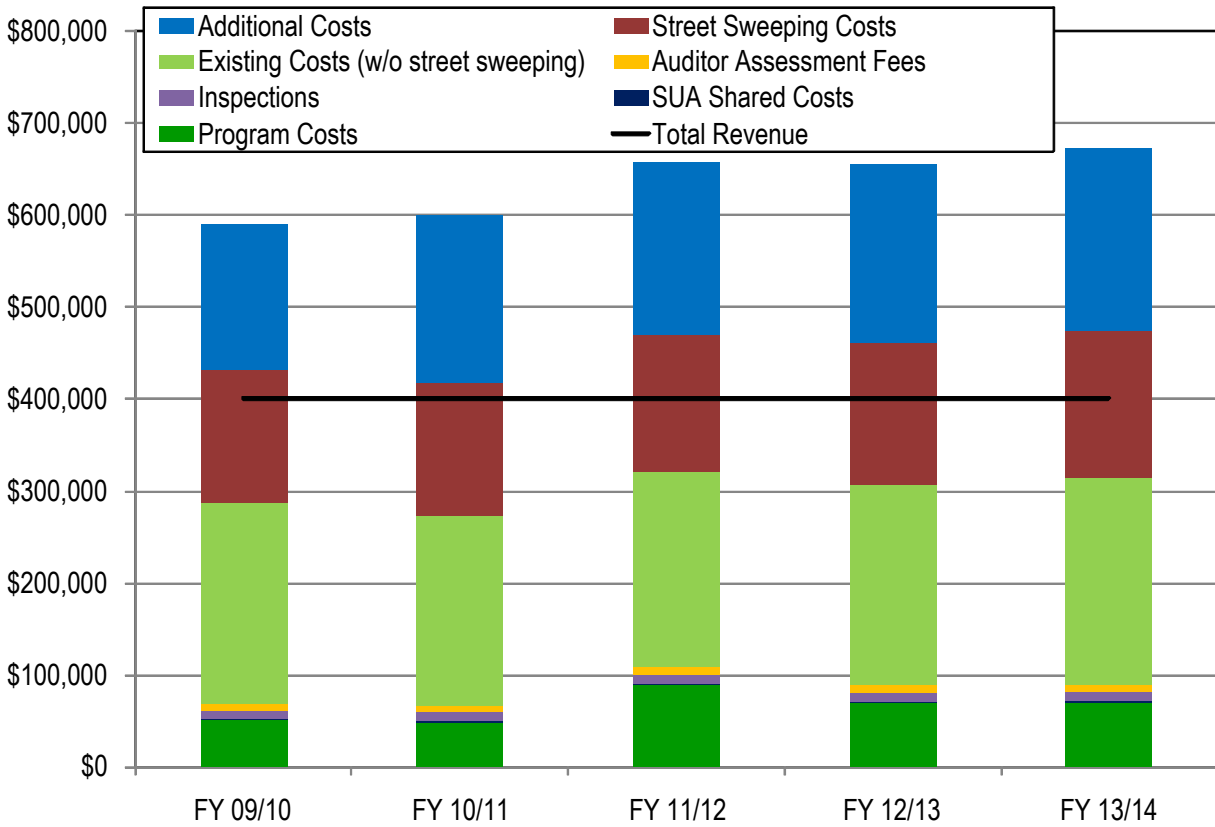
1 - Information is from the 202 - NPDES (2010-11) Budget

Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.

Table F-3-3. City of El Cerrito Projected Future Program Costs and Comparison to Budgeted Costs

City of El Cerrito Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$173,912	\$179,129	\$184,503	\$190,038	\$195,739	\$923,322
C.2 Municipal Operations C.5 Illicit Discharge Identification and Elimination C.9 Pesticide Toxicity Reduction	\$117,000	\$120,510	\$124,125	\$127,849	\$131,685	\$621,169
C.4. Industrial and Commercial Site Controls	\$14,600	\$15,038	\$15,489	\$15,954	\$16,432	\$77,513
C.3. New Development Controls (nonrecoverable)	\$10,080	\$10,382	\$10,694	\$11,015	\$11,345	\$53,516
C.6. Construction Site Controls (nonrecoverable)	\$10,800	\$11,124	\$11,458	\$11,801	\$12,155	\$57,339
C.10. Trash Controls -- Hot Spots	\$1,829	\$1,883	\$1,940	\$1,998	\$2,058	\$9,708
C.10. Trash -- Planning & Full Trash Capture	\$48,000	\$49,440	\$50,923	\$52,451	\$54,024	\$254,839
Totals	\$376,221	\$387,507	\$399,132	\$411,106	\$423,440	\$1,997,406
Estimate of Current Expenditures (without Street Sweeping)	\$219,000	\$206,000	\$212,000	\$218,000	\$225,000	\$1,080,000
Increase:	\$157,221	\$181,507	\$187,132	\$193,106	\$198,440	\$917,406
Percentage increase	72%	88%	88%	89%	88%	85%
Assumed inflation factor:	3%					

Figure F-3-1. City of El Cerrito Estimated Revenues and Expenditures



City of Hercules

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

The City of Hercules' stormwater program is currently being reorganized. The Public Works Department was dissolved and many functions reassigned to a new Municipal Services Department.

Administration of the stormwater program has been implemented by Erwin Blancafor and Jose Pacheco. They estimate the overall level of effort to be about 400 hours/year (around 0.25 FTE). Outreach (Provision C.7) includes \$5,000 to support Kids for the Bay and monthly community trash removal and cleanup days. Marking of drop inlets is 80-90% completed.

The City maintains approximately 1,800 catch basins, inspecting and cleaning about 300 each year. Cleaning is done by contract at \$15,000 per year. Maintenance of all City equipment is outsourced, so there is little activity at the Corporation Yard. There is no SWPPP for the yard. The yard is located at a low point and all drainage is pumped to a pond rather than being discharged. Seven CDS units (hydrodynamic separators) were installed in new developments and ownership was transferred to the City. These are cleaned twice annually under contract, which costs \$7,000 per year. (Provision C.2). Stormwater funds contribute to the cost of dredging and maintaining Refugio Lake. Stormwater funds also pay for a street sweeping contract at \$50,000 annually. An annual cleanup of 4.5 miles of Refugio Valley Creek is contracted to the East Bay Conservation Corps at a cost of \$12,000.

Public Works responds to spills and illicit discharges when notified by the Fire Department (Provision C.5).

About 50 industrial/commercial business are inspected by the East Bay Municipal Utility District under contract at a cost of \$4,500 per year (Provision C.4). The inspections were previously done by public works staff, but the City determined needed improvements in inspection documentation could best be obtained by using the District's services.

The City added 1,800 single-family homes between 2000 and 2004. Staff hours expended on project review for stormwater compliance for new developments (Provision C.3) and for construction site controls, including erosion and sedimentation controls, (Provision C.6) is funded by charging against a deposit equal to 6.5% of a bonded estimate of the cost of grading. Staff is considering whether it would be simpler to administer a one-time fee.

Cleanup of the City's designated trash "hot spot" required 2 people working 4 hours a day for two weeks (total of 80 hours). Some of this work was contracted to the East Bay Conservation Corps. The City will examine whether existing CDS units can be credited toward fulfilling the full trash capture requirement of Provision C.10.

City staff estimates a complete program, if unconstrained by limited budget, would require two additional full-time staff in addition to current assignments.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on Hercules' 24,000 population, we estimate that local program coordination and local outreach activities (Provision C.7) will require just under 1.0 FTEs with a cost of \$180,538. (All estimates use 2009-2010 as a basis.)

Based on the number of storm drain inlets maintained, we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 1.2 FTEs, with a total cost of \$234,000.

Based on Hercules' commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$8,300 per year.

We estimate, based on the number of C.3-related projects in recent years, the unrecoverable portion of the cost of implementing Provisions C.3 and C.6 will be 0.1 FTEs. This includes activities related to coordinating the program and staying abreast of regulatory requirements, including training and reporting. We estimate the cost to be \$20,440 per year.

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$1,829 for the mandated hot-spot cleanups and \$16,500 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices.

The total independent estimate of Hercules' local stormwater program cost, based on the linear model, is \$461,607. This is a 22% increase from 2009-2010 expenditures (excluding street sweeping).

TABLES

Table G-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table G-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table G-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure G-3-1 summarizes this information in a bar graph.

Table G-3-1. City of Hercules Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^{[a][b]}		\$ 324,484	\$ 324,484	\$ 324,484	\$ 324,484	\$ 324,484	\$ 1,622,420
Subtotal		\$ 324,484	\$ 324,484	\$ 324,484	\$ 324,484	\$ 324,484	\$ 1,622,420
Total Program Expenditures							
Program Costs ^[c]	2.31%	\$ (53,664)	\$ (50,815)	\$ (93,858)	\$ (73,461)	\$ (73,444)	\$ (345,241)
SUA Shared Costs ^[d]		\$ (1,668)	\$ (1,668)	\$ (1,668)	\$ (1,668)	\$ (1,668)	\$ (8,339)
Inspections ^[e]		\$ (4,492)	\$ (4,627)	\$ (4,766)	\$ (4,909)	\$ (5,056)	\$ (23,849)
Auditor Assessment Fees ^[f]		\$ (7,239)	\$ (7,456)	\$ (7,680)	\$ (7,910)	\$ (8,148)	\$ (38,433)
Subtotal		\$ (67,062)	\$ (64,566)	\$ (107,971)	\$ (87,948)	\$ (88,315)	\$ (415,861)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (379,000)	\$ (372,000)	\$ (378,000)	\$ (389,000)	\$ (400,000)	\$ (1,918,000)
Street Sweeping Costs ^[g]		\$ (5,000)	\$ (5,000)	\$ (5,150)	\$ (5,305)	\$ (5,464)	\$ (25,918)
Modeled Additional Costs		\$ (82,607)	\$ (103,455)	\$ (111,719)	\$ (115,410)	\$ (119,543)	\$ (532,734)
Subtotal		\$ (466,607)	\$ (480,455)	\$ (494,869)	\$ (509,715)	\$ (525,006)	\$ (2,476,652)
Balance		\$ (209,185)	\$ (220,537)	\$ (278,356)	\$ (273,179)	\$ (288,837)	\$ (1,270,094)

Footnotes:

- [a] Assumes that the SUA funding generated remains the same from year to year.
- [b] All funding is currently generated by SUA.
- [c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.
- [d] Assumes that SUA Shared Costs remain the same from year to year.
- [e] Assumes a 3% increase from year to year.
- [f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.
- [g] Additional detail is provided in the "Existing Program Elements" spreadsheet.

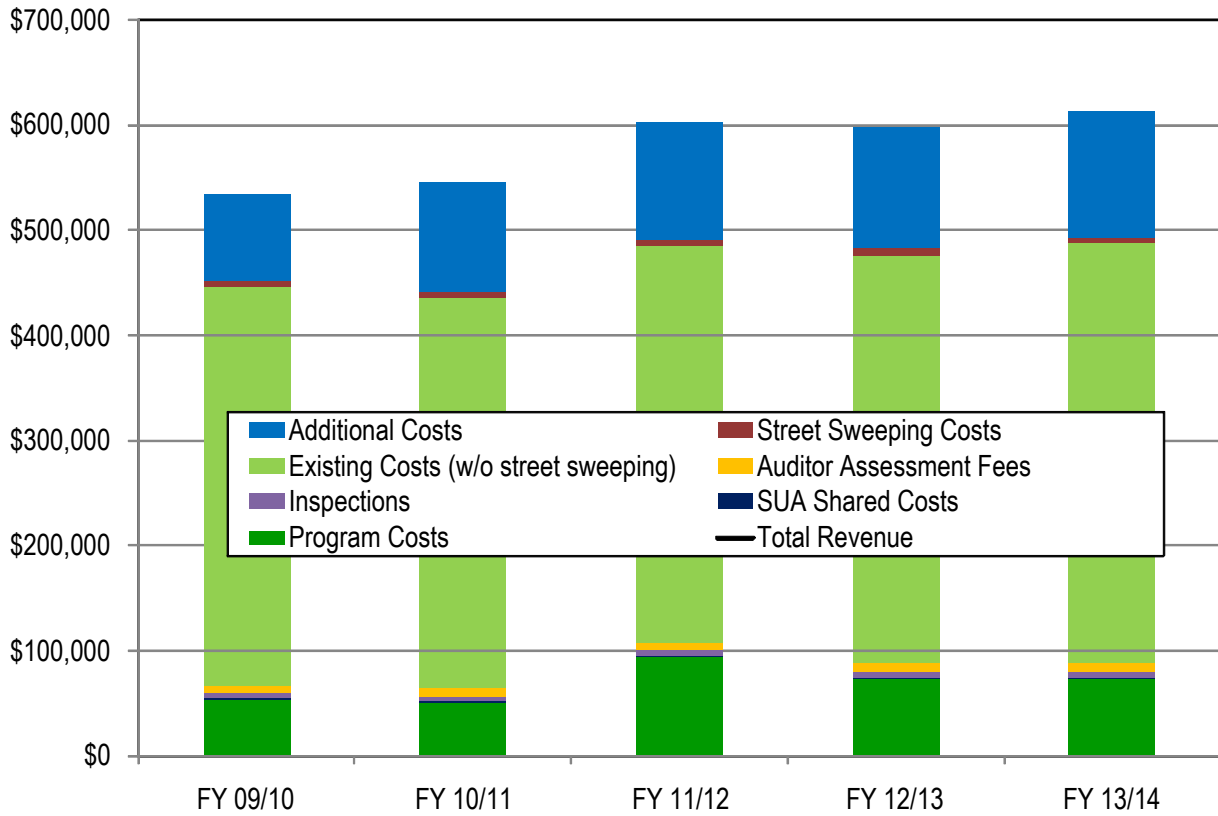
Table G-3-2. City of Hercules Budgeted Expenditures

City of Hercules Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10 ²	FY 10/11 ³	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$379,000	\$372,000	\$378,000	\$389,000	\$400,000	\$1,918,000
Total Estimated Existing Costs (w street sweeping)	\$384,000	\$377,000	\$383,000	\$394,000	\$406,000	\$1,944,000
Other Local Implementation Expenses	\$379,205	\$372,043	\$377,831	\$388,943	\$400,388	\$1,918,410
C.2. Municipal Operations	\$5,000	\$5,000	\$5,150	\$5,305	\$5,464	\$25,918
C.3. New Development and Redevelopment	\$0	\$0	\$0	\$0	\$0	\$0
C.4. Industrial and Commercial Site Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.5. Illicit Discharge Detection and Elimination	\$0	\$0	\$0	\$0	\$0	\$0
C.6. Construction Site Control	\$0	\$0	\$0	\$0	\$0	\$0
C.7. Public Information and Outreach	\$0	\$0	\$0	\$0	\$0	\$0
C.8. Water Quality Monitoring	\$0	\$0	\$0	\$0	\$0	\$0
C.9. Pesticides Toxicity Control	\$0	\$0	\$0	\$0	\$0	\$0
C.10. Trash Load Reduction	\$0	\$0	\$0	\$0	\$0	\$0
C.11. Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	\$0	\$0	\$0	\$0	\$0	\$0
1 - Information is from the Stormwater Fund Summary						
2 - Information from the 2009-10 Budget						
3 - Information from the 2010-11 Plan						
Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.						

Table G-3-3. City of Hercules Projected Future Program Costs and Comparison to Budgeted Costs

City of Hercules Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$180,538	\$185,955	\$191,533	\$197,279	\$203,198	\$958,503
C.2 Municipal Operations						
C.5 Illicit Discharge Identification and Elimination						
C.9 Pesticide Toxicity Reduction	\$234,000	\$241,020	\$248,251	\$255,698	\$263,369	\$1,242,338
C.4. Industrial and Commercial Site Controls	\$8,300	\$8,549	\$8,805	\$9,070	\$9,342	\$44,066
C.3. New Development Controls (nonrecoverable)	\$10,040	\$10,341	\$10,651	\$10,971	\$11,300	\$53,304
C.6. Construction Site Controls (nonrecoverable)	\$10,400	\$10,712	\$11,033	\$11,364	\$11,705	\$55,215
C.10. Trash Controls -- Hot Spots	\$1,829	\$1,883	\$1,940	\$1,998	\$2,058	\$9,708
C.10. Trash -- Planning & Full Trash Capture	\$16,500	\$16,995	\$17,505	\$18,030	\$18,571	\$87,601
Totals	\$461,607	\$475,455	\$489,719	\$504,410	\$519,543	\$2,450,734
Estimate of Current Expenditures (without Street Sweeping)	\$379,000	\$372,000	\$378,000	\$389,000	\$400,000	\$1,918,000
Increase:	\$82,607	\$103,455	\$111,719	\$115,410	\$119,543	\$532,734
Percentage increase	22%	28%	30%	30%	30%	28%
Assumed inflation factor:	3%					

Figure G-3-1. City of Hercules Estimated Revenues and Expenditures



City of Lafayette

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

Lafayette built a surplus from Stormwater Utility Assessment revenues over a number of years. Under present trends, that surplus will become a deficit by 2012 or 2013 because of increased program requirements and costs. Current revenues of approximately \$350,000 per year are offset by \$400,000 in expenses (2010-2011 basis).

Stormwater program efforts include compliance with NPDES requirements and also include various creek preservation and restoration efforts. The Program is administered by the Public Works Administrative Analyst, 0.55 FTE, as directed by the Public Works Services Manager, 0.20 FTE. Additional staffing includes a Public Works Technician (0.60 FTE) the Engineering Services Manager at 0.1 FTE, the Community Development Director at 0.05 FTE, and an Administrative Assistant at 0.1 FTE for a total of 1.6 FTE.

Lafayette does not have a public outreach coordinator or community liaison and depends on the countywide Program for stormwater outreach; however, there is participation in Sustainable Lafayette, outreach at the annual City Art and Wine Festival, and articles in the city Vistas newsletter. All storm drain inlets have been marked with a “no dumping” message. (Provision C.7)

Street sweeping is contracted out at a cost of \$65,000 per year. Other activities include storm drain inspections and cleaning, detention pond cleaning, and catch basin cleaning and inspection, for a total stormwater municipal operations budget (outside of street sweeping) of \$150,029 annually (Provision C.2). Inspections of publicly owned storm drains are conducted annually using a GPS and camera; inspections of privately owned systems are done approximately once every five years. The Corporation Yard was updated last year and its drainage improved at a cost of \$10,000. Corporation Yard stormwater inspections require about one-half day a year.

Illicit discharge responses are tracked in a web-based work request system. Response is by whatever City personnel is available, and those hours are absorbed by the corresponding budgets if the responder is not the public works maintenance contractor (Provision C.5)

The City contracts with the Contra Costa Central Sanitary District (CCCSD) to perform about 30 commercial/industrial inspections. The businesses are on a rotation of approximately 5 years. The City has many small businesses, and no business license program; CCCSD compiles the list of businesses to be inspected. City assistance to track businesses and inspections may add up to 40 staff hours per year (Provision C.4).

Review of new development projects for stormwater compliance (Provision C.3) is conducted by staff with consultant assistance. A flat fee of \$625 is charged for reviewing a Stormwater Control Plan. Lafayette contracts with the County for construction inspection services, including monitoring construction sites for compliance with erosion and sediment control and pollution prevention requirements of Provision C.6. Costs are charged back to the construction permit holder.

Lafayette has begun implementation of trash reduction requirements. Cleanup of two hot spots required 6 people working for a day. The City installed trash-exclusion devices in three catch basins and estimates the cost to have been \$1500 plus \$300 per unit for thrice-yearly maintenance.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on Lafayette's 24,000 population, we estimate that local program coordination and local outreach activities (Provision C.7) will require 0.9 FTEs with a total cost of \$178,149.

Based on the number of storm drain inlets maintained, we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 1.0 FTEs, with a total cost of \$194,870.

Based on Lafayette's commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$11,000 per year.

We estimate, based on the number of C.3-related projects in recent years, the unrecoverable portion of the cost of implementing Provisions C.3 and C.6 will be 0.1 FTEs. This includes activities related to coordinating the program and staying abreast of regulatory requirements, including training and reporting. We estimate the cost to be \$20,440 per year.

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$1,829 for the mandated hot-spot cleanups and \$30,000 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices.

The total independent estimate of Lafayette's local stormwater program cost, based on the linear model, is \$436,728. This is a 35% increase from 2009-2010 expenditures.

TABLES

Table H-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table H-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table H-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure H-3-1 summarizes this information in a bar graph.

Table H-3-1. City of Lafayette Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^{[a][b]}		\$ 452,093	\$ 452,093	\$ 452,093	\$ 452,093	\$ 452,093	\$ 2,260,465
Subtotal		\$ 452,093	\$ 452,093	\$ 452,093	\$ 452,093	\$ 452,093	\$ 2,260,465
Total Program Expenditures							
Program Costs ^[c]	2.28%	\$ (52,865)	\$ (50,155)	\$ (92,639)	\$ (72,507)	\$ (72,490)	\$ (340,655)
SUA Shared Costs ^[d]		\$ (1,675)	\$ (1,675)	\$ (1,675)	\$ (1,675)	\$ (1,675)	\$ (8,373)
Inspections ^[e]		\$ (10,402)	\$ (10,714)	\$ (11,036)	\$ (11,367)	\$ (11,708)	\$ (55,227)
Auditor Assessment Fees ^[f]		\$ (7,267)	\$ (7,485)	\$ (7,709)	\$ (7,940)	\$ (8,179)	\$ (38,580)
Subtotal		\$ (72,208)	\$ (70,028)	\$ (113,058)	\$ (93,489)	\$ (94,051)	\$ (442,835)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (324,000)	\$ (399,000)	\$ (411,000)	\$ (423,000)	\$ (436,000)	\$ (1,993,000)
Street Sweeping Costs ^[g]		\$ (60,590)	\$ (65,405)	\$ (67,367)	\$ (69,388)	\$ (71,470)	\$ (334,220)
Additional Costs		\$ (112,728)	\$ (50,830)	\$ (52,324)	\$ (54,224)	\$ (55,541)	\$ (325,647)
Subtotal		\$ (497,318)	\$ (515,235)	\$ (530,692)	\$ (546,612)	\$ (563,011)	\$ (2,652,867)
Balance ^[h]		\$ (117,433)	\$ (133,170)	\$ (191,657)	\$ (188,008)	\$ (204,969)	\$ (835,237)

Footnotes:

- [a] Assumes that the SUA funding generated remains the same from year to year.
- [b] All funding is currently generated by SUA.
- [c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.
- [d] Assumes that SUA Shared Costs remain the same from year to year.
- [e] Assumes a 3% increase from year to year.
- [f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.
- [g] Additional detail is provided in the "Existing Program Elements" spreadsheet.
- [h] City fund reserve of approximately \$335,000 is expected to be depleted fiscal year 11/12 or 12/13.

Table H-3-2. City of Lafayette Budgeted Expenditures

City of Lafayette Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10 ²	FY 10/11 ³	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$324,000	\$399,000	\$411,000	\$423,000	\$436,000	\$1,993,000
Total Estimated Existing Costs (w street sweeping)	\$385,000	\$464,000	\$478,000	\$492,000	\$507,000	\$2,326,000
Other Local Implementation Expenses	\$221,519	\$247,018	\$254,295	\$261,790	\$269,509	\$1,254,131
C.2. Municipal Operations	\$150,029	\$177,170	\$182,485	\$187,960	\$193,598	\$891,242
C.3. New Development and Redevelopment	\$0	\$0	\$0	\$0	\$0	\$0
C.4. Industrial and Commercial Site Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.5. Illicit Discharge Detection and Elimination	\$624	\$16,080	\$16,562	\$17,059	\$17,571	\$67,897
C.6. Construction Site Control	\$0	\$0	\$0	\$0	\$0	\$0
C.7. Public Information and Outreach	\$130	\$9,580	\$9,867	\$10,163	\$10,468	\$40,209
C.8. Water Quality Monitoring	\$0	\$0	\$0	\$0	\$0	\$0
C.9. Pesticides Toxicity Control	\$0	\$0	\$0	\$0	\$0	\$0
C.10. Trash Load Reduction	\$12,310	\$14,505	\$14,940	\$15,388	\$15,850	\$72,994
C.11. Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pe	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	\$0	\$0	\$0	\$0	\$0	\$0

1 - Information is from the 2010-2011 Proposed Budget Expenditure Detail (Fund 83, Program 820) and verbal communication with Donna Feehan.

2 - Information from the Estimated 2009-2010 Expenditures

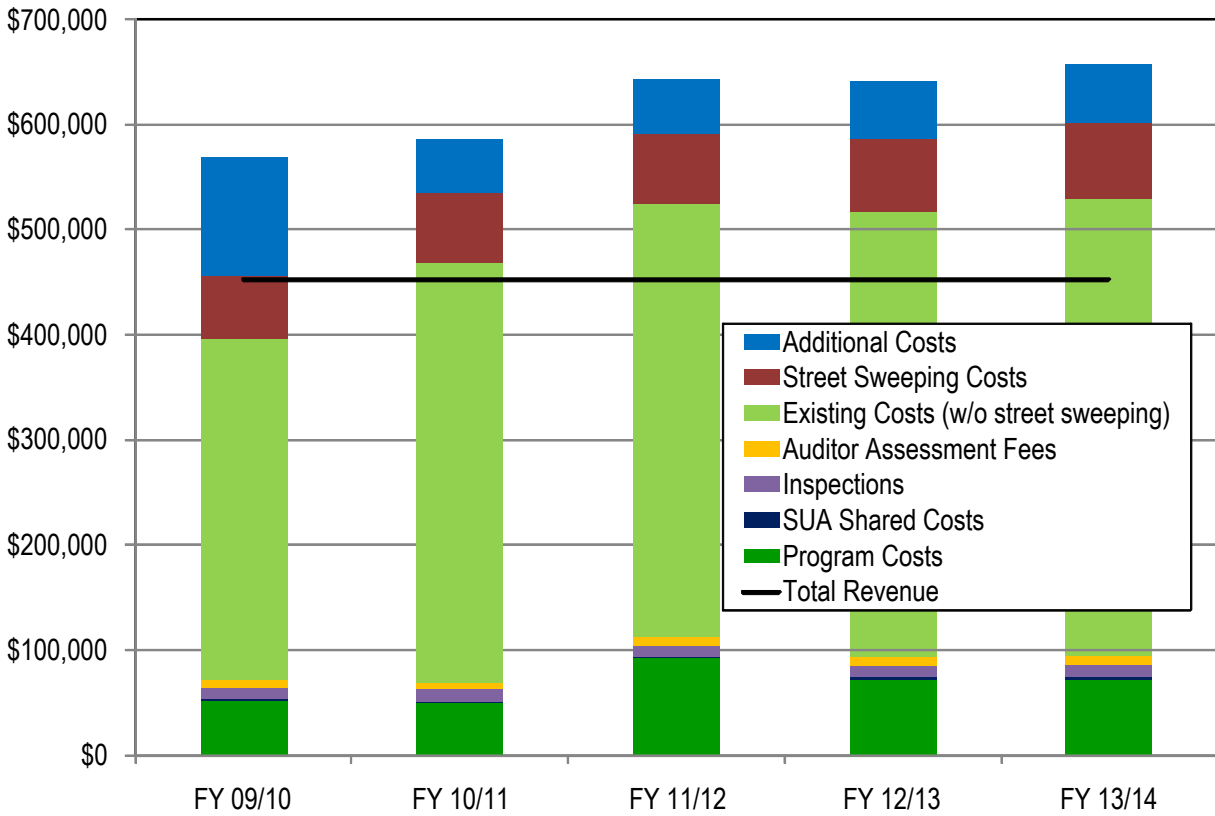
3 - Information from the Proposed 2010-2011 Budget

Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.

Table H-3-3. City of Lafayette Projected Future Program Costs and Comparison to Budgeted Costs

City of Lafayette Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$178,149	\$183,494	\$188,998	\$194,668	\$200,508	\$945,818
C.2 Municipal Operations						
C.5 Illicit Discharge Identification and Elimination						
C.9 Pesticide Toxicity Reduction	\$194,870	\$200,716	\$206,738	\$212,940	\$219,328	\$1,034,591
C.4. Industrial and Commercial Site Controls	\$11,000	\$11,330	\$11,670	\$12,020	\$12,381	\$58,400
C.3. New Development Controls (nonrecoverable)	\$10,080	\$10,382	\$10,694	\$11,015	\$11,345	\$53,516
C.6. Construction Site Controls (nonrecoverable)	\$10,800	\$11,124	\$11,458	\$11,801	\$12,155	\$57,339
C.10. Trash Controls -- Hot Spots	\$1,829	\$1,883	\$1,940	\$1,998	\$2,058	\$9,708
C.10. Trash -- Planning & Full Trash Capture	\$30,000	\$30,900	\$31,827	\$32,782	\$33,765	\$159,274
Totals	\$436,728	\$449,830	\$463,324	\$477,224	\$491,541	\$2,318,647
Estimate of Current Expenditures (without Street Sweeping)	\$324,000	\$399,000	\$411,000	\$423,000	\$436,000	\$1,993,000
Increase:	\$112,728	\$50,830	\$52,324	\$54,224	\$55,541	\$325,647
Percentage increase	35%	13%	13%	13%	13%	16%
Assumed inflation factor:	3%					

Figure H-3-1. City of Lafayette Estimated Revenues and Expenditures



City of Martinez

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

Martinez funds its stormwater efforts entirely with SUA funds, as gas tax revenues and General Fund monies are unavailable. SUA revenues are nearly constant year-to-year because of the limited amount of growth within the City. Of the available revenues, about \$60,000 per year is directed to fund storm drain replacement.

Alex Stroup devotes about 80% of his time to stormwater-related issues, and 10% of City Engineer Tim Tucker's time goes into the local stormwater program. Martinez staff carry out significant local outreach (Provision C.7). For example, Tim Tucker spends about 100 hours per year working with high school students at the local Environmental Studies Academy. The City supports and participates in water-quality monitoring by Friends of Alhambra Creek. The City is upgrading the markings on storm drain inlets. About half of the City's 1,320 now have upgraded markings. It is estimated to take two people about two weeks to do 200 markings. General administration plus local outreach is estimated to cost approximately \$209,000 per year.

Staff estimated about 10% of the public works maintenance budget is spent on stormwater-related tasks. Staff estimated Code Enforcement Officer Bill Diller spends about 200 hours per year responding to calls regarding illegal discharges to storm drains (Provision C.5).

About 100-112 local commercial and industrial businesses are inspected by Contra Costa Central Sanitary District staff (Provision C.4).

Review of applications for new development approvals, including review for stormwater compliance (Provision C.3) is funded entirely through the General Fund at a cost of \$30,000 per year. Staff estimated Khalil Yowakim spends about 100 hours per year reviewing capital projects for Provision C.3 compliance. A General Plan update is in progress, and staff estimated updating stormwater-related sections would cost about \$10,000.

The City has not increased plan check fees to account for review of erosion control plans (Provision C.6). \$12,000 is budgeted for construction inspection for stormwater compliance.

One trash hot spot was cleaned with the assistance of Environmental Studies Academy students. Tim Tucker estimated he spent about four days participating and supervising. The City plans to use catch basin inserts to comply with full-trash-capture requirements. Staff is looking at the feasibility of purchasing a new vector truck which would be used to maintain the inserts.

Overall, staff estimated Martinez would need a crew of two to three, working full time, for trash and drainage system management. Overall, stormwater program implementation could use about 40% more resources than are currently available for implementation of MRP requirements.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on Martinez' 36,000 population, we estimate that local program coordination and local outreach activities (Provision C.7) will require 1.4 FTEs with a cost of \$258,550.

Based on the number of storm drain inlets maintained, we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 0.9 FTEs, with a total cost of \$171,600.

Based on Martinez' commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$17,900 per year.

We estimate, based on the number of C.3-related projects in recent years, the unrecoverable portion of the cost of implementing Provisions C.3 and C.6 will be 0.1 FTEs. This includes activities related to coordinating the program and staying abreast of regulatory requirements, including training and reporting. We estimate the cost to be \$20,880 per year.

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$1,829 for the mandated hot-spot cleanups and \$64,500 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices.

The total independent estimate of Martinez' local stormwater program cost, based on the linear model, is \$535,259. This is a 31% increase from 2009-2010 expenditures (excluding street sweeping).

TABLES

Table I-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table I-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table I-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure I-3-1 summarizes this information in a bar graph.

Table I-3-1. City of Martinez Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^{[a][b]}		\$ 626,150	\$ 626,150	\$ 626,150	\$ 626,150	\$ 626,150	\$ 3,130,750
Subtotal		\$ 626,150	\$ 626,150	\$ 626,150	\$ 626,150	\$ 626,150	\$ 3,130,750
Total Program Expenditures							
Program Costs ^[c]	3.44%	\$ (79,741)	\$ (75,672)	\$ (139,771)	\$ (109,396)	\$ (109,371)	\$ (513,951)
SUA Shared Costs ^[d]		\$ (2,523)	\$ (2,523)	\$ (2,523)	\$ (2,523)	\$ (2,523)	\$ (12,615)
Inspections ^[e]		\$ (22,181)	\$ (22,846)	\$ (23,531)	\$ (24,237)	\$ (24,964)	\$ (117,760)
Auditor Assessment Fees ^[f]		\$ (10,820)	\$ (11,145)	\$ (11,479)	\$ (11,823)	\$ (12,178)	\$ (57,445)
Subtotal		\$ (115,265)	\$ (112,186)	\$ (177,304)	\$ (147,980)	\$ (149,036)	\$ (701,771)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (410,000)	\$ (410,000)	\$ (422,000)	\$ (435,000)	\$ (448,000)	\$ (2,125,000)
Street Sweeping Costs ^[g]		\$ (114,115)	\$ (114,115)	\$ (117,538)	\$ (121,065)	\$ (124,697)	\$ (591,530)
Modeled Additional Costs		\$ (125,259)	\$ (141,317)	\$ (145,856)	\$ (149,892)	\$ (154,439)	\$ (716,763)
Subtotal		\$ (649,374)	\$ (665,432)	\$ (685,395)	\$ (705,957)	\$ (727,135)	\$ (3,433,292)
Balance		\$ (138,489)	\$ (151,468)	\$ (236,549)	\$ (227,787)	\$ (250,021)	\$ (1,004,313)

Footnotes:

- [a] Assumes that the SUA funding generated remains the same from year to year.
- [b] All funding is currently generated by SUA.
- [c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.
- [d] Assumes that SUA Shared Costs remain the same from year to year.
- [e] Assumes a 3% increase from year to year.
- [f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.
- [g] Additional detail is provided in the "Existing Program Elements" spreadsheet.

Table I-3-2. City of Martinez Budgeted Expenditures

City of Martinez Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$410,000	\$410,000	\$422,000	\$435,000	\$448,000	\$2,125,000
Total Estimated Existing Costs (w street sweeping)	\$524,000	\$524,000	\$540,000	\$556,000	\$572,000	\$2,716,000
Other Local Implementation Expenses	\$184,662	\$184,662	\$189,979	\$195,455	\$201,095	\$955,853
C.2. Municipal Operations	\$273,461	\$273,461	\$281,665	\$290,115	\$298,818	\$1,417,520
C.3. New Development and Redevelopment	\$30,000	\$30,000	\$30,900	\$31,827	\$32,782	\$155,509
C.4. Industrial and Commercial Site Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.5. Illicit Discharge Detection and Elimination	\$0	\$0	\$0	\$0	\$0	\$0
C.6. Construction Site Control	\$12,000	\$12,000	\$12,360	\$12,731	\$13,113	\$62,204
C.7. Public Information and Outreach	\$24,169	\$24,169	\$24,894	\$25,641	\$26,410	\$125,283
C.8. Water Quality Monitoring	\$0	\$0	\$0	\$0	\$0	\$0
C.9. Pesticides Toxicity Control	\$0	\$0	\$0	\$0	\$0	\$0
C.10. Trash Load Reduction	\$0	\$0	\$0	\$0	\$0	\$0
C.11. Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	\$0	\$0	\$0	\$0	\$0	\$0

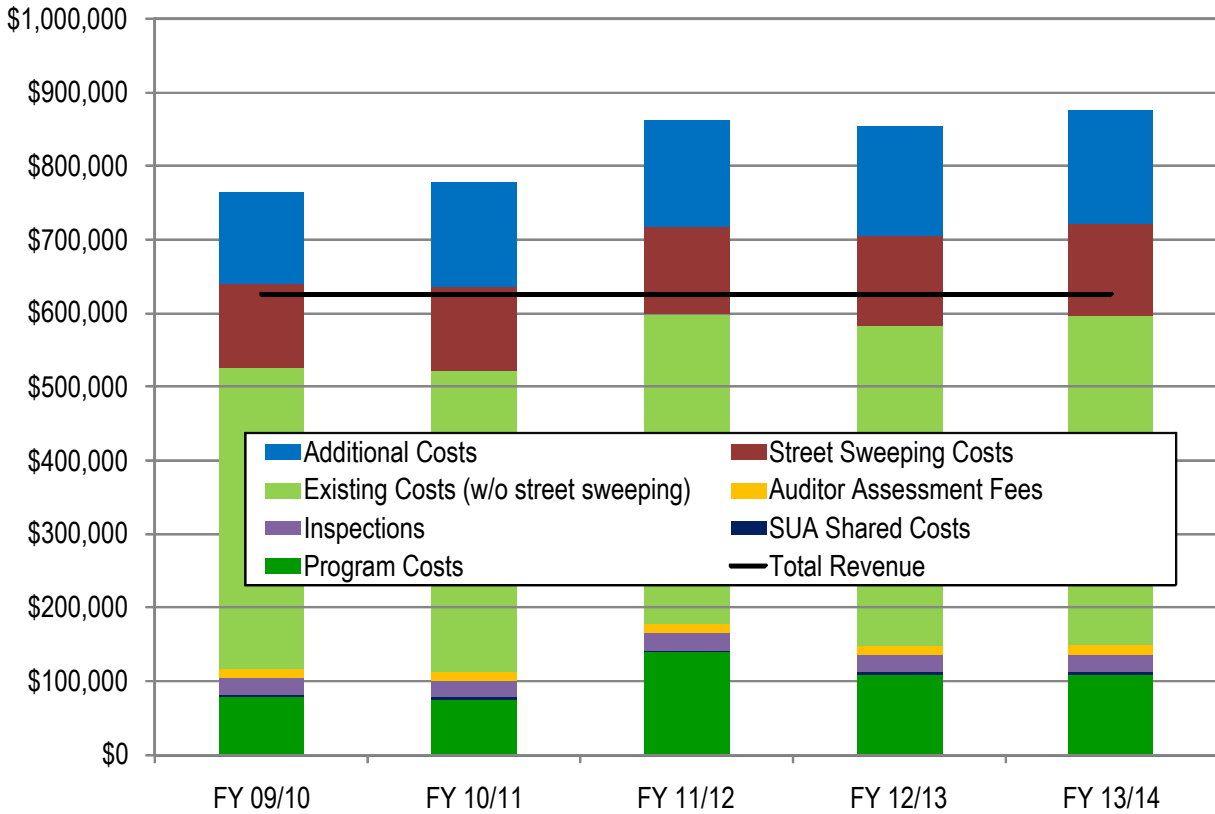
1 - Information is from the Stormwater Program Budget Summary

Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.

Table I-3-3. City of Martinez Projected Future Program Costs and Comparison to Budgeted Costs

City of Martinez Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$258,550	\$266,307	\$274,296	\$282,525	\$291,001	\$1,372,679
C.2 Municipal Operations						
C.5 Illicit Discharge Identification and Elimination						
C.9 Pesticide Toxicity Reduction	\$171,600	\$176,748	\$182,050	\$187,512	\$193,137	\$911,048
C.4. Industrial and Commercial Site Controls	\$17,900	\$18,437	\$18,990	\$19,560	\$20,147	\$95,034
C.3. New Development Controls (nonrecoverable)	\$10,080	\$10,382	\$10,694	\$11,015	\$11,345	\$53,516
C.6. Construction Site Controls (nonrecoverable)	\$10,800	\$11,124	\$11,458	\$11,801	\$12,155	\$57,339
C.10. Trash Controls -- Hot Spots	\$1,829	\$1,883	\$1,940	\$1,998	\$2,058	\$9,708
C.10. Trash -- Planning & Full Trash Capture	\$64,500	\$66,435	\$68,428	\$70,481	\$72,595	\$342,439
Totals	\$535,259	\$551,317	\$567,856	\$584,892	\$602,439	\$2,841,763
Estimate of Current Expenditures (without Street Sweeping)	\$410,000	\$410,000	\$422,000	\$435,000	\$448,000	\$2,125,000
Increase:	\$125,259	\$141,317	\$145,856	\$149,892	\$154,439	\$716,763
Percentage increase	31%	34%	35%	34%	34%	34%
Assumed inflation factor:	3%					

Figure I-3-1. City of Martinez Estimated Revenues and Expenditures



Town of Moraga

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

Moraga implements its local stormwater pollution prevention program through close cooperation among a small staff. Town Public Works Director/Town Engineer Jill Mercurio directs Staff Engineer John Sherbert and Public Works Inspector Dana Blatner in the implementation of most on-the-ground activities. Funding of all non-recoverable costs for stormwater activities is from SUA revenues.

There is no staff specifically assigned to do outreach; staff members participate in City events such as open houses to meet the requirements of Provision C.7. The Town is marking drain inlets with thermoplastic decals and believes over 80% have been marked.

Training of the four public works maintenance staff is by the Town's contract engineer, Frank Kennedy. The SWPPP for the Town's Corporation Yard was recently completed and required about 40 hours to finish. The new Corporation Yard features bioretention basins; there is no vehicle maintenance or fueling on-site. Street sweeping was previously contracted at about \$25,000 per year, but the budget is being cut back permanently to \$5,000 annually (Provision C.2)

Staff responds to about 15 illicit discharge reports (Provision C.5) each year, with each response typically requiring between two and four hours by two to three people. The Town has a system for administrative fines but it is not used due to questions about how the legal authority is set up. Town staff monitors the storm drain system by walking the reaches of creek that are accessible. Town offices are at the confluence of two creeks, so significant upstream discharges are likely to be noticed.

A local resident, Susan Junfish, has been active in encouraging the Town to reduce pesticides, and the Town Council has adopted an IPM policy as required by Provision C.9 of the MRP.

The Town contracts with the Central Contra Costa Sanitary District (CCCSD) to conduct approximately 20 inspections per year of local businesses (Provision C.4) at a cost of about \$10,000. The Town does not require business licenses, so the list of businesses inspected (about 80) is checked against CCCSD's list of commercial sewer hookups.

Review of applications for new development approvals, including review for stormwater requirements (Provision C.3) is funded through a deposit account by each applicant. Review of new development requirements for CIP projects are billed to the specific project. Recent retrofits of impervious area with LID treatment at the Town's Corporation Yard and Town Commons Parking Lot will be "banked" to create credits which may be applied as alternative compliance for future projects. Inspection of installed stormwater treatment facilities—currently at two locations and requiring about two hours, but sure to increase—is currently covered through the stormwater budget, as Town staff has not yet decided on a how to charge fees for the inspections.

Plan check and construction inspection to ensure erosion and sedimentation controls and pollution prevention controls (Provision C.6) are implemented at construction sites is also funded through deposit

accounts. There is currently one significant project (> 1 acre) active. The stormwater budget includes some time required for enforcement on unpermitted projects.

Cleaning up the Town's one designated trash hot spot (Provision C.10) required about 8 person-hours. Town staff is looking for a location to install a full-trash-capture device and will likely participate in the ABAG grant.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on Moraga's 16,000 population, we estimate that local program coordination and local outreach activities (Provision C.7) will require 0.6 FTEs with a total cost of \$126,511. (All estimates use 2009-2010 as a basis.)

Based on the number of storm drain inlets maintained, we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 0.6 FTEs, with a total cost of \$111,540. Based on the Town's commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$14,600 per year.

We estimate, based on the number of C.3-related projects in recent years, the unrecoverable portion of the cost of implementing Provisions C.3 and C.6 will be 0.1 FTEs. This includes activities related to coordinating the program and staying abreast of regulatory requirements, including training and reporting. We estimate the cost to be \$21,760 per year.

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$1,829 for the mandated hot-spot cleanups and \$48,000 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices.

The total independent estimate of Moraga's local stormwater program cost, based on the linear model, is \$324,239. This is a 78% increase over 2009-2010 expenditures.

TABLES

Table J-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by Town staff.

Table J-3-2 shows budgeted expenses, with a breakdown provided by Town staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table J-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure J-3-1 summarizes this information in a bar graph.

Table J-3-1. Town of Moraga Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^{[a][b]}		\$ 285,693	\$ 285,693	\$ 285,693	\$ 285,693	\$ 285,693	\$ 1,428,465
Subtotal		\$ 285,693	\$ 285,693	\$ 285,693	\$ 285,693	\$ 285,693	\$ 1,428,465
Total Program Expenditures							
Program Costs ^[c]	1.53%	\$ (35,604)	\$ (33,657)	\$ (62,165)	\$ (48,656)	\$ (48,645)	\$ (228,726)
SUA Shared Costs ^[d]		\$ (1,116)	\$ (1,116)	\$ (1,116)	\$ (1,116)	\$ (1,116)	\$ (5,581)
Inspections ^[e]		\$ (6,763)	\$ (6,966)	\$ (7,175)	\$ (7,390)	\$ (7,612)	\$ (35,907)
Auditor Assessment Fees ^[f]		\$ (4,926)	\$ (5,074)	\$ (5,226)	\$ (5,383)	\$ (5,544)	\$ (26,153)
Subtotal		\$ (48,409)	\$ (46,813)	\$ (75,683)	\$ (62,545)	\$ (62,917)	\$ (296,367)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (182,000)	\$ (226,000)	\$ (233,000)	\$ (239,000)	\$ (246,000)	\$ (1,126,000)
Street Sweeping Costs ^[g]		\$ (25,000)	\$ (5,000)	\$ (5,150)	\$ (5,305)	\$ (5,464)	\$ (45,918)
Modeled Additional Costs		\$ (142,239)	\$ (107,967)	\$ (110,986)	\$ (115,305)	\$ (118,934)	\$ (595,431)
Subtotal		\$ (349,239)	\$ (338,967)	\$ (349,136)	\$ (359,610)	\$ (370,398)	\$ (1,767,349)
Balance		\$ (111,955)	\$ (100,086)	\$ (139,125)	\$ (136,462)	\$ (147,622)	\$ (635,251)

Footnotes:

[a] Assumes that the SUA funding generated remains the same from year to year.

[b] All funding is currently generated by SUA.

[c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.

[d] Assumes that SUA Shared Costs remain the same from year to year.

[e] Assumes a 3% increase from year to year.

[f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.

[g] Additional detail is provided in the "Existing Program Elements" spreadsheet.

Table J-3-2. City of Moraga Budgeted Expenditures

Town of Moraga Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$182,000	\$226,000	\$233,000	\$239,000	\$246,000	\$1,126,000
Total Estimated Existing Costs (w street sweeping)	\$207,000	\$231,000	\$238,000	\$245,000	\$252,000	\$1,173,000
Other Local Implementation Expenses	\$148,463	\$216,889	\$223,262	\$229,826	\$236,587	\$1,055,026
C.2. Municipal Operations	\$51,000	\$5,000	\$5,150	\$5,305	\$5,464	\$99,112
C.3. New Development and Redevelopment	\$0	\$0	\$0	\$0	\$0	\$0
C.4. Industrial and Commercial Site Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.5. Illicit Discharge Detection and Elimination	\$0	\$0	\$0	\$0	\$0	\$0
C.6. Construction Site Control	\$0	\$0	\$0	\$0	\$0	\$0
C.7. Public Information and Outreach	\$8,000	\$9,000	\$9,270	\$9,548	\$9,835	\$45,653
C.8. Water Quality Monitoring	\$0	\$0	\$0	\$0	\$0	\$0
C.9. Pesticides Toxicity Control	\$0	\$0	\$0	\$0	\$0	\$0
C.10. Trash Load Reduction	\$0	\$0	\$0	\$0	\$0	\$0
C.11. Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	\$0	\$0	\$0	\$0	\$0	\$0

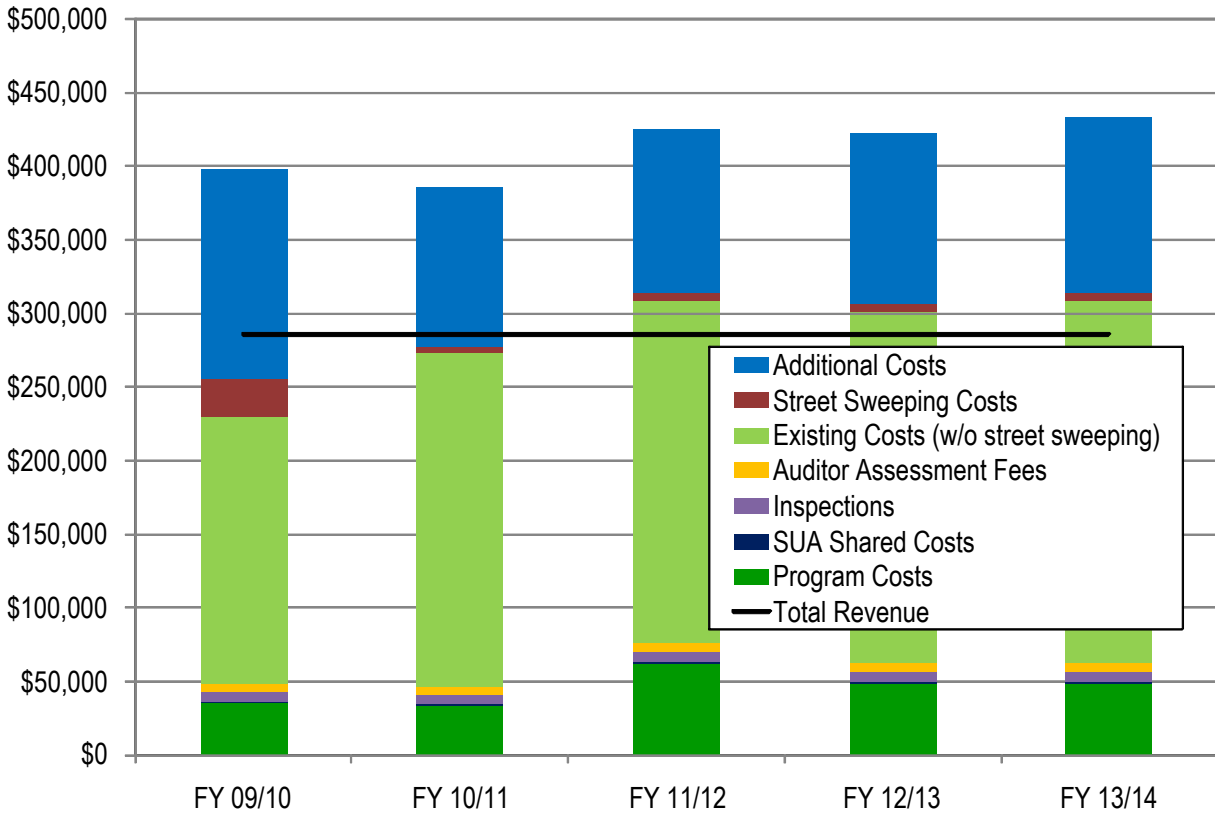
1 - Information is from verbal communication with Jill Mercurio

Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.

Table J-3-3. City of Moraga Projected Future Program Costs and Comparison to Budgeted Costs

Town of Moraga Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$126,511	\$130,306	\$134,215	\$138,242	\$142,389	\$671,663
C.2 Municipal Operations						
C.5 Illicit Discharge Identification and Elimination						
C.9 Pesticide Toxicity Reduction	\$111,540	\$114,886	\$118,333	\$121,883	\$125,539	\$592,181
C.4. Industrial and Commercial Site Controls	\$14,600	\$15,038	\$15,489	\$15,954	\$16,432	\$77,513
C.3. New Development Controls (nonrecoverable)	\$10,160	\$10,465	\$10,779	\$11,102	\$11,435	\$53,941
C.6. Construction Site Controls (nonrecoverable)	\$11,600	\$11,948	\$12,306	\$12,676	\$13,056	\$61,586
C.10. Trash Controls -- Hot Spots	\$1,829	\$1,883	\$1,940	\$1,998	\$2,058	\$9,708
C.10. Trash -- Planning & Full Trash Capture	\$48,000	\$49,440	\$50,923	\$52,451	\$54,024	\$254,839
Totals	\$324,239	\$333,967	\$343,986	\$354,305	\$364,934	\$1,721,431
Estimate of Current Expenditures (without Street Sweeping)	\$182,000	\$226,000	\$233,000	\$239,000	\$246,000	\$1,126,000
Increase:	\$142,239	\$107,967	\$110,986	\$115,305	\$118,934	\$595,431
Percentage increase	78%	48%	48%	48%	48%	53%
Assumed inflation factor:	3%					

Figure J-3-1. Town of Moraga Estimated Revenues and Expenditures



City of Oakley

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

Oakley funds its stormwater pollution prevention activities entirely with SUA funds.

Jason Vogan, Oakley's City Engineer, oversees the stormwater program, with consultant assistance. An estimate of incremental costs of implementing the MRP shows 129 staff hours and 248 consultant hours for 2010-2011. Public works maintenance staff bill to a single code, and the finance department divides up the charges by percentages to charge to specific accounts.

Outreach efforts (Provision C.7) include tabling at the local Almond Festival and participation in Coastal Cleanup and Earth Day. Cleanups are coordinated with Friends of Marsh Creek. There are about 3 one-half-day activities per year. Inlets in the new subdivisions are all marked with a "no dumping" message; drains in the older part of town will need to be marked with decals.

The City maintains some rural roads and has two stormwater pump stations. The Corporation Yard is very small and allows no vehicle maintenance or washing.

The illegal discharge identification and elimination program (Provision C.5) is largely reactive. Police and Fire respond and bring in public works for cleanup and follow up as needed.

Oakley has adopted an IPM Policy (Provision C.9). IPM Training is through required Pest Control Operator training. The City has not identified any additional costs associated with the IPM purchasing policy.

There are 84 business establishments on the City's stormwater inspection list. The City recently decided to perform its own inspections rather than having them done by Delta Diablo Sanitary District. Staff estimates about 4 hours a year are required to review new business licenses. An additional 30 hours will be spent this year reviewing home occupation categories to identify mobile businesses.

The City aims to cover all costs of plan review, plan check, and construction inspection Provisions C.3 and C.6) through permit fees. Staff time for review and inspection is billed against a deposit account for each project.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on the City of Oakley's 33,000 population, we estimate that local program coordination and local outreach activities (Provision C.7) will require 1.3 FTEs with a total cost of \$239,047.

Based on the number of storm drain inlets maintained, we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 1.8 FTEs, with a total cost of \$354,770.

Attachment K—City of Oakley

Based on the Oakley's commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$10,700 per year.

We estimate, based on the number of C.3-related projects in recent years, the unrecoverable portion of the cost of implementing Provisions C.3 and C.6 will be 0.2 FTEs. This includes activities related to coordinating the program and staying abreast of regulatory requirements, including training and reporting. We estimate the cost to be \$38,480 per year.

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$1,829 for the mandated hot-spot cleanups and \$28,500 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices.

The total independent estimate of Oakley's local stormwater program cost, based on the linear model, is \$673,326. This is a 206% increase over estimated expenditures for FY 2009-2010.

TABLES

Table K-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table K-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table K-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure K-3-1 summarizes this information in a bar graph.

Table K-3-1. City of Oakley Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^{[a][b]}		\$ 521,529	\$ 521,529	\$ 521,529	\$ 521,529	\$ 521,529	\$ 2,607,645
Subtotal		\$ 521,529	\$ 521,529	\$ 521,529	\$ 521,529	\$ 521,529	\$ 2,607,645
Total Program Expenditures							
Program Costs ^[c]	3.16%	\$ (73,268)	\$ (69,513)	\$ (128,394)	\$ (100,492)	\$ (100,468)	\$ (472,135)
SUA Shared Costs ^[d]		\$ (2,073)	\$ (2,073)	\$ (2,073)	\$ (2,073)	\$ (2,073)	\$ (10,365)
Inspections ^[e]		\$ (3,873)	\$ (3,989)	\$ -	\$ -	\$ -	\$ (7,862)
Auditor Assessment Fees ^[f]		\$ (8,919)	\$ (9,186)	\$ (9,462)	\$ (9,746)	\$ (10,038)	\$ (47,351)
Subtotal		\$ (88,132)	\$ (84,761)	\$ (139,929)	\$ (112,311)	\$ (112,580)	\$ (537,713)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (220,000)	\$ (308,000)	\$ (320,000)	\$ (330,000)	\$ (339,000)	\$ (1,517,000)
Street Sweeping Costs ^[g]		\$ (71,193)	\$ (70,000)	\$ (72,100)	\$ (74,263)	\$ (76,491)	\$ (364,046)
Modeled Additional Costs		\$ (453,326)	\$ (385,526)	\$ (394,332)	\$ (405,761)	\$ (418,834)	\$ (2,057,779)
Subtotal		\$ (744,519)	\$ (763,526)	\$ (786,432)	\$ (810,024)	\$ (834,325)	\$ (3,938,825)
Balance		\$ (311,122)	\$ (326,758)	\$ (404,831)	\$ (400,806)	\$ (425,376)	\$ (1,868,893)

Footnotes:

- [a] Assumes that the SUA funding generated remains the same from year to year.
- [b] All funding is currently generated by SUA.
- [c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.
- [d] Assumes that SUA Shared Costs remain the same from year to year.
- [e] Assumes a 3% increase from year to year. City performs inspections beginning 11/12.
- [f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.
- [g] Additional detail is provided in the "Existing Program Elements" spreadsheet.

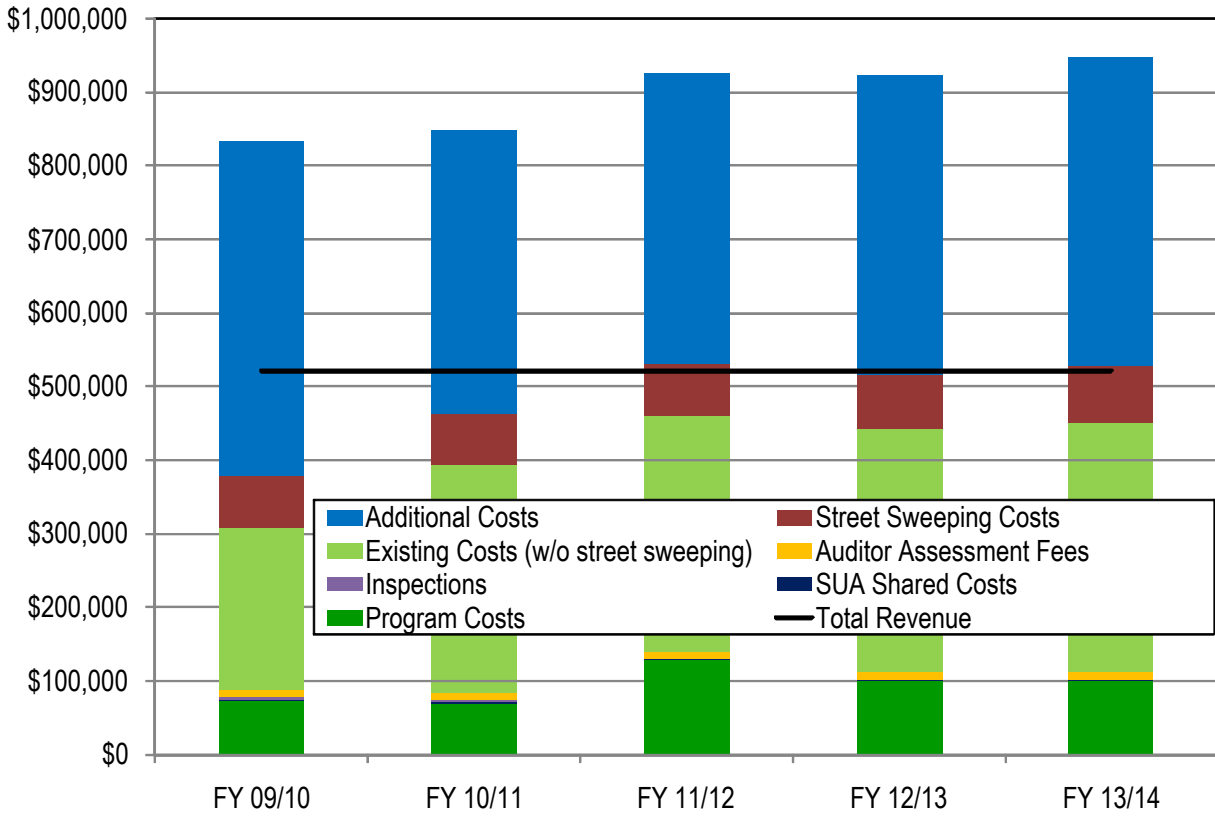
Table K-3-2. City of Oakley Budgeted Expenditures

City of Oakley Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10 ²	FY 10/11 ³	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$220,000	\$308,000	\$320,000	\$330,000	\$339,000	\$1,517,000
Total Estimated Existing Costs (w street sweeping)	\$291,000	\$378,000	\$392,000	\$404,000	\$415,000	\$1,880,000
Other Local Implementation Expenses	\$177,944	\$196,440	\$201,883	\$207,490	\$213,264	\$997,022
C.2. Municipal Operations	\$113,107	\$162,060	\$166,922	\$171,929	\$177,087	\$791,106
C.3. New Development and Redevelopment	\$0	\$1,250	\$1,288	\$1,326	\$1,366	\$5,230
C.4. Industrial and Commercial Site Controls	\$0	\$0	\$4,109	\$4,232	\$4,359	\$12,700
C.5. Illicit Discharge Detection and Elimination	\$0	\$4,000	\$4,120	\$4,244	\$4,371	\$16,735
C.6. Construction Site Control	\$0	\$1,250	\$1,288	\$1,326	\$1,366	\$5,230
C.7. Public Information and Outreach	\$0	\$5,000	\$5,150	\$5,305	\$5,464	\$20,918
C.8. Water Quality Monitoring	\$0	\$7,500	\$7,725	\$7,957	\$8,195	\$31,377
C.9. Pesticides Toxicity Control	\$0	\$0	\$0	\$0	\$0	\$0
C.10. Trash Load Reduction	\$0	\$0	\$0	\$0	\$0	\$0
C.11. Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	\$0	\$0	\$0	\$0	\$0	\$0
1 - Information is from the Expenditure Status Reports and Verbal Communication						
2 - Information from the 2009-10 Year to Date Expenditures						
3 - Information from the 2010-11 Adjusted Appropriation						
Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.						

Table K-3-3. City of Oakley Projected Future Program Costs and Comparison to Budgeted Costs

City of Oakley Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$239,047	\$246,219	\$253,605	\$261,214	\$269,050	\$1,269,135
C.2 Municipal Operations						
C.5 Illicit Discharge Identification and Elimination						
C.9 Pesticide Toxicity Reduction	\$354,770	\$365,413	\$376,375	\$387,667	\$399,297	\$1,883,522
C.4. Industrial and Commercial Site Controls	\$10,700	\$11,021	\$11,352	\$11,692	\$12,043	\$56,808
C.3. New Development Controls (nonrecoverable)	\$11,680	\$12,030	\$12,391	\$12,763	\$13,146	\$62,011
C.6. Construction Site Controls (nonrecoverable)	\$26,800	\$27,604	\$28,432	\$29,285	\$30,164	\$142,285
C.10. Trash Controls -- Hot Spots	\$1,829	\$1,883	\$1,940	\$1,998	\$2,058	\$9,708
C.10. Trash -- Planning & Full Trash Capture	\$28,500	\$29,355	\$30,236	\$31,143	\$32,077	\$151,310
Totals	\$673,326	\$693,526	\$714,332	\$735,761	\$757,834	\$3,574,779
Estimate of Current Expenditures (without Street Sweeping)	\$220,000	\$308,000	\$320,000	\$330,000	\$339,000	\$1,517,000
Increase:	\$453,326	\$385,526	\$394,332	\$405,761	\$418,834	\$2,057,779
Percentage increase	206%	125%	123%	123%	124%	136%
Assumed inflation factor:	3%					

Figure K-3-1. City of Oakley Estimated Revenues and Expenditures



City of Orinda

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

Orinda's stormwater program coordinator (Cathy Terentieff) oversees the City's NPDES compliance, coordinates among city departments, and interacts with the countywide Clean Water Program and the Regional Water Quality Control Board staff as needed. The City funds the stormwater program through the SUA revenues as well as a minor portion from the General Fund and the M-11 District (specifically for street sweeping).

The City's stormwater-related municipal operations (Provision C.2) includes maintenance of the storm drain system.

Stormwater-related municipal operations also include development and implementation of the corporation yard Stormwater Pollution Prevention Plan (SWPPP). Future costs include the need to update the SWPPP when the corporation yard is re-located. The City also just purchased a new regenerative air sweeper and plans to sweep additional residential streets in the future.

Review of new development projects for stormwater compliance (Provision C.3) is conducted by staff, the costs of which are covered by the plan review fees collected from the applicant. Orinda contracts with the Contra Costa County Building Inspection Department (CCCBID) for construction inspection services, including monitoring construction sites for compliance with construction site control requirements of Provision C.6. The cost for CCCBID to inspect construction facilities is covered by the fees collected by the CCCBID. City staff time is required to coordinate and stay abreast of C.3 and C.6 requirements, including coordination with CCCBID and attendance at associated training and Clean Water Program meetings.

The City plans to update its stormwater ordinance during 2011-2012.

The City contracts commercial and industrial inspections (Provision C.4) with the Central Contra Costa Sanitary District (CCCSD) at a cost of approximately \$6,000 annually for inspections of 15 commercial businesses. The City does not require business licenses, so the list of businesses inspected (approximately 60) is checked against CCCSD's list of commercial sewer hookups by the Stormwater Program Manager. In addition CCCSD responds to calls received by the City or residents pursuant to the Illicit Discharge Detection and Elimination program [C.5] in conjunction with Public Works staff, Contra Costa Building Inspection Department staff, and the Stormwater Program Manager.

Ms. Terentieff coordinates the outreach and education efforts [C.7] on behalf of the city since there is not a dedicated public outreach coordinator or community liaison. There is also a focus on the inlet markings, the installation of which was a joint effort between Public Works Maintenance staff, Friends of Orinda Creeks, and Boy Scout volunteers. In the next two years, the City will focus additional resources to create a database inventory of the inlet markers, purchase new markers, and replace worn or missing markers in the field.

Orinda has begun implementation of trash reduction requirements (C.10). The City coordinated with Friends of Orinda Creeks to cleanup of its single trash hot spot. City staff time was required for coordination with FOC, reporting, and removal and disposal of collected trash. The City is looking at installation of full-trash capture devices at two locations to meet the MRP requirements; capital costs are estimated at \$1500 and maintenance costs are to be determined.

The stormwater program will focus additional resources on training key line staff including those involved with the implementation of the municipal operations program (C.2), the illicit discharge detection and elimination program (C.5), and the new development (C.3) and construction (C.6) programs.

Overall, the city's local program implementation costs (not including street sweeping) are currently estimated at \$386,000 (FY 09-10). However, with the additional cost of street sweeping the estimated costs rise to \$414,000. This is currently paid for by the SUA funding that they receive (approximately \$382,990) and some General Fund and M-11 District funding (\$27,000). Although there is some funding received through the enforcement of illicit discharges, it is not a substantial amount.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on the City of Orinda's 18,000 population, we estimate that local program coordination and local outreach activities (Provision C.7) will require 0.7 FTEs with a total cost of \$135,777.

Based on the number of storm drain inlets maintained (1,040), we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 0.7 FTEs, with a total cost of \$135,200. This estimated required maintenance activity does not include infrastructure replacement costs, as in the City's annual drainage maintenance project.

Based on Orinda's commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$7,100 per year.

We estimate, based on the number of C.3-related projects in recent years, the unrecoverable portion of the cost of implementing Provisions C.3 and C.6 will be 0.1 FTEs. This includes activities related to coordinating the program and staying abreast of regulatory requirements, including training and reporting. We estimate the cost to be \$20,440 per year.

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$1,829 for the mandated hot-spot cleanups and \$10,500 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices.

The total independent estimate of the City's local stormwater program cost, based on the linear model, is \$310,846. This is 19% less than estimated expenditures for FY 2009-2010.

TABLES

Attachment L—City of Orinda

Table L-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table L-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table L-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure L-3-1 summarizes this information in a bar graph.

Table L-3-1. City of Orinda Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^[a]		\$ 382,990	\$ 382,990	\$ 382,990	\$ 382,990	\$ 382,990	\$ 1,914,950
Additional Funding ^[b]		\$ 26,827	\$ 26,827	\$ 26,827	\$ 26,827	\$ 26,827	\$ 134,135
Subtotal		\$ 409,817	\$ 409,817	\$ 409,817	\$ 409,817	\$ 409,817	\$ 2,049,085
Total Program Expenditures							
Program Costs ^[c]	1.67%	\$ (38,701)	\$ (36,736)	\$ (67,854)	\$ (53,108)	\$ (53,096)	\$ (249,495)
SUA Shared Costs ^[d]		\$ (1,363)	\$ (1,363)	\$ (1,363)	\$ (1,363)	\$ (1,363)	\$ (6,816)
Inspections ^[e]		\$ (6,124)	\$ (6,308)	\$ (6,497)	\$ (6,692)	\$ (6,893)	\$ (32,515)
Auditor Assessment Fees ^[f]		\$ (5,961)	\$ (6,140)	\$ (6,324)	\$ (6,514)	\$ (6,709)	\$ (31,648)
Subtotal		\$ (52,150)	\$ (50,547)	\$ (82,039)	\$ (67,678)	\$ (68,061)	\$ (320,475)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (276,000)	\$ (324,000)	\$ (437,000)	\$ (451,000)	\$ (464,000)	\$ (1,952,000)
Street Sweeping Costs ^[g]		\$ (28,261)	\$ (24,438)	\$ (24,438)	\$ (25,171)	\$ (25,926)	\$ (128,234)
Modeled Additional Costs ^[h]		\$ (34,846)	\$ -	\$ -	\$ -	\$ -	\$ (34,846)
Subtotal		\$ (339,107)	\$ (348,438)	\$ (461,438)	\$ (476,171)	\$ (489,926)	\$ (2,115,080)
Balance		\$ 18,560	\$ 10,832	\$ (133,660)	\$ (134,032)	\$ (148,170)	\$ (386,470)

Footnotes:

- [a] Assumes that the SUA funding generated remains the same from year to year.
- [b] Additional funding comes from the General Fund and the M-11 District (specifically for street sweeping).
- [c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.
- [d] Assumes that SUA Shared Costs remain the same from year to year.
- [e] Assumes a 3% increase from year to year.
- [f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.
- [g] Additional detail is provided in the "Existing Program Elements" spreadsheet.
- [h] For the purpose of final cost estimates, any positive values generated by the model were set to zero within this table.

Table L-3-2. City of Orinda Budgeted Expenditures

City of Orinda Existing Program Elements	Assumptions	Estimated Costs by Fiscal Year ¹					Estimated Total
		FY 09/10 ²	FY 10/11 ³	FY 11/12 ⁴	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)		\$276,000	\$324,000	\$437,000	\$451,000	\$464,000	\$1,952,000
Total Estimated Existing Costs (w street sweeping)		\$304,000	\$349,000	\$462,000	\$476,000	\$490,000	\$2,081,000
Other Local Implementation Expenses		\$276,142	\$58,161	\$59,905	\$61,702	\$63,553	\$519,463
C.2. Municipal Operations		\$28,261	\$233,853	\$343,853	\$354,169	\$364,794	\$1,324,929
C.3. New Development and Redevelopment		\$0	\$31,873	\$32,830	\$33,815	\$34,829	\$133,347
C.4. Industrial and Commercial Site Controls		\$0	\$15,213	\$15,654	\$16,124	\$16,607	\$63,598
C.5. Illicit Discharge Detection and Elimination		\$0	\$3,603	\$3,711	\$3,822	\$3,937	\$15,073
C.6. Construction Site Control	Labor is included in C.3 estimates	\$0	\$0	\$0	\$0	\$0	\$0
C.7. Public Information and Outreach		\$0	\$5,821	\$5,929	\$6,107	\$6,290	\$24,147
C.8. Water Quality Monitoring		\$0	\$0	\$0	\$0	\$0	\$0
C.9. Pesticides Toxicity Control	Labor is included in C.2 estimates	\$0	\$0	\$0	\$0	\$0	\$0
C.10. Trash Load Reduction	Labor is included in C.2 estimates	\$0	\$0	\$0	\$0	\$0	\$0
C.11. Mercury Controls		\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls		\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls		\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium		\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	Labor is included in C.5 estimates	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	Labor is included in Other Local Implementation Expenses	\$0	\$0	\$0	\$0	\$0	\$0

1 - Information is from the Stormwater Utility Assessment Summaries and verbal communication with Cathleen Terentieff

2 - Information from the SUA Actual Costs 2009-10

3 - Information from the SUA Budget Worksheet 2010-11 Proposed

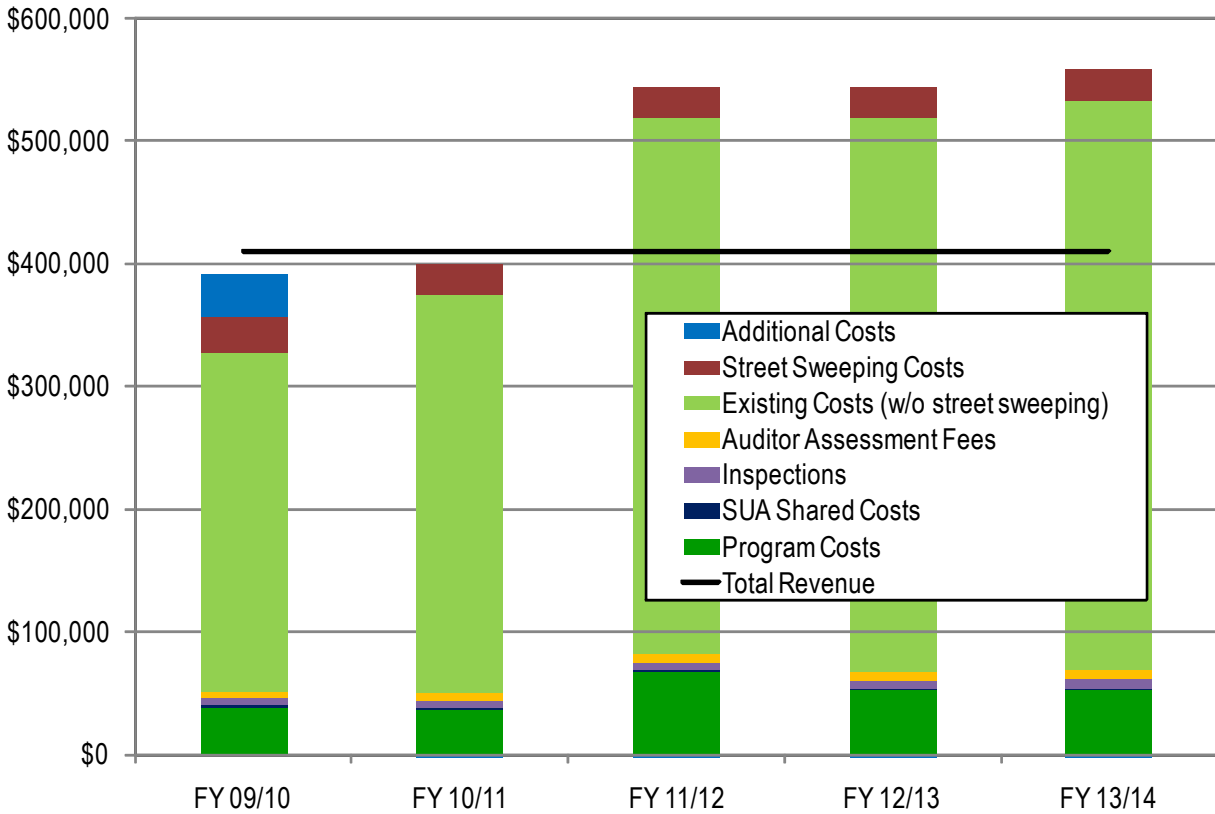
4 - Information from the SUA Budget Worksheet 2011-12 Projection

Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.

Table L-3-3. City of Orinda Projected Future Program Costs and Comparison to Budgeted Costs

City of Orinda Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$135,777	\$139,851	\$144,046	\$148,367	\$152,818	\$720,860
C.5 Illicit Discharge Identification and Elimination						
C.9 Pesticide Toxicity Reduction	\$135,200	\$139,256	\$143,434	\$147,737	\$152,169	\$717,795
C.4. Industrial and Commercial Site Controls	\$7,100	\$7,313	\$7,532	\$7,758	\$7,991	\$37,695
(nonrecoverable)	\$10,040	\$10,341	\$10,651	\$10,971	\$11,300	\$53,304
(nonrecoverable)	\$10,400	\$10,712	\$11,033	\$11,364	\$11,705	\$55,215
C.10. Trash Controls -- Hot Spots	\$1,829	\$1,883	\$1,940	\$1,998	\$2,058	\$9,708
C.10. Trash -- Planning & Full Trash Capture	\$10,500	\$10,815	\$11,139	\$11,474	\$11,818	\$55,746
Totals	\$310,846	\$320,171	\$329,776	\$339,670	\$349,860	\$1,650,322
Estimate of Current Expenditures (without Street Sweeping)	\$276,000	\$324,000	\$437,000	\$451,000	\$464,000	\$1,952,000
Increase:	\$34,846	-\$3,829	-\$107,224	-\$111,330	-\$114,140	-\$301,678
Percentage increase	13%	-1%	-25%	-25%	-25%	-15%
Assumed inflation factor:	3%					

Figure L-3-1. City of Orinda Estimated Revenues and Expenditures



City of Pinole

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

The Public Works Director oversees Pinole's stormwater program. 10% of the Director's time is charged to the stormwater fund. Many of the activities are coordinated or implemented by an Administrative Analyst, and 5% of the analyst's time is charged to the fund, as is 5% of a public works specialist's time, and 0.3-0.4 FTE public works maintenance. The SUA is the source of funding for the stormwater fund.

Outreach activities are coordinated with those of Pinole's wastewater treatment plant. Thermoplastic storm drain inlet markings were installed on all storm drains about 5 years ago. A councilmember leads creek cleanups; requiring two staff on the weekend day plus a half-day the following Monday (3 person-days per event). The cleanup events are typically coordinated with Friends of Pinole Creek. The City conducts monitoring of the restoration of Pinole Creek under a USEPA grant.

Pinole does not operate any stormwater pump stations. Staff acknowledges it would be worthwhile to conduct additional training of public works crews in stormwater BMPs. Gas tax revenues are used to sweep commercial areas weekly at a cost of \$25,000 per year. The stormwater fund will begin to fund street sweeping in FY 2011-2012. The Corporation Yard drains to the wastewater treatment plant; there has not been a need for a SWPPP (Provision C.2).

Maintenance crews survey the storm drain system once per year as it is cleaned. Illegal discharges (Provision C.5) are rare. The management analyst does general surveillance of the community for stormwater violations. Code enforcement follows up and issues citations as necessary.

The City contracts out for all pesticide applications, and IPM (Provision C.9), if applicable, are incorporated into the contract.

Commercial/industrial inspections (Provision C.5) are currently conducted by City staff in conjunction with wastewater inspections (FOG and others). About 30 sites are inspected; most are auto-related.

Pinole has established a fee for Provision C.3 review. The City requires a trust account be established by the applicant, and fees are drawn down from that. The City has a few installed stormwater treatment facilities. A redevelopment project recently funded improvements for C.3 compliance for a private commercial project.

In construction site controls (Provision C.6) implementation, the City has emphasized monitoring and enforcement of utilities working in City streets.

The City has identified its designated trash hot spot (Provision C.10) but has not yet conducted a clean-up. The City plans to participate in the San Francisco Estuary Project agreement to obtain one or more trash capture devices, likely catch-basin devices. They would be installed by City staff.

Under a fully funded Program, Pinole staff would recommend two full-time maintenance workers be dedicated to stormwater pollution prevention, plus 50% of a management analyst's time and 10% of a manager's time.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on the City of Pinole's 19,000 population, we estimate that local program coordination and local outreach activities (Provision C.7) will require 0.7 FTEs with a total cost of \$146,674.

Based on the number of storm drain inlets maintained, we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 1.2 FTEs, with a total cost of \$232,570. Based on the Pinole's commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$17,600 per year.

We estimate, based on the number of C.3-related projects in recent years, the unrecoverable portion of the cost of implementing Provisions C.3 and C.6 will be 0.1 FTEs. This includes activities related to coordinating the program and staying abreast of regulatory requirements, including training and reporting. We estimate the cost to be \$20,440 per year.

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$1,829 for the mandated hot-spot cleanups and \$63,000 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices.

The total independent estimate of the County's local stormwater program cost, based on the linear model, is \$482,112. This is a 77% increase over estimated expenditures for FY 2009-2010.

TABLES

Table M-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table M-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table M-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure M-3-1 summarizes this information in a bar graph.

Table M-3-1. City of Pinole Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^{[a][b]}		\$ 321,785	\$ 321,785	\$ 321,785	\$ 321,785	\$ 321,785	\$ 1,608,925
Subtotal		\$ 321,785	\$ 321,785	\$ 321,785	\$ 321,785	\$ 321,785	\$ 1,608,925
Total Program Expenditures							
Program Costs ^[c]	1.82%	\$ (42,344)	\$ (40,036)	\$ (73,948)	\$ (57,878)	\$ (57,865)	\$ (272,071)
SUA Shared Costs ^[d]		\$ (1,269)	\$ (1,269)	\$ (1,269)	\$ (1,269)	\$ (1,269)	\$ (6,345)
Inspections ^[e]		\$ (38)	\$ (39)	\$ (40)	\$ (41)	\$ (42)	\$ (199)
Auditor Assessment Fees ^[f]		\$ (5,566)	\$ (5,733)	\$ (5,905)	\$ (6,082)	\$ (6,265)	\$ (29,551)
Subtotal		\$ (49,216)	\$ (47,077)	\$ (81,162)	\$ (65,271)	\$ (65,441)	\$ (308,166)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (272,000)	\$ (274,000)	\$ (280,000)	\$ (310,000)	\$ (379,000)	\$ (1,514,000)
Street Sweeping Costs ^[g]		\$ -	\$ -	\$ (25,000)	\$ (25,750)	\$ (26,523)	\$ (77,273)
Modeled Additional Costs		\$ (210,112)	\$ (222,576)	\$ (231,473)	\$ (216,817)	\$ (163,622)	\$ (1,044,600)
Subtotal		\$ (482,112)	\$ (496,576)	\$ (536,473)	\$ (552,567)	\$ (569,144)	\$ (2,635,873)
Balance		\$ (209,544)	\$ (221,867)	\$ (295,850)	\$ (296,053)	\$ (312,800)	\$ (1,335,114)

Footnotes:

- [a] Assumes that the SUA funding generated remains the same from year to year.
- [b] All funding is currently generated by SUA.
- [c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.
- [d] Assumes that SUA Shared Costs remain the same from year to year.
- [e] Assumes a 3% increase from year to year.
- [f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.
- [g] Additional detail is provided in the "Existing Program Elements" spreadsheet.

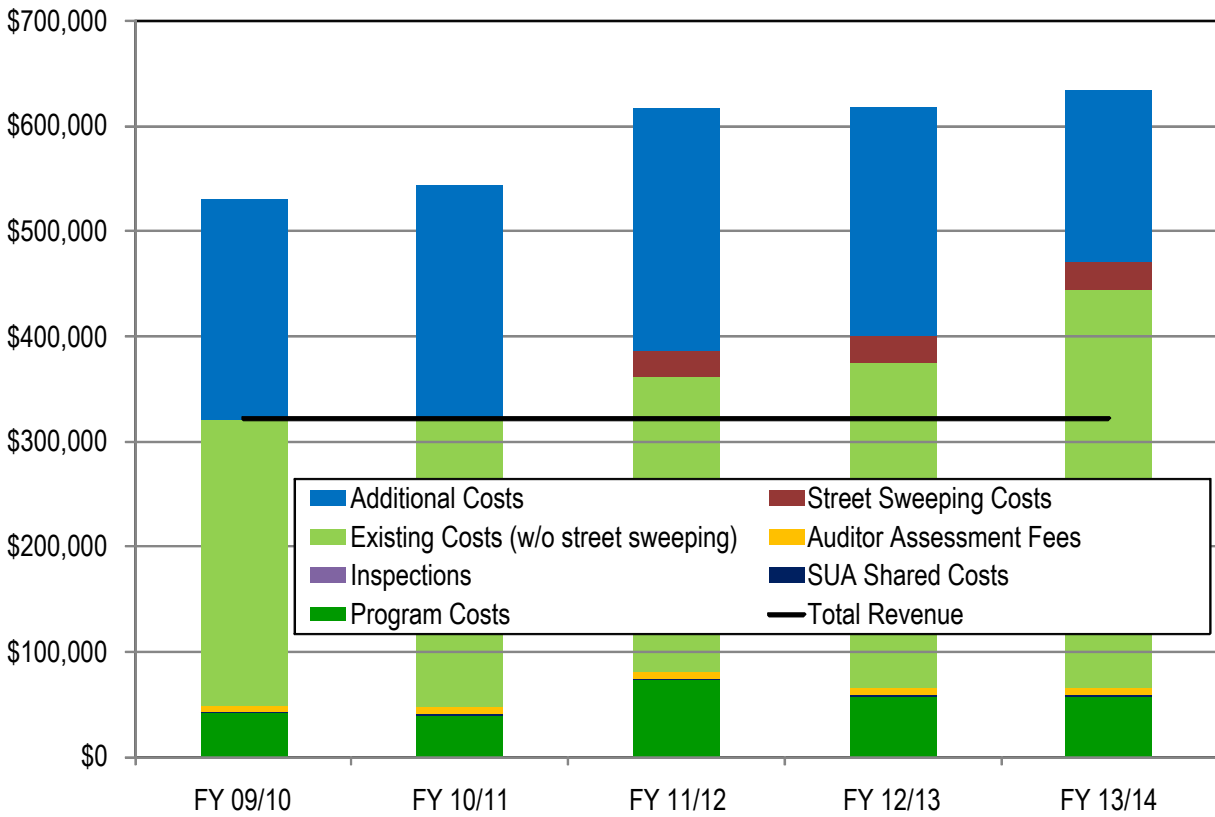
Table M-3-2. City of Pinole Budgeted Expenditures

City of Pinole Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10 ²	FY 10/11 ³	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$272,000	\$274,000	\$280,000	\$310,000	\$379,000	\$1,515,000
Total Estimated Existing Costs (w street sweeping)	\$272,000	\$274,000	\$305,000	\$336,000	\$405,000	\$1,592,000
Other Local Implementation Expenses	\$271,905	\$273,969	\$279,504	\$310,205	\$378,628	\$1,514,211
C.2. Municipal Operations	\$0	\$0	\$25,000	\$25,750	\$26,523	\$77,273
C.3. New Development and Redevelopment	\$0	\$0	\$0	\$0	\$0	\$0
C.4. Industrial and Commercial Site Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.5. Illicit Discharge Detection and Elimination	\$0	\$0	\$0	\$0	\$0	\$0
C.6. Construction Site Control	\$0	\$0	\$0	\$0	\$0	\$0
C.7. Public Information and Outreach	\$0	\$0	\$0	\$0	\$0	\$0
C.8. Water Quality Monitoring	\$0	\$0	\$0	\$0	\$0	\$0
C.9. Pesticides Toxicity Control	\$0	\$0	\$0	\$0	\$0	\$0
C.10. Trash Load Reduction	\$0	\$0	\$0	\$0	\$0	\$0
C.11. Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	\$0	\$0	\$0	\$0	\$0	\$0
1 - Information is from the National Pollutant Discharge Elimination (NPDES) Fund (207) Budget						
2 - Information from the 2009-10 Revised Budget						
3 - Information from the 2010-11 City Manager Recommended Budget						
Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.						

Table M-3-3. City of Pinole Projected Future Program Costs and Comparison to Budgeted Costs

City of Pinole Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$146,674	\$151,074	\$155,606	\$160,274	\$165,083	\$778,711
C.2 Municipal Operations C.5 Illicit Discharge Identification and Elimination C.9 Pesticide Toxicity Reduction	\$232,570	\$239,547	\$246,734	\$254,136	\$261,760	\$1,234,746
C.4. Industrial and Commercial Site Controls	\$17,600	\$18,128	\$18,672	\$19,232	\$19,809	\$93,441
C.3. New Development Controls (nonrecoverable)	\$10,040	\$10,341	\$10,651	\$10,971	\$11,300	\$53,304
C.6. Construction Site Controls (nonrecoverable)	\$10,400	\$10,712	\$11,033	\$11,364	\$11,705	\$55,215
C.10. Trash Controls -- Hot Spots	\$1,829	\$1,883	\$1,940	\$1,998	\$2,058	\$9,708
C.10. Trash -- Planning & Full Trash Capture	\$63,000	\$64,890	\$66,837	\$68,842	\$70,907	\$334,476
Totals	\$482,112	\$496,576	\$511,473	\$526,817	\$542,622	\$2,559,600
Estimate of Current Expenditures (without Street Sweeping)	\$272,000	\$274,000	\$280,000	\$310,000	\$379,000	\$1,515,000
Increase:	\$210,112	\$222,576	\$231,473	\$216,817	\$163,622	\$1,044,600
Percentage increase	77%	81%	83%	70%	43%	69%
Assumed inflation factor:	3%					

Figure M-3-1. City of Pinole Estimated Revenues and Expenditures



City of Pittsburgh

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

Pittsburg reorganized accounting for the local NPDES program for the 2010-2011 fiscal year. The new accounting methods provide a clear view of staffing and expenditures for the program as a whole and for various program elements.

To supplement the local share of SUA funds, since 2007 Pittsburg has transferred in \$200,000 annually from its solid waste fund to cover NPDES program expenses. In addition, street sweeping is funded through solid waste: Using funds collected from trash pickup fees, Delta Diablo Sanitary District (DDSD) pays the City to operate two street sweepers.

Administration and outreach is conducted by stormwater coordinator Jan Longway (0.4 FTE) and Senior Administrative Analyst Laura Wright (0.5 FTE). (The remaining 0.5 FTE of Laura's time is charged the solid waste fund). The City partners with Dow Chemical to support educational boat tours on the Delta, supports Kids for the Bay, and coordinates with various church groups for creek cleanup days.

Municipal Operations (Provision C.2), Illicit Discharge Identification and Elimination (Provision C.5) and Trash Reduction (Provision C.10) are implemented by a dedicated public works staff consisting of 3.3 FTE public works maintenance workers and one FTE supervisor. All storm drain inlets are given an inventory number; checking and updating of inlet markings is done on a work order system. Laura Wright conducts tailgate sessions with staff twice a year; attendees charge their time to general fund budget lines. Time to implement BMPs for activities such as surface cleaning or bridge and structural maintenance are likewise absorbed by the General Fund budget.

Stormwater staff inspects the Corporation Yard to ensure the SWPPP requirements are implemented; the efforts Public Works Superintendent Hilario Mata to implement stormwater BMPs are reflected as General Fund expenditures.

When an illegal discharge occurs staff (usually Madjid Bahri of Engineering) responds and coordinates cleanup and follow-up with public works and code enforcement staff. Code enforcement efforts are funded through the General Fund. However, stormwater staff usually does any directed outreach in response to discharges. Cleanup costs are billed back to the responsible parties wherever possible. The City's Planning Department uses Conditions of Approval on user permits to require some businesses, such as operators of parking structures, to use certified surface cleaners.

The City has adopted an IPM policy modeled on the County's (Provision C.9). Staff generally can't purchase pesticides. Some herbicides are used. Certified Pest Control Applicators on staff receive training three times per year in IPM.

The City operates 12 stormwater pump stations. One will need to be monitored for dissolved oxygen per MRP requirements. However, this will require only a couple of hours a year, and stormwater staff is able to borrow a D.O. meter from the City's Water Treatment Plant.

Attachment N—City of Pittsburgh

The City uses the Sheriff's Work Alternatives program to provide 5-7 people twice a year for creek cleanups.

Pittsburg contracts with DDS to conduct about 40-50 commercial/industrial inspections (Provision C.4) at a cost of about \$50,000 annually. The businesses inspected are rotated from a pool of about 150 businesses total. Jolan Longway gets information from the planning department regarding establishment of new businesses that are added to the pool.

The City's budget for the local stormwater program includes \$43,000 for monitoring. This is a placeholder for either local or countywide future monitoring or pollutants-of-concern studies that may need to be implemented under the mandates of the MRP.

The stormwater budget includes \$47,000 for unrecoverable costs of review of projects for Provision C.3 compliance and for plan checking and inspections for construction site controls (Provision C.6).

Pittsburg's trash control efforts include three locations where video cameras and voice-overs are used to monitor illegal dumping. There is a bounty for reporting illegal dumpers. Jolan Longway and Work Alternatives crews did the initial "hot spot" cleanups at an estimated cost of 10 person hours. The City will participate in the San Francisco Estuary Project grant to provide trash capture devices. The City plans that public works crews will install the devices.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on Pittsburg's 64,000 population, we estimate that local program coordination and local outreach activities (Provision C.7) will require 2.2 FTEs with a total cost of \$440,103. (All estimates use 2009-2010 as a basis.)

Based on the number of storm drain inlets maintained, we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 1.3 FTEs, with a total cost of \$263,250.

Based on Pittsburg's commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$51,800 per year.

We estimate, based on the number of C.3-related projects in recent years, the unrecoverable portion of the cost of implementing Provisions C.3 and C.6 will be 0.2 FTEs. This includes activities related to coordinating the program and staying abreast of regulatory requirements, including training and reporting. We estimate the cost to be \$32,760 per year.

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$7,314 for the mandated hot-spot cleanups and \$234,000 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices.

The total independent estimate of Pittsburg's local stormwater program cost, based on the linear model, is \$1,029,000. This is in line with 2009-2010 budgeted expenditures.

TABLES

Table N-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table N-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table N-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure N-3-1 summarizes this information in a bar graph.

Table N-3-1. City of Pittsburgh Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^{[a][b]}		\$ 841,208	\$ 841,208	\$ 841,208	\$ 841,208	\$ 841,208	\$ 4,206,040
Additional Funding ^[b]		\$ 200,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000
Subtotal		\$ 1,041,208	\$ 941,208	\$ 941,208	\$ 941,208	\$ 941,208	\$ 4,806,040
Total Program Expenditures							
Program Costs ^[c]	6.05%	\$ (140,429)	\$ (133,086)	\$ (245,818)	\$ (192,398)	\$ (192,353)	\$ (904,083)
SUA Shared Costs ^[d]		\$ (3,357)	\$ (3,357)	\$ (3,357)	\$ (3,357)	\$ (3,357)	\$ (16,784)
Inspections ^[e]		\$ (6,045)	\$ (6,226)	\$ (6,413)	\$ (6,605)	\$ (6,804)	\$ (32,093)
Auditor Assessment Fees ^[f]		\$ (14,347)	\$ (14,778)	\$ (15,221)	\$ (15,678)	\$ (16,148)	\$ (76,172)
Subtotal		\$ (164,178)	\$ (157,447)	\$ (270,809)	\$ (218,038)	\$ (218,661)	\$ (1,029,133)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (1,022,000)	\$ (1,040,000)	\$ (961,000)	\$ (990,000)	\$ (1,019,000)	\$ (5,032,000)
Street Sweeping Costs ^[h]		\$ (200,000)	\$ (200,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (700,000)
Modeled Additional Costs		\$ (7,227)	\$ (20,104)	\$ (130,907)	\$ (134,665)	\$ (139,405)	\$ (432,309)
Subtotal		\$ (1,229,227)	\$ (1,260,104)	\$ (1,191,907)	\$ (1,224,665)	\$ (1,258,405)	\$ (6,164,309)
Balance		\$ (352,198)	\$ (476,343)	\$ (521,508)	\$ (501,494)	\$ (535,858)	\$ (2,387,401)

Footnotes:

[a] Assumes that the SUA funding generated remains the same from year to year.

[b] This funding is transferred in from the Solid Waste Fund to supplement the cost of street sweeping, illicit dumping, and out-

[c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.

[d] Assumes that SUA Shared Costs remain the same from year to year.

[e] Assumes a 3% increase from year to year.

[f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.

[g] Additional detail is provided in the "Existing Program Elements" spreadsheet.

[h] Street sweeping costs are funded by the solid waste DDSD.

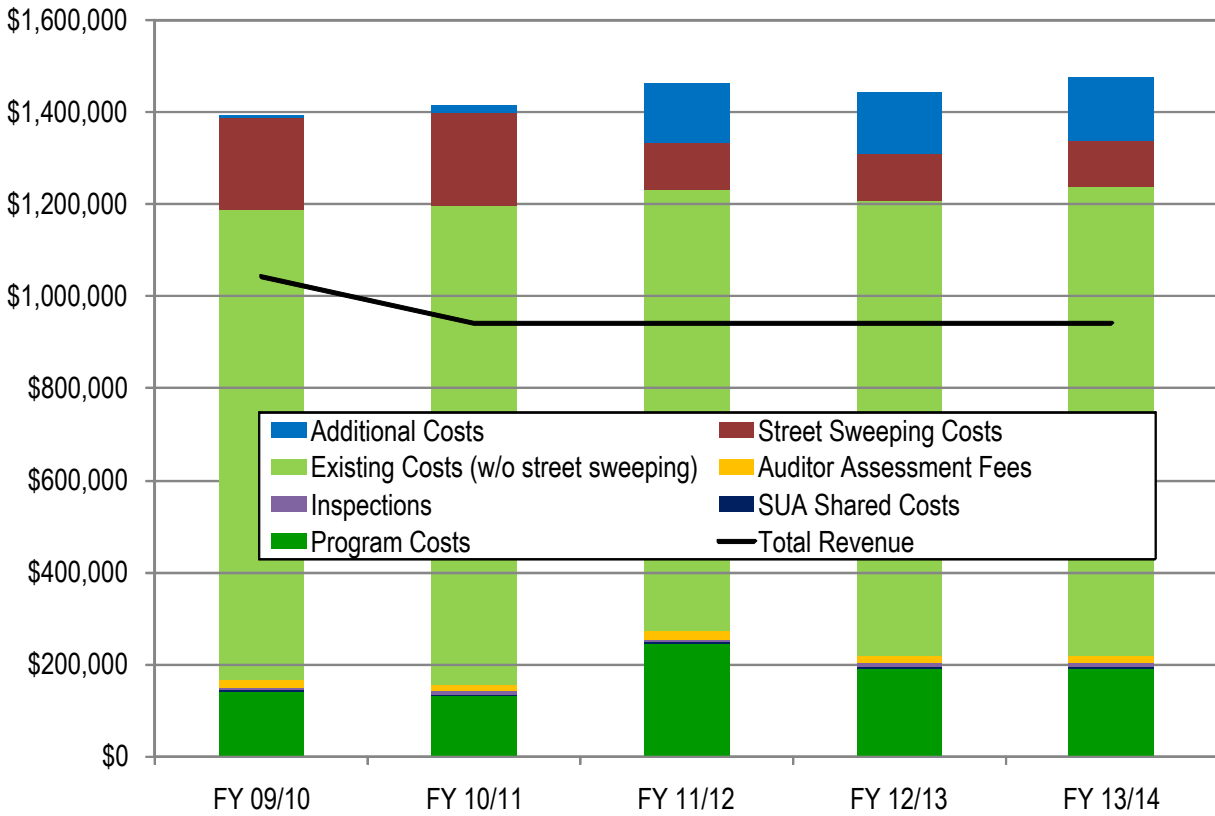
Table N-3-2. City of Pittsburgh Budgeted Expenditures

City of Pittsburgh Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10 ²	FY 10/11 ³	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$1,022,000	\$1,040,000	\$961,000	\$990,000	\$1,019,000	\$5,032,000
Total Estimated Existing Costs (w street sweeping)	\$1,222,000	\$1,240,000	\$1,061,000	\$1,090,000	\$1,119,000	\$5,732,000
Other Local Implementation Expenses	\$497,250	\$556,500	\$572,745	\$589,477	\$606,712	\$2,822,684
C.2. Municipal Operations	\$725,232	\$683,183	\$488,498	\$500,153	\$512,158	\$2,909,225
C.3. New Development and Redevelopment	\$0	\$0	\$0	\$0	\$0	\$0
C.4. Industrial and Commercial Site Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.5. Illicit Discharge Detection and Elimination	\$0	\$0	\$0	\$0	\$0	\$0
C.6. Construction Site Control	\$0	\$0	\$0	\$0	\$0	\$0
C.7. Public Information and Outreach	\$0	\$0	\$0	\$0	\$0	\$0
C.8. Water Quality Monitoring	\$0	\$0	\$0	\$0	\$0	\$0
C.9. Pesticides Toxicity Control	\$0	\$0	\$0	\$0	\$0	\$0
C.10. Trash Load Reduction	\$0	\$0	\$0	\$0	\$0	\$0
C.11. Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	\$0	\$0	\$0	\$0	\$0	\$0
1 - Information is from the National Pollutant Discharge Elimination (NPDES) Fund History						
2 - Information from the 2009-10 Actual Expenditures						
3 - Information from the 2010-11 Approved Budget						
Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.						

Table N-3-3. City of Pittsburg Projected Future Program Costs and Comparison to Budgeted Costs

City of Pittsburg Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$440,103	\$453,306	\$466,905	\$480,913	\$495,340	\$2,336,568
C.2 Municipal Operations						
C.5 Illicit Discharge Identification and Elimination						
C.9 Pesticide Toxicity Reduction	\$263,250	\$271,148	\$279,282	\$287,660	\$296,290	\$1,397,630
C.4. Industrial and Commercial Site Controls	\$51,800	\$53,354	\$54,955	\$56,603	\$58,301	\$275,013
C.3. New Development Controls (nonrecoverable)	\$11,160	\$11,495	\$11,840	\$12,195	\$12,561	\$59,250
C.6. Construction Site Controls (nonrecoverable)	\$21,600	\$22,248	\$22,915	\$23,603	\$24,311	\$114,677
C.10. Trash Controls -- Hot Spots	\$7,314	\$7,534	\$7,760	\$7,993	\$8,232	\$38,833
C.10. Trash -- Planning & Full Trash Capture	\$234,000	\$241,020	\$248,251	\$255,698	\$263,369	\$1,242,338
Totals	\$1,029,227	\$1,060,104	\$1,091,907	\$1,124,665	\$1,158,405	\$5,464,309
Estimate of Current Expenditures (without Street Sweeping)	\$1,022,000	\$1,040,000	\$961,000	\$990,000	\$1,019,000	\$5,032,000
Increase:	\$7,227	\$20,104	\$130,907	\$134,665	\$139,405	\$432,309
Percentage increase	1%	2%	14%	14%	14%	9%
Assumed inflation factor:	3%					

Figure N-3-1. City of Pittsburgh Estimated Revenues and Expenditures



City of Pleasant Hill

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

Pleasant Hill's part-time stormwater program coordinator (Roderick Wui) oversees the City's NPDES compliance, coordinates among city departments, and interacts with the countywide Clean Water Program and the Regional Water Quality Control Board staff as needed. The City funds the stormwater program through the SUA revenues as well as a minor portion of interest that they receive.

The City's stormwater-related municipal operations (Provision C.2) include maintenance of the storm drain system and the development and implementation of the corporation yard Stormwater Pollution Prevention Plan. Future costs include the need to focus on capital improvements to the corporation yard.

Implementation of Provision C.3 (New Development) and Provision C.6 (Construction) is mostly outside of the stormwater budget. The City requires fees on a time and materials basis with applications for development approval and costs for staff review. A similar arrangement is required for review of building permit applications and for construction inspection. As a result, the program is revenue neutral.

The City plans to update its stormwater ordinance during 2011-2012.

The City contracts commercial and industrial inspections (Provision C.4) with the Central Contra Costa Sanitary District (CCCSD) at a cost of approximately \$20,000 annually. In addition CCCSD responds to calls received by the City pursuant to the Illicit Discharge Detection and Elimination program [C.5].

For the public outreach [C.7] portion of the program there is a focus on building and maintaining community relations as well as providing outreach for children through the Kids for the Bay program.

The stormwater program will focus additional resources on training key line staff including those involved with the implementation of the municipal operations program [C.2], the illicit discharge detection and elimination program [C.5], and the new development [C.3] and construction [C.6] programs.

Overall, the city's local program implementation costs (not including street sweeping) are currently estimated at \$360,000 (FY 09-10). However, with the additional cost of street sweeping the estimated costs rise to \$440,000. This is currently paid for by the SUA funding that they receive (approximately \$488,000) and some interest that is received by the stormwater program (\$19,000). Although there is some funding received through the enforcement of illicit discharges, it is not a substantial amount.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on the City of Pleasant Hill's 33,000 population, we estimate that local program coordination and local outreach activities (Provision C.7) will require 1.2 FTEs with a total cost of \$240,288. (All estimates use 2009-2010 as a basis.)

Attachment O—City of Pleasant Hill

Based on the number of storm drain inlets maintained, we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 0.8 FTEs, with a total cost of \$168,220. Based on Pleasant Hill's commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$24,800 per year.

We estimate, based on the number of C.3-related projects in recent years, the unrecoverable portion of the cost of implementing Provisions C.3 and C.6 will be 0.1 FTEs. This includes activities related to coordinating the program and staying abreast of regulatory requirements, including training and reporting. We estimate the cost to be \$20,000 per year.

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$3,657 for the mandated hot-spot cleanups and \$99,000 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices.

The total independent estimate of the County's local stormwater program cost, based on the linear model, is \$555,965. This is a 54% increase over estimated expenditures for FY 2009-2010.

TABLES

Table O-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table O-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table O-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure O-3-1 summarizes this information in a bar graph.

Table O-3-1. City of Pleasant Hill Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^[a]		\$ 488,011	\$ 488,011	\$ 488,011	\$ 488,011	\$ 488,011	\$ 2,440,055
Additional Funding ^[b]		\$ 19,109	\$ 16,057	\$ 15,705	\$ 11,918	\$ 8,554	\$ 71,343
	Subtotal	\$ 507,120	\$ 504,068	\$ 503,716	\$ 499,929	\$ 496,565	\$ 2,511,398
Total Program Expenditures							
Program Costs ^[c]	3.17%	\$ (73,636)	\$ (69,733)	\$ (128,800)	\$ (100,810)	\$ (100,786)	\$ (473,766)
SUA Shared Costs ^[d]		\$ (2,288)	\$ (2,288)	\$ (2,288)	\$ (2,288)	\$ (2,288)	\$ (11,438)
Inspections ^[e]		\$ (19,902)	\$ (20,499)	\$ (21,114)	\$ (21,747)	\$ (22,399)	\$ (105,661)
Auditor Assessment Fees ^[f]		\$ (9,835)	\$ (10,130)	\$ (10,434)	\$ (10,747)	\$ (11,069)	\$ (52,215)
	Subtotal	\$ (105,661)	\$ (102,649)	\$ (162,635)	\$ (135,592)	\$ (136,543)	\$ (643,080)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (360,000)	\$ (318,000)	\$ (375,000)	\$ (266,000)	\$ (363,000)	\$ (1,682,000)
Street Sweeping Costs ^[g]		\$ (80,000)	\$ (81,600)	\$ (84,048)	\$ (86,569)	\$ (89,167)	\$ (421,384)
Modeled Additional Costs		\$ (195,965)	\$ (254,644)	\$ (214,824)	\$ (341,518)	\$ (262,744)	\$ (1,269,696)
	Subtotal	\$ (635,965)	\$ (654,244)	\$ (673,872)	\$ (694,088)	\$ (714,910)	\$ (3,373,079)
	Balance	\$ (234,506)	\$ (252,825)	\$ (332,791)	\$ (329,751)	\$ (354,888)	\$ (1,504,761)

Footnotes:

- [a] Assumes that the SUA funding generated remains the same from year to year.
- [b] Additional funding comes from interest.
- [c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.
- [d] Assumes that SUA Shared Costs remain the same from year to year.
- [e] Assumes a 3% increase from year to year.
- [f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.
- [g] Additional detail is provided in the "Existing Program Elements" spreadsheet.

Table O-3-2. City of Pleasant Hill Budgeted Expenditures

Pleasant Hill Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$360,000	\$318,000	\$375,000	\$266,000	\$363,000	\$1,682,000
Total Estimated Existing Costs (w street sweeping)	\$440,000	\$400,000	\$459,000	\$353,000	\$452,000	\$2,104,000
Other Local Implementation Expenses	\$120,191	\$143,270	\$147,345	\$151,542	\$155,865	\$718,213
C.2. Municipal Operations	\$306,000	\$236,600	\$240,698	\$154,919	\$249,267	\$1,187,483
C.3. New Development and Redevelopment	\$0	\$0	\$0	\$0	\$0	\$0
C.4. Industrial and Commercial Site Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.5. Illicit Discharge Detection and Elimination	\$0	\$0	\$0	\$0	\$0	\$0
C.6. Construction Site Control	\$0	\$0	\$0	\$0	\$0	\$0
C.7. Public Information and Outreach	\$14,218	\$20,000	\$20,600	\$21,218	\$21,855	\$97,891
C.8. Water Quality Monitoring	\$0	\$0	\$0	\$0	\$0	\$0
C.9. Pesticides Toxicity Control	\$0	\$0	\$0	\$0	\$0	\$0
C.10. Trash Load Reduction	\$0	\$0	\$50,000	\$25,000	\$25,000	\$100,000
C.11. Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	\$0	\$0	\$0	\$0	\$0	\$0

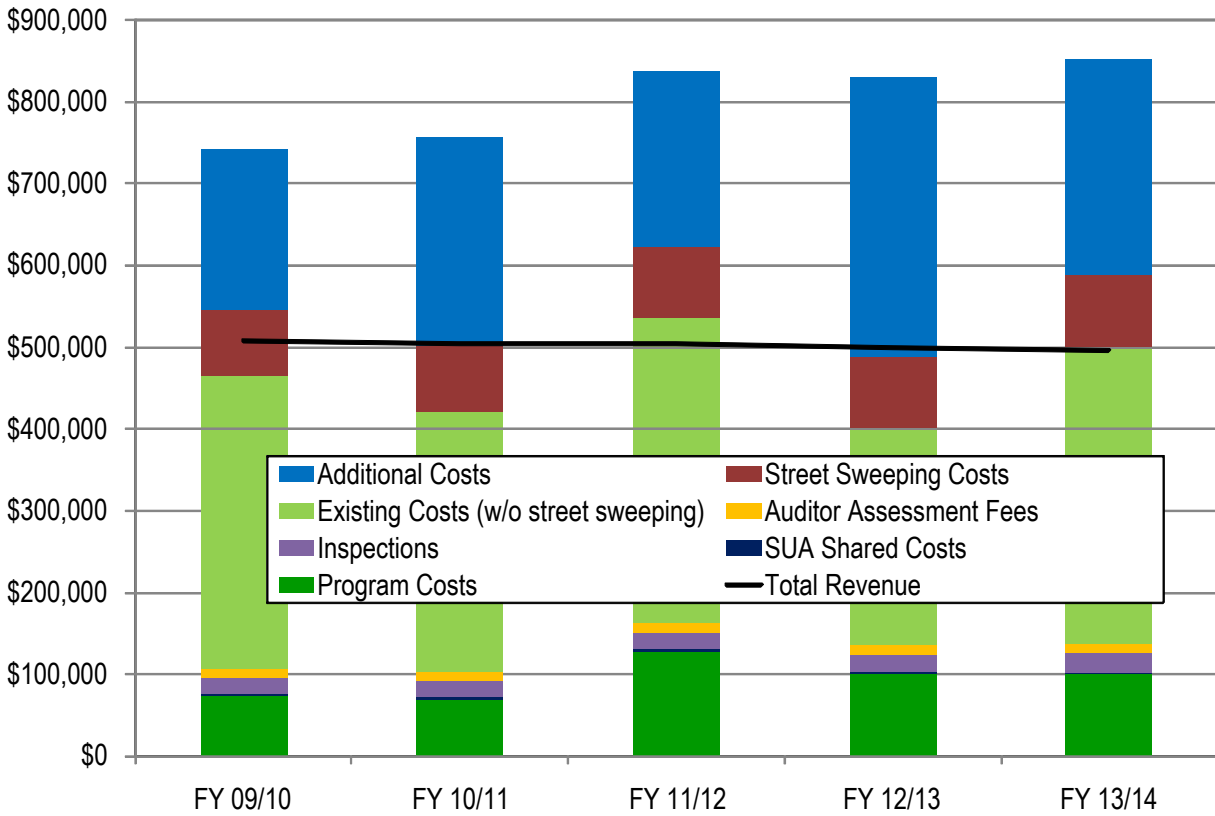
1 - Information is from the National Pollutant Discharge Elimination (NPDES) Fund (19)

Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.

Table O-3-3. City of Pleasant Hill Projected Future Program Costs and Comparison to Budgeted Costs

City of Pleasant Hill Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$240,288	\$247,497	\$254,922	\$262,569	\$270,446	\$1,275,723
C.2 Municipal Operations C.5 Illicit Discharge Identification and Elimination C.9 Pesticide Toxicity Reduction	\$168,220	\$173,267	\$178,465	\$183,819	\$189,333	\$893,103
C.4. Industrial and Commercial Site Controls	\$24,800	\$25,544	\$26,310	\$27,100	\$27,913	\$131,667
C.3. New Development Controls (nonrecoverable)	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$53,091
C.6. Construction Site Controls (nonrecoverable)	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$53,091
C.10. Trash Controls -- Hot Spots	\$3,657	\$3,767	\$3,880	\$3,996	\$4,116	\$19,416
C.10. Trash -- Planning & Full Trash Capture	\$99,000	\$101,970	\$105,029	\$108,180	\$111,425	\$525,604
Totals	\$555,965	\$572,644	\$589,824	\$607,518	\$625,744	\$2,951,696
Estimate of Current Expenditures (without Street Sweeping)	\$360,000	\$318,000	\$375,000	\$266,000	\$363,000	\$1,682,000
Increase:	\$195,965	\$254,644	\$214,824	\$341,518	\$262,744	\$1,269,696
Percentage increase	54%	80%	57%	128%	72%	75%
Assumed inflation factor:	3%					

Figure O-3-1. City of Pleasant Hill Estimated Revenues and Expenditures



City of Richmond

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

The City of Richmond's Stormwater Program is funded through a Stormwater Management Program Charge on property tax bills.¹ The charge created about \$1,580,000 revenue in 2008-2009. Rate levels were calculated in 1993. This revenue paid for street sweeping first, then other stormwater permit activities. In recent years, no funding was available from this source for stormwater pollution prevention activities. As a short-term solution to revenue shortfalls, the General Fund issued a Promissory Note to the Stormwater Sewer Enterprise, with payments beginning in 2009.

The City's stormwater master plan from 2005 identified over \$10 million in capital improvement costs to correct in adequacies in the stormwater infrastructure. In 2007 The City entered into a settlement agreement to produce a scope of work to reduce stormwater pollutants with capital expenditure projects. The scope of work produced structural and non-structural BMPs estimated at \$1.8 million to implement.

Stormwater program manager Lynne Scarpa oversees the City's stormwater activities and implements many of them. Chad Davisson oversees the Veolia contract for storm drain maintenance.

Storm drain maintenance is the largest expenditure in the stormwater program fund. Other municipal maintenance (Provision C.2) activities include training of public works maintenance staff in implementation of stormwater BMPs, updating the Corporation Yard SWPPP, and assisting Parks staff in creek restoration maintenance. It is estimated 0.05 FTEs are spent in managing municipal maintenance programs. Time spent in trainings, stormwater activities, and creek restoration maintenance comes from the public works budget.

Review of development projects for compliance with stormwater compliance (Provision C.3) is funded by fees per a master fee schedule. Plan review fee charged for review of a stormwater control plan currently is \$155. The proposed fee is \$980 to cover the specific hours involved. Proposed fees for installation inspection of a bioretention facility is \$487.50, and O&M inspection of a bioretention facility or other LID facility is \$633.75. It is estimated 0.1 FTEs are spent in reviewing plans.

The East Bay Municipal Utility District currently conducts inspections of about 50 commercial businesses (Provision C.4) each year at \$405 per inspection. The City also utilizes source control inspectors to conduct stormwater components in industrial inspections, and commercial inspections in the fats, oil, and grease (FOG) program for the City's sanitary sewers. Current permit fees (\$432 per inspection for commercial facilities and \$864.00 per inspection for industrial facilities) generate revenue to cover inspections costs and database management. Proposed fees are \$471.25 for commercial facilities and

¹ These funds come directly to the City and not to the Contra Costa Clean Water Program (CCCWP). Richmond does not participate in the Stormwater Utility Assessment (SUA) administered by the CCCWP which collects funds on property tax bills for all other agencies under the joint stormwater National Pollutant Discharge Elimination System (NPDES) permit. The City is invoice by CCCWP for their portion of CCCWP expenditures based on percentage of population in the county.

\$1,072.50 for industrial facilities. Organization of this program is estimated to require 0.1 FTE. Total inspector equivalent time is estimated to be 2 FTEs for commercial and industrial site tracking.

Staff responds to reports of illegal discharges (Provision C.5) about once a week, on average, with each call requiring an average of 0.1 FTEs. About 0.2 FTEs is expended on surveillance of the storm drain system.

Review of stormwater pollution prevention plans (SWPPPs) and erosion control plans are funded presently by plan review fee \$155. Review and inspection of construction sites are funded through building regulations and engineering department budgets. The proposed fee for SWPPP inspections is \$507.50 per month of construction. (Provision C.6).

It is estimated that outreach efforts (Provision C.7) involve 0.2 FTE of the stormwater program manager's time, plus 0.75 FTE of other staff. Outreach includes tabling at festivals, trash reduction campaigns, creek cleanup events, citizen monitoring, support for Kids for the Bay, and other efforts. The City conducts bio-monitoring of some creeks at a cost \$20,000 per year in coordination with regionwide bio-monitoring efforts (Provision C.8).

Presently \$3,000 is budgeted for outreach to lower pesticide use by businesses and residents. Implementation of the City's IPM policy may cost \$120,000 to \$150,000, mostly in staff time. It is estimated implementing the IPM program will be 0.2 FTEs for public works and 0.1 for environmental initiative staff and 0.1 FTEs for the stormwater manager.

To implement trash reduction requirements (Provision C.10), the City has adopted a compostable foodware ordinance for food service facilities, and targeted plastic bags as another ban. The City will participate in the San Francisco Estuary Project grant for full-trash-capture facilities.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on Richmond's 104,000 population, we estimate that local program coordination and local outreach activities (Provision C.7) will require 3.5 FTEs with a total cost of \$703,608.

Based on the number of storm drain inlets maintained, we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 2.6 FTEs, with a total cost of \$513,500. This does not include the cost to maintain the 7 stormwater pumps stations in the City.

Based on the City's commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$40,100 per year. This does not take into account the higher proportion of industrial facilities in Richmond compared to other agencies in the Contra Costa Clean Water Program.

We estimate, based on the number of C.3-related projects in recent years, the unrecoverable portion of the cost of implementing Provisions C.3 and C.6 will be 0.1 FTEs. This includes activities related to coordinating the program and staying abreast of regulatory requirements, including training and reporting. We estimate the cost to be \$20,440 per year.

Attachment P—City of Richmond

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$5,486 for the mandated hot-spot cleanups and \$175,500 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices. This does not include cost to recruit and coordinate volunteers to assist in these efforts.

The total independent estimate of Richmond's local stormwater program cost, based on the linear model for agencies in Contra Costa County, is \$1,458,634. This is a 21% less than currently budgeted expenditures for FY 2010-2011 (including the scheduled capital investment of \$550,000 related to the settlement agreement). Among the factors affecting Richmond's costs, relative to the model predictions, are scheduled capital investment of \$550,000 (geometric database and GIS layers of the stormdrain infrastructure) along with the high costs of storm drain maintenance.

TABLES

Table P-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table P-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table P-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure P-3-1 summarizes this information in a bar graph.

Table P-3-1. City of Richmond Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^[a]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Funding ^[b]		\$ 1,627,000	\$ 1,627,000	\$ 1,627,000	\$ 1,639,600	\$ 1,651,600	\$ 8,172,200
Subtotal		\$ 1,627,000	\$ 1,627,000	\$ 1,627,000	\$ 1,639,600	\$ 1,651,600	\$ 8,172,200
Total Program Expenditures							
Program Costs ^[c]	9.85%	\$ (228,512)	\$ (216,678)	\$ (400,215)	\$ (313,243)	\$ (313,169)	\$ (1,471,816)
SUA Shared Costs ^[d]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inspections ^[e]		\$ (11,770)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (91,770)
Auditor Assessment Fees ^[f]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal		\$ (240,282)	\$ (236,678)	\$ (420,215)	\$ (333,243)	\$ (333,169)	\$ (1,563,586)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (1,875,000)	\$ (2,369,000)	\$ (4,876,000)	\$ (5,502,000)	\$ (6,065,000)	\$ (20,687,000)
Street Sweeping Costs ^[g]		\$ (1,972,000)	\$ (1,086,592)	\$ (1,119,190)	\$ (1,152,765)	\$ (1,187,348)	\$ (6,517,896)
Modeled Additional Costs ^[h]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal		\$ (3,847,000)	\$ (3,455,592)	\$ (5,995,190)	\$ (6,654,765)	\$ (7,252,348)	\$ (27,204,896)
Balance		\$ (2,460,282)	\$ (2,065,270)	\$ (4,788,405)	\$ (5,348,408)	\$ (5,933,917)	\$ (20,596,282)

Footnotes:

[a] Richmond does not receive SUA funding.

[b] Funding is from property taxes, and commercial and industrial stormwater permit fees.

[c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.

[d] None.

[e] Assumes no increase from year to year.

[f] None.

[g] Includes collection system O&M. Additional detail is provided in the "Existing Program Elements" spreadsheet.

[h] For the purpose of final cost estimates, any positive values generated by the model were set to zero within this table.

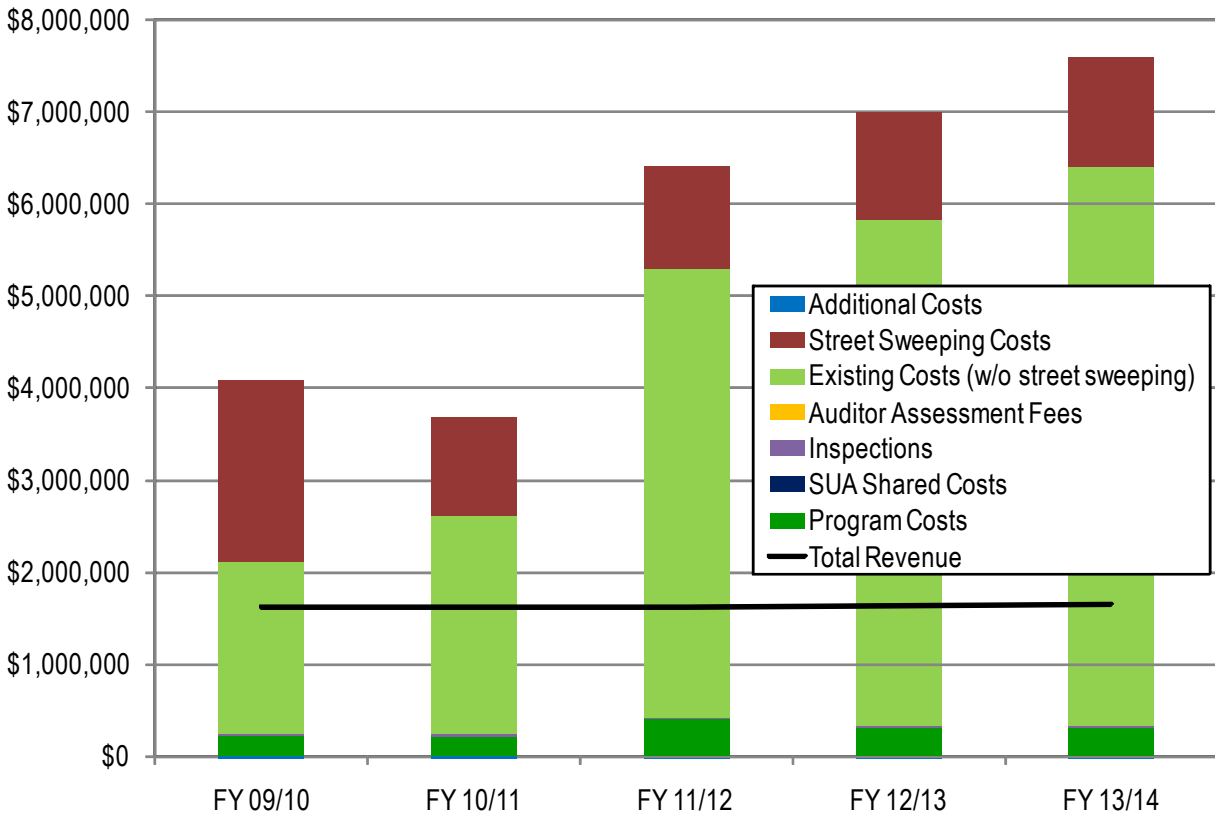
Table P-3-2. City of Richmond Budgeted Expenditures

City of Richmond Existing Program Elements	Assumptions	Estimated Costs by Fiscal Year ¹					Estimated Total
		FY 09/10 ²	FY 10/11 ³	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)		\$1,875,000	\$2,369,000	\$4,876,000	\$5,502,000	\$6,065,000	\$20,687,000
Total Estimated Existing Costs (w street sweeping)		\$3,847,000	\$3,456,000	\$5,995,000	\$6,655,000	\$7,252,000	\$27,205,000
Other Local Implementation Expenses		\$853,860	\$1,329,930	\$3,675,098	\$4,262,406	\$4,784,708	\$14,906,003
C.2. Municipal Operations		\$2,947,781	\$2,095,807	\$2,199,190	\$2,265,165	\$2,333,120	\$11,841,063
C.3. New Development and Redevelopment		\$0	\$0	\$500	\$0	\$0	\$500
C.4. Industrial and Commercial Site Controls		\$0	\$0	\$0	\$0	\$0	\$0
C.5. Illicit Discharge Detection and Elimination		\$0	\$0	\$2,000	\$2,060	\$2,122	\$6,182
C.6. Construction Site Control		\$0	\$0	\$1,000	\$1,000	\$1,500	\$3,500
C.7. Public Information and Outreach		\$12,000	\$7,000	\$58,000	\$63,000	\$68,000	\$208,000
C.8. Water Quality Monitoring		\$30,000	\$20,000	\$20,600	\$21,218	\$21,855	\$113,673
C.9. Pesticides Toxicity Control		\$3,000	\$3,000	\$23,090	\$23,783	\$24,496	\$77,369
C.10. Trash Load Reduction		\$0	\$0	\$15,000	\$15,450	\$15,914	\$46,364
C.11. Mercury Controls	Costs included in CIP	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	Costs included in CIP	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls		\$0	\$0	\$0	\$500	\$0	\$500
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium		\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges		\$0	\$0	\$500	\$500	\$500	\$1,500
C.16. Annual Reports		\$0	\$0	\$0	\$0	\$0	\$0
1 - Information is from the National Pollutant Discharge Elimination (NPDES) Fund (229) 2010-11 Operating Budget							
2 - Information from verbal communication with Lynne Scarpa							
3 - Information from the 2010-11 Adopted Budget and verbal communication with Lynne Scarpa							
Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.							

Table P-3-3. City of Richmond Projected Future Program Costs and Comparison to Budgeted Costs

City of Richmond Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$703,608	\$724,716	\$746,458	\$768,852	\$791,917	\$3,735,551
C.2 Municipal Operations C.5 Illicit Discharge Identification and Elimination C.9 Pesticide Toxicity Reduction	\$513,500	\$528,905	\$544,772	\$561,115	\$577,949	\$2,726,241
C.4. Industrial and Commercial Site Controls	\$40,100	\$41,303	\$42,542	\$43,818	\$45,133	\$212,896
C.3. New Development Controls (nonrecoverable)	\$10,040	\$10,341	\$10,651	\$10,971	\$11,300	\$53,304
C.6. Construction Site Controls (nonrecoverable)	\$10,400	\$10,712	\$11,033	\$11,364	\$11,705	\$55,215
C.10. Trash Controls -- Hot Spots	\$5,486	\$5,650	\$5,820	\$5,994	\$6,174	\$29,124
C.10. Trash -- Planning & Full Trash Capture	\$175,500	\$180,765	\$186,188	\$191,774	\$197,527	\$931,753
Totals	\$1,458,634	\$1,502,393	\$1,547,465	\$1,593,889	\$1,641,705	\$7,744,086
Estimate of Current Expenditures (without Street Sweeping)	\$1,875,000	\$2,369,000	\$4,876,000	\$5,502,000	\$6,065,000	\$20,687,000
Increase:	-\$416,366	-\$866,607	-\$3,328,535	-\$3,908,111	-\$4,423,295	-\$12,942,914
Percentage increase	-22%	-37%	-68%	-71%	-73%	-63%
Assumed inflation factor:	3%					

Figure P-3-1. City of Richmond Estimated Revenues and Expenditures



City of San Pablo

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

To implement the local stormwater pollution prevention program, San Pablo uses nearly \$300,000 in available SUA funds and supplements this with a \$65,000 annual subsidy from the General Fund. Street sweeping costs of \$72,500 annually are not included in the stormwater budget. In addition, about \$150,000 in gas tax funds are used for creek debris removal and maintenance, and a Lighting and Landscape District covers litter control in parks and medians.

Environmental Programs Analyst Karineh Samkian (0.8 FTE) oversees the local stormwater program and implements many of the activities, including outreach (Provision C.7), which takes about 10% of her time. The City supports the Watershed Project and Kids for the Bay. A twice-yearly cleanup takes about one person-day, and this is not accounted for under the stormwater budget.

One FTE of maintenance worker time (actually split between two workers at 50% each) is budgeted, but staff report that time spent on stormwater activities actually comes to more like 2 FTEs. About an additional 1.0 FTE of temporary workers is employed in storm drain cleaning and cleanups of publicly owned or maintained sections of creeks and drainage easements. Karineh conducts a 90-minute training once a year, which is typically attended by about 12 maintenance workers. Karineh also attends monthly safety meetings and brings up stormwater issues as needed. Creeks are walked and cleaned once a year, which typically takes three staff about 2 months, in addition to Karineh's work to get the needed permits. Karineh prepared the Corporation Yard SWPPP and works with public works staff on implementation (Provision C.2).

Implementation of Illicit Discharge Detection and Elimination (Provision C.5) has required less time—reduced from about 25% of an FTE to 5-10%—because there are fewer incidents. Beginning about 5 years ago, the City began to impose administrative fines of up to \$1,000 each. This generates perhaps \$7,000 annually for the stormwater program and seems to have resulted in fewer incidents.

The City just updated its IPM policy (Provision C.9) and staff believe implementation has actually reduced costs. One staff person has been trained in Bay Friendly Landscaping (25-30 hours training).

San Pablo has about 150 businesses requiring stormwater inspections (Provision C.4); many of which are restaurants or auto shops. Inspections are conducted by Karineh, or an intern, or a public works inspector. It is estimated that about 50 hours per year of this inspection time has not been included in the stormwater budget. Staff feels resource constraints have led to fewer inspections being conducted.

The City charges a \$250 fee to review C.3 Stormwater Control Plans and a permit fee of 2¢ per square foot (Provision C.3). Plan checking, including review of erosion and sedimentation controls (Provision C.6), is by a City consultant; the consultant's charges are billed back to the permit applicant. Inspections of construction sites for implementation of erosion and sediment controls and pollution-prevention measures are conducted by a public works inspector (perhaps 25% FTE) with assistance from Karineh.

To begin implementation of Trash Reduction (Provision C.10) requirements, Karineh and one maintenance worker spent one-half day cleaning up a hot spot. San Pablo plans to obtain \$27,000 from the San Francisco Estuary Project grant to obtain one trash removal device, which will be installed and maintained by public works crews.

Staff estimate about \$400,000 annually is needed to operate the stormwater program. The General Fund subsidy is not sustainable in the long term. The big future unknown is the cost of compliance with trash reduction requirements. The City has intensive trash management activities in place already, but it is not known how much additional effort might be required.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on San Pablo's 31,000 population, we estimate that local program coordination and local outreach activities (Provision C.7) will require 1.1 FTEs with a total cost of \$225,854.

Based on the number of storm drain inlets maintained, we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 0.2 FTEs, with a total cost of \$42,380.

Based on San Pablo's commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$16,700 per year.

We estimate, based on the number of C.3-related projects in recent years, the unrecoverable portion of the cost of implementing Provisions C.3 and C.6 will be 0.1 FTEs. This includes activities related to coordinating the program and staying abreast of regulatory requirements, including training and reporting. We estimate the cost to be \$21,760 per year.

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$1,829 for the mandated hot-spot cleanups and \$58,000 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices.

The total independent estimate of San Pablo's local stormwater program cost, based on the linear model, is \$367,023. This is comparable to 2009-2010 expenditures.

TABLES

Table Q-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table Q-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table Q-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure Q-3-1 summarizes this information in a bar graph.

Table Q-3-1. City of San Pablo Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^{[a][b]}		\$ 422,662	\$ 422,662	\$ 422,662	\$ 422,662	\$ 422,662	\$ 2,113,310
Additional Funding ^[b]		\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 325,000
Subtotal		\$ 487,662	\$ 487,662	\$ 487,662	\$ 487,662	\$ 487,662	\$ 2,438,310
Total Program Expenditures							
Program Costs ^[c]	2.97%	\$ (68,811)	\$ (65,333)	\$ (120,674)	\$ (94,450)	\$ (94,428)	\$ (443,696)
SUA Shared Costs ^[d]		\$ (1,296)	\$ (1,296)	\$ (1,296)	\$ (1,296)	\$ (1,296)	\$ (6,481)
Inspections ^[e]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Auditor Assessment Fees ^[f]		\$ (5,680)	\$ (5,850)	\$ (6,026)	\$ (6,207)	\$ (6,393)	\$ (30,156)
Subtotal		\$ (75,788)	\$ (72,480)	\$ (127,996)	\$ (101,953)	\$ (102,117)	\$ (480,333)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (360,000)	\$ (373,000)	\$ (384,000)	\$ (395,000)	\$ (407,000)	\$ (1,919,000)
Street Sweeping Costs ^[g]		\$ (72,500)	\$ (72,500)	\$ (74,675)	\$ (76,915)	\$ (79,223)	\$ (375,813)
Modeled Additional Costs ^[h]		\$ (7,023)	\$ (7,233)	\$ (7,450)	\$ (7,674)	\$ (7,904)	\$ (37,284)
Subtotal		\$ (439,523)	\$ (452,733)	\$ (466,125)	\$ (479,589)	\$ (494,127)	\$ (2,332,097)
Balance		\$ (27,648)	\$ (37,551)	\$ (106,459)	\$ (93,880)	\$ (108,581)	\$ (374,120)

Footnotes:

- [a] Assumes that the SUA funding generated remains the same from year to year.
- [b] From the General Fund.
- [c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.
- [d] Assumes that SUA Shared Costs remain the same from year to year.
- [e] Inspections are performed internally.
- [f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.
- [g] Additional detail is provided in the "Existing Program Elements" spreadsheet.
- [h] Assumes a 3% increase from year to year.

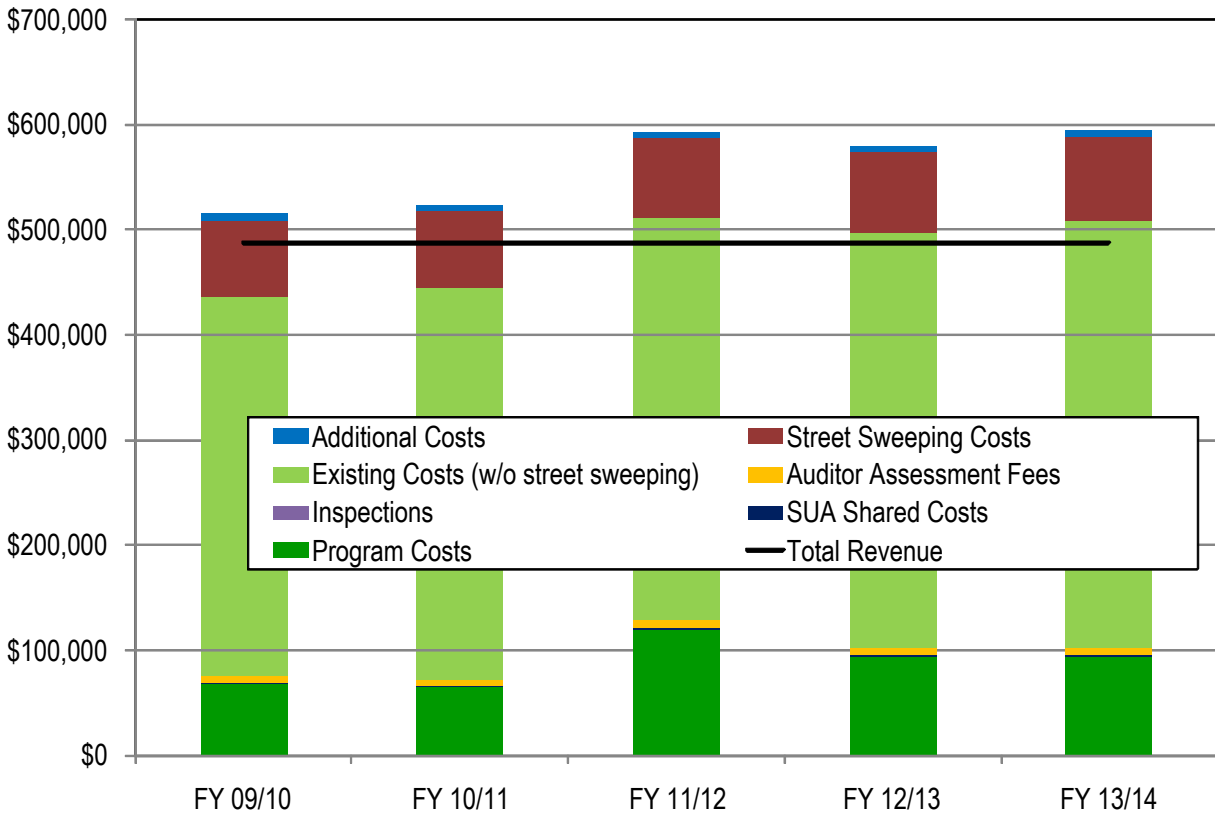
Table Q-3-2. City of San Pablo Budgeted Expenditures

City of San Pablo Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10 ²	FY 10/11 ³	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$360,000	\$373,000	\$384,000	\$395,000	\$407,000	\$1,919,000
Total Estimated Existing Costs (w street sweeping)	\$433,000	\$446,000	\$459,000	\$472,000	\$486,000	\$2,296,000
Other Local Implementation Expenses	\$360,223	\$373,230	\$384,157	\$395,412	\$407,004	\$1,920,025
C.2. Municipal Operations	\$72,500	\$72,500	\$74,675	\$76,915	\$79,223	\$375,813
C.3. New Development and Redevelopment	\$0	\$0	\$0	\$0	\$0	\$0
C.4. Industrial and Commercial Site Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.5. Illicit Discharge Detection and Elimination	\$0	\$0	\$0	\$0	\$0	\$0
C.6. Construction Site Control	\$0	\$0	\$0	\$0	\$0	\$0
C.7. Public Information and Outreach	\$0	\$0	\$0	\$0	\$0	\$0
C.8. Water Quality Monitoring	\$0	\$0	\$0	\$0	\$0	\$0
C.9. Pesticides Toxicity Control	\$0	\$0	\$0	\$0	\$0	\$0
C.10. Trash Load Reduction	\$0	\$0	\$0	\$0	\$0	\$0
C.11. Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	\$0	\$0	\$0	\$0	\$0	\$0
1 - Information is from the National Pollutant Discharge Elimination (NPDES) Fund (207)						
2 - Information from the 2009-10 Adopted Budget						
3 - Information from the 2010-11 Adopted Budget						
Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.						

Table Q-3-3. City of San Pablo Projected Future Program Costs and Comparison to Budgeted Costs

City of San Pablo Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$225,854	\$232,630	\$239,609	\$246,797	\$254,201	\$1,199,090
C.2 Municipal Operations						
C.5 Illicit Discharge Identification and Elimination						
C.9 Pesticide Toxicity Reduction	\$42,380	\$43,651	\$44,961	\$46,310	\$47,699	\$225,001
C.4. Industrial and Commercial Site Controls	\$16,700	\$17,201	\$17,717	\$18,249	\$18,796	\$88,663
C.3. New Development Controls (nonrecoverable)	\$10,160	\$10,465	\$10,779	\$11,102	\$11,435	\$53,941
C.6. Construction Site Controls (nonrecoverable)	\$11,600	\$11,948	\$12,306	\$12,676	\$13,056	\$61,586
C.10. Trash Controls -- Hot Spots	\$1,829	\$1,883	\$1,940	\$1,998	\$2,058	\$9,708
C.10. Trash -- Planning & Full Trash Capture	\$58,500	\$60,255	\$62,063	\$63,925	\$65,842	\$310,584
Totals	\$367,023	\$378,033	\$389,374	\$401,055	\$413,087	\$1,948,573
Estimate of Current Expenditures (without Street Sweeping)	\$360,000	\$373,000	\$384,000	\$395,000	\$407,000	\$1,919,000
Increase:	\$7,023	\$5,033	\$5,374	\$6,055	\$6,087	\$29,573
Percentage increase	2%	1%	1%	2%	1%	2%
Assumed inflation factor:	3%					

Figure Q-3-1. City of San Pablo Estimated Revenues and Expenditures



City of San Ramon

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

San Ramon pays for all budgeted routine stormwater costs through SUA revenues and has, in past years, been able to build a reserve. Staff currently expects the reserve to be exhausted in 2013-2014. The City-wide Landscape and Lighting District covers removal of trash from arterial roadways. Street sweeping is currently partially covered in the stormwater budget. Street sweeping in the Dougherty Valley is covered as part of a community services fee.)

Overall local program administration, which is led by Steven Spedowski, requires 1.46 FTE. In the past, the City has budgeted \$25,000 per year for outreach, but generally hasn't spent that much due to participation in the Contra Costa Clean Water Program, and plans to reduce that budget item to \$5,000 in 2011- 2012. Staff provides materials and participates in events. 100% of storm drain inlets have been marked, and these are kept up as part of routine storm drain maintenance.

The City has budgeted \$635,768 for public services activities including storm drain maintenance and creek maintenance (but not including street sweeping). This includes \$51,000 for maintenance of water quality ponds in Dougherty Valley. Training of maintenance workers is carried out periodically by supervisory staff (Provision C.2). Steve Spedowski is the responder for illicit discharge (Provision C.5) and estimates about 15-30 call-outs per year. City staff has taken the initiative to work with the police department to access registration for leaky vehicles and notify owners. It requires two person-weeks to walk and inspect all of San Ramon's creeks; this is not currently done regularly because of access issues as well as budget.

The Central Contra Costa Sanitary District inspects about 80 commercial/industrial businesses each year at a cost of about \$25,000 (Provision C.4). Staff estimates about three days a year are needed to track business change and update the inspection plan.

San Ramon charges applicants for planning approvals and building permits for time and materials, and this includes the cost of review for Provision C.3 compliance, review of erosion and sedimentation control plans, and construction inspections (Provision C.6). Operation and maintenance inspections of installed stormwater treatment facilities currently require about 3 days a year; this is covered under the engineering portion of the stormwater budget.

The City completed the required hot-spot cleanups and is awaiting countywide and regional guidance on preparing a trash reduction plan (Provision C.10).

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on San Ramon’s 59,000 population, we estimate that local program coordination and local outreach activities (Provision C.7) will require 2.0 FTEs with a total cost of \$409,413.

Based on the number of storm drain inlets maintained, we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 2.0 FTEs, with a total cost of \$396,500. Based on San Ramon’s commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$29,600 per year.

We estimate, based on the number of C.3-related projects in recent years, the unrecoverable portion of the cost of implementing Provisions C.3 and C.6 will be 0.1 FTEs. This includes activities related to coordinating the program and staying abreast of regulatory requirements, including training and reporting. We estimate the cost to be \$20,440 per year.

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$3,657 for the mandated hot-spot cleanups and \$123,000 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices.

The total independent estimate of San Ramon’s local stormwater program cost, based on the linear model, is \$982,000. This is a 19% increase from 2009-2010 expenditures.

San Ramon may be able to limit the cost of trash reduction by making minor modifications to existing stormwater detention basins. If projected trash costs are not included, our estimate of local program is \$855,953, in line with 2009-2010 expenditures.

TABLES

Table R-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table R-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table R-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure R-3-1 summarizes this information in a bar graph.

Table R-3-1. City of San Ramon Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^[a]		\$ 1,147,985	\$ 1,147,985	\$ 1,147,985	\$ 1,147,985	\$ 1,147,985	\$ 5,739,925
Additional Funding ^[b]		\$ 27,430	\$ 26,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 116,430
	Subtotal	\$ 1,175,415	\$ 1,173,985	\$ 1,168,985	\$ 1,168,985	\$ 1,168,985	\$ 5,856,355
Total Program Expenditures							
Program Costs ^[c]	5.61%	\$ (130,170)	\$ (123,407)	\$ (227,940)	\$ (178,405)	\$ (178,363)	\$ (838,286)
SUA Shared Costs ^[d]		\$ (4,477)	\$ (4,477)	\$ (4,477)	\$ (4,477)	\$ (4,477)	\$ (22,384)
Inspections ^[e]		\$ (22,735)	\$ (23,417)	\$ (24,119)	\$ (24,843)	\$ (25,588)	\$ (120,702)
Auditor Assessment Fees ^[f]		\$ (18,963)	\$ (19,532)	\$ (20,118)	\$ (20,721)	\$ (21,343)	\$ (100,677)
	Subtotal	\$ (176,345)	\$ (170,833)	\$ (276,654)	\$ (228,446)	\$ (229,771)	\$ (1,082,049)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (833,000)	\$ (931,000)	\$ (919,000)	\$ (970,000)	\$ (999,000)	\$ (4,652,000)
Street Sweeping Costs ^[g]		\$ (311,845)	\$ (246,735)	\$ (146,764)	\$ (151,167)	\$ (155,702)	\$ (1,012,213)
Modeled Additional Costs		\$ (149,610)	\$ (81,089)	\$ (123,451)	\$ (103,725)	\$ (106,937)	\$ (564,812)
	Subtotal	\$ (1,294,455)	\$ (1,258,824)	\$ (1,189,215)	\$ (1,224,892)	\$ (1,261,639)	\$ (6,229,025)
	Balance	\$ (295,385)	\$ (255,671)	\$ (296,884)	\$ (284,353)	\$ (322,425)	\$ (1,454,719)

Footnotes:

- [a] Assumes that the SUA funding generated remains the same from year to year.
- [b] Additional funding comes from interest, fish decals, and Vortec assessment.
- [c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.
- [d] Assumes that SUA Shared Costs remain the same from year to year.
- [e] Assumes a 3% increase from year to year.
- [f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.
- [g] Additional detail is provided in the "Existing Program Elements" spreadsheet.

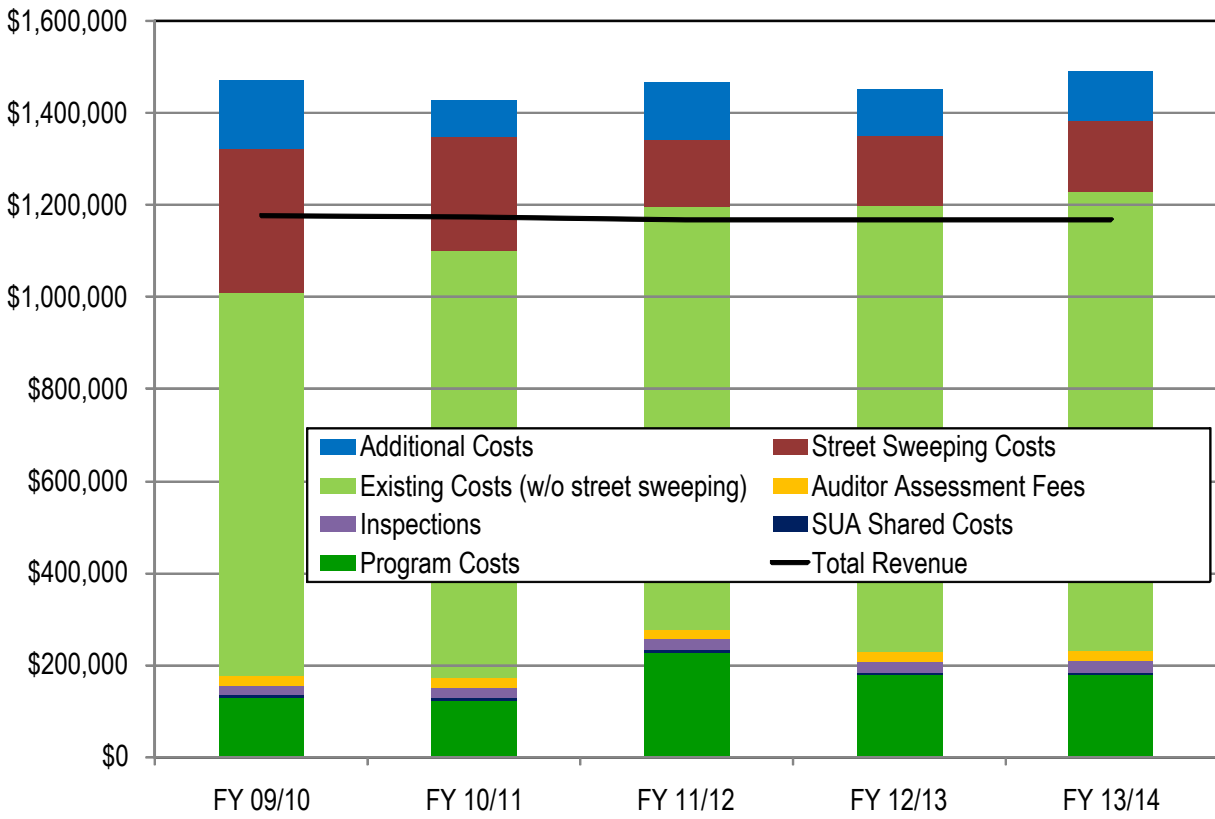
Table R-3-2. City of San Ramon Budgeted Expenditures

City of San Ramon Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10 ²	FY 10/11 ³	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$833,000	\$931,000	\$919,000	\$970,000	\$999,000	\$4,652,000
Total Estimated Existing Costs (w street sweeping)	\$1,145,000	\$1,178,000	\$1,066,000	\$1,122,000	\$1,155,000	\$5,666,000
Other Local Implementation Expenses	\$479,729	\$553,438	\$490,426	\$504,804	\$519,614	\$2,548,011
C.2. Municipal Operations	\$387,638	\$305,552	\$248,240	\$279,881	\$288,277	\$1,509,588
C.3. New Development and Redevelopment	\$0	\$0	\$0	\$0	\$0	\$0
C.4. Industrial and Commercial Site Controls	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138	\$132,728
C.5. Illicit Discharge Detection and Elimination	\$156,039	\$187,034	\$186,570	\$192,167	\$197,932	\$919,742
C.6. Construction Site Control	\$0	\$0	\$0	\$0	\$0	\$0
C.7. Public Information and Outreach	\$96,775	\$106,338	\$114,015	\$117,435	\$120,959	\$555,522
C.8. Water Quality Monitoring	\$0	\$0	\$0	\$0	\$0	\$0
C.9. Pesticides Toxicity Control	\$0	\$0	\$0	\$0	\$0	\$0
C.10. Trash Load Reduction	\$0	\$0	\$0	\$0	\$0	\$0
C.11. Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	\$0	\$0	\$0	\$0	\$0	\$0
1 - Information is from the Stormwater Program Budget FY 2010/11						
2 - Information from the 2009-10 Projected Actual Budget						
3 - Information from the 2010-11 Proposed Budget						
Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.						

Table R-3-3. City of San Ramon Projected Future Program Costs and Comparison to Budgeted Costs

City of San Ramon Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$409,413	\$421,696	\$434,346	\$447,377	\$460,798	\$2,173,630
C.2 Municipal Operations C.5 Illicit Discharge Identification and Elimination C.9 Pesticide Toxicity Reduction	\$396,500	\$408,395	\$420,647	\$433,266	\$446,264	\$2,105,072
C.4. Industrial and Commercial Site Controls	\$29,600	\$30,488	\$31,403	\$32,345	\$33,315	\$157,150
C.3. New Development Controls (nonrecoverable)	\$10,040	\$10,341	\$10,651	\$10,971	\$11,300	\$53,304
C.6. Construction Site Controls (nonrecoverable)	\$10,400	\$10,712	\$11,033	\$11,364	\$11,705	\$55,215
C.10. Trash Controls -- Hot Spots	\$3,657	\$3,767	\$3,880	\$3,996	\$4,116	\$19,416
C.10. Trash -- Planning & Full Trash Capture	\$123,000	\$126,690	\$130,491	\$134,405	\$138,438	\$653,024
Totals	\$982,610	\$1,012,089	\$1,042,451	\$1,073,725	\$1,105,937	\$5,216,812
Estimate of Current Expenditures (without Street Sweeping)	\$833,000	\$931,000	\$919,000	\$970,000	\$999,000	\$4,652,000
Increase:	\$149,610	\$81,089	\$123,451	\$103,725	\$106,937	\$564,812
Percentage increase	18%	9%	13%	11%	11%	12%
Assumed inflation factor:	3%					

Figure R-3-1. City of San Ramon Estimated Revenues and Expenditures



City of Walnut Creek

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

Walnut Creek aims to cover the costs of implementing its stormwater program with revenues from the SUA. For some years, SUA revenues were sufficient to allow building of a reserve. However, recent increases in program requirements have resulted in drawing down the reserves by \$200,000 to \$250,000 each year. The City is studying the use of solid waste fees to fund stormwater pollution prevention, but sees some obstacles to implementation.

Project Manager Rinta Perkins coordinates the local stormwater program full-time. Outreach (MRP Provision C.7) includes work with nonprofit groups, including staff assistance and direct payments to organizations such as Kids in Creeks and to promote Bay-Friendly Landscaping. City staff believes there are some savings to be had by regionalizing this effort, but believe the permit may require implementation at the local level. About 98% of storm drain inlets have been marked (these are tracked on GIS) by Public Works staff and by a student intern.

The stormwater budget includes two full-time street sweeper operators, two maintenance workers and portions of supervisors' salaries. Rinta and other stormwater staff conduct an annual staff training, attended by 50 to 60 employees and taking an hour and a half. In addition, public works crews receive tailgate-talk type trainings once or twice a year in implementation of municipal operations BMPs (Provision C.2).

Surveillance of the storm drain system for illegal discharges (Provision C.5) includes random selection of inlets and review for evidence of discharge during May of each year. The City conducted a pilot project for surveillance of dumping sites but felt implementation was too expensive. The City uses duplicate forms and a computer database to record and track illicit discharges.

The City has retained a consultant to advise on implementation of IPM (Provision C.9), and is updating contracts and purchasing policies. So far, a dozen City staff have attended an extensive training course in Bay-Friendly landscaping, involving seven 3-hour sessions.

There are about 600 commercial and industrial businesses on the City's inspection list (Provision C.4). About 115 of these are inspected each year by a City engineering tech. The inspections are tracked on a database.

The City charges applicants for new development approvals and for building permits at an hourly rate intended to recapture staff costs. The City's stormwater budget includes \$77,000 for staff education, training, consultant assistance, and other expenses related to implementation of Provision C.3 and Provision C.6. The City charges \$150 fee annual fee for inspections of installed stormwater treatment facilities.

The City's trash reduction plan (Provision C.10) is under development. Public works crews performed initial hot spot cleanup, taking about 30 person-hours, including assessment of the trash removed. The

next step is to identify locations for full-capture devices. Walnut Creek may also implement more business outreach, more frequent sweeping of some areas, and more frequent trash pickup. City staff judge that they would need approximately one additional half-time employee devoted to stormwater to fully implement MRP requirements.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on Walnut Creek's 65,000 population, we estimate that local program coordination and local outreach activities (Provision C.7) will require 2.3 FTEs with a total cost of \$451,020.

Based on the number of storm drain inlets maintained, we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 2.7 FTEs, with a total cost of \$542,360.

Based on Walnut Creek's commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$103,700 per year.

We estimate, based on the number of C.3-related projects in recent years, the unrecoverable portion of the cost of implementing Provisions C.3 and C.6 will be 0.13 FTEs. This includes activities related to coordinating the program and staying abreast of regulatory requirements, including training and reporting. We estimate the cost to be \$26,160 per year.

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$5,486 for the mandated hot-spot cleanups and \$493,500 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices.

The total independent estimate of Walnut Creek's local stormwater program cost, based on the linear model, is \$1,078,000. This is a 41% increase from currently budgeted expenditures. The difference is approximately equal to differences in projected costs of implementing Provision C.10.

TABLES

Table S-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table S-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table S-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure S-3-1 summarizes this information in a bar graph.

Table S-3-1. City of Walnut Creek Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^{[a][b]}		\$ 1,234,412	\$ 1,234,412	\$ 1,234,412	\$ 1,234,412	\$ 1,234,412	\$ 6,172,060
Subtotal		\$ 1,234,412	\$ 1,234,412	\$ 1,234,412	\$ 1,234,412	\$ 1,234,412	\$ 6,172,060
Total Program Expenditures							
Program Costs ^[c]	6.21%	\$ (144,078)	\$ (136,606)	\$ (252,319)	\$ (197,486)	\$ (197,440)	\$ (927,928)
SUA Shared Costs ^[d]		\$ (4,828)	\$ (4,828)	\$ (4,828)	\$ (4,828)	\$ (4,828)	\$ (24,142)
Inspections ^[e]		\$ (150)	\$ (155)	\$ (159)	\$ (164)	\$ (169)	\$ (796)
Auditor Assessment Fees ^[f]		\$ (20,477)	\$ (21,091)	\$ (21,724)	\$ (22,376)	\$ (23,047)	\$ (108,715)
Subtotal		\$ (169,533)	\$ (162,680)	\$ (279,030)	\$ (224,854)	\$ (225,484)	\$ (1,061,581)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (1,149,000)	\$ (1,143,000)	\$ (1,177,000)	\$ (1,795,000)	\$ (1,247,000)	\$ (6,511,000)
Street Sweeping Costs ^[g]		\$ (172,331)	\$ (184,344)	\$ (189,875)	\$ (195,571)	\$ (201,438)	\$ (943,559)
Modeled Additional Costs ^[h]		\$ (201,438)	\$ (473,225)	\$ (527,892)	\$ (544,019)	\$ -	\$ (1,746,574)
Subtotal		\$ (1,522,769)	\$ (1,800,570)	\$ (1,894,767)	\$ (2,534,590)	\$ (1,448,438)	\$ (9,201,133)
Balance		\$ (457,891)	\$ (728,838)	\$ (939,385)	\$ (1,525,032)	\$ (439,510)	\$ (4,090,654)

Footnotes:

[a] Assumes that the SUA funding generated remains the same from year to year.

[b] All funding is currently generated by SUA.

[c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.

[d] Assumes that SUA Shared Costs remain the same from year to year.

[e] Assumes a 3% increase from year to year.

[f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.

[g] Additional detail is provided in the "Existing Program Elements" spreadsheet.

[h] For the purpose of final cost estimates, any positive values generated by the model were set to zero within this table.

Table S-3-2. City of Walnut Creek Budgeted Expenditures

City of Walnut Creek Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10 ²	FY 10/11 ³	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$1,149,000	\$1,143,000	\$1,177,000	\$1,795,000	\$1,247,000	\$6,511,000
Total Estimated Existing Costs (w street sweeping)	\$1,321,000	\$1,327,000	\$1,367,000	\$1,991,000	\$1,449,000	\$7,455,000
Administrative Expenses	\$296,557	\$301,929	\$310,544	\$319,418	\$328,558	\$1,557,007
C.2. Municipal Operations	\$626,417	\$646,086	\$665,469	\$685,433	\$705,996	\$3,329,401
C.3. New Development and Redevelopment	\$62,750	\$81,704	\$84,155	\$86,680	\$89,280	\$404,569
C.4. Industrial and Commercial Site Controls	\$75,256	\$77,568	\$79,895	\$82,292	\$84,761	\$399,772
C.5. Illicit Discharge Detection and Elimination	\$36,000	\$29,075	\$29,947	\$30,846	\$31,771	\$157,639
C.6. Construction Site Control	\$14,214	\$24,924	\$25,672	\$26,442	\$27,235	\$118,487
C.7. Public Information and Outreach	\$92,789	\$78,889	\$81,256	\$83,694	\$86,205	\$422,832
C.8. Water Quality Monitoring	\$0	\$0	\$0	\$0	\$0	\$0
C.9. Pesticides Toxicity Control	\$20,500	\$16,149	\$16,633	\$17,132	\$17,646	\$88,061
C.10. Trash Load Reduction	\$74,398	\$65,807	\$67,781	\$653,814	\$71,909	\$933,709
C.11. Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$22,500	\$5,000	\$5,150	\$5,305	\$5,464	\$43,418
C.16. Annual Reports	\$0	\$0	\$0	\$0	\$0	\$0

1 - Information is from the Proposed FY 2010-11 Clean Water Detailed Budget

2 - Information from the 2009-10 Adopted Budget

3 - Information from the 2010-11 Proposed Budget

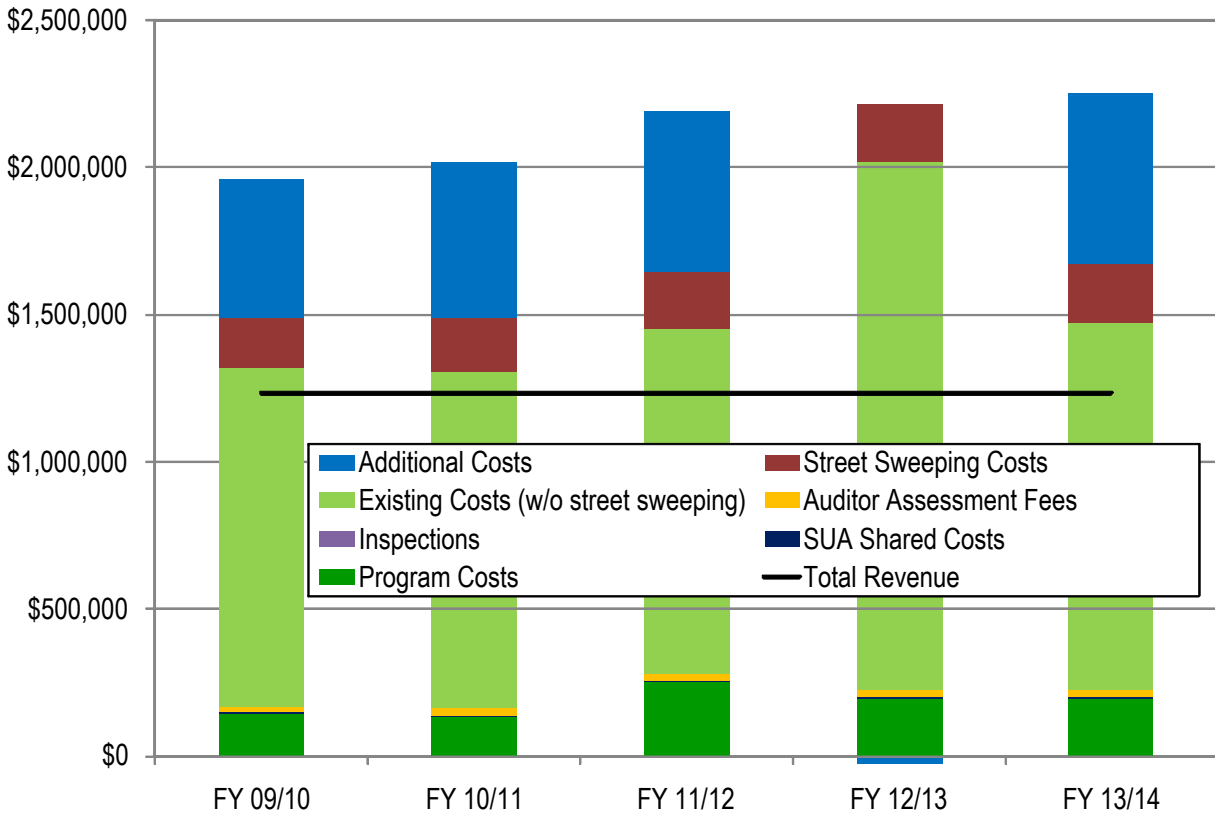
Street Sweeping performed by Clean Water Maintenance crews

Assumed inflation factor is 3%.

Table S-3-3. City of Walnut Creek Projected Future Program Costs and Comparison to Budgeted Costs

City of Walnut Creek Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$451,020	\$464,550	\$478,487	\$492,841	\$507,627	\$2,394,524
C.2 Municipal Operations						
C.5 Illicit Discharge Identification and Elimination						
C.9 Pesticide Toxicity Reduction	\$542,360	\$558,631	\$575,390	\$592,651	\$610,431	\$2,879,463
C.4. Industrial and Commercial Site Controls	\$103,700	\$106,811	\$110,015	\$113,316	\$116,715	\$550,557
C.3. New Development Controls (nonrecoverable)	\$10,560	\$10,877	\$11,203	\$11,539	\$11,885	\$56,064
C.6. Construction Site Controls (nonrecoverable)	\$15,600	\$16,068	\$16,550	\$17,047	\$17,558	\$82,823
C.10. Trash Controls -- Hot Spots	\$5,486	\$5,650	\$5,820	\$5,994	\$6,174	\$29,124
C.10. Trash -- Planning & Full Trash Capture	\$493,500	\$508,305	\$523,554	\$539,261	\$555,439	\$2,620,059
Totals	\$1,622,225	\$1,670,892	\$1,721,019	\$1,772,649	\$1,825,829	\$8,612,615
Estimate of Current Expenditures (without Street Sweeping)	\$1,149,000	\$1,143,000	\$1,177,000	\$1,795,000	\$1,247,000	\$6,511,000
Increase:	\$473,225	\$527,892	\$544,019	-\$22,351	\$578,829	\$2,101,615
Percentage increase	41%	46%	46%	-1%	46%	32%
Assumed inflation factor:	3%					

Figure S-3-1. City of Walnut Creek Estimated Revenues and Expenditures



Contra Costa County

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

The County is a more complex organization, with a broader mission, more departments, and more funding sources than the cities and towns. Specific MRP requirements that affect the County differently include, for example, the Provision C.2 requirement to implement BMPs for maintenance and construction of rural roads. Much of the County's stormwater pollution prevention activities relate to the provision of urban services, but even the provision of these services is distinguished by the far-flung nature of the County's unincorporated urban areas, which extend from North Richmond to Discovery Bay. The County has some offsetting advantages, compared to municipalities, in being able to integrate various activities with implementation of other mandates, such as hazardous materials management and restaurant health inspections.

Oversight of the County's local stormwater program (County Watershed Program) is by Rich Lierly, with assistance from three other managers. The County has an extensive public outreach program including a "Keep the Delta Clean" campaign, funded with a \$3,000,000 grant, and ongoing support for the Contra Costa Watershed Forum, implemented through the County Department of Conservation and Development. With assistance from the Contra Costa Clean Water Program, the Watershed Forum implements a volunteer creek monitoring program which includes bioassessment. Among other accomplishments, the Forum published the Contra Costa Watershed Atlas. The County Watershed Program also produces an annual calendar with photos of Contra Costa Watersheds, and distributed \$100,000 in grants to creek groups (administration of the grants cost an additional \$20,000.)

80% of the County's maintenance workers attended the most recent annual stormwater BMP training (Provision C.2). The maintenance worker time was charged to their normal budgets, which are funded through gas tax revenues.

The County operates 5 Corporation Yards, including one gas station. Staff reported the yards are inspected weekly for compliance, requiring 3-4 hours total. The Fleet Services Division's Corporation Yard, where county vehicles are repaired maintained and washed, has a dedicate wash rack plumbed to the sanitary sewer via an oil-water separator.

The County owns one stormwater pump station in North Richmond which is operated and maintained by agreement with West County Wastewater District. The District is assisting with trash removal at the station. The pump station receives drainage from the City of Richmond, which pays for 37% of the maintenance costs. The annual budget includes \$15,000 for compliance with inspection, dissolved oxygen monitoring and trash removal (Provision C.2); confined space entry requirements make costs uncertain.

County Public Works crews inspect 8,136 catch basins and 1,000 culverts annually and clean as needed (or once every three years at minimum). To implement the screening program required by Provision C.5.e.ii., county staff have identified 66 check points and have budgeted \$55,000 for dry weather screening of outfalls in industrial areas. Seven inspectors from the County's Environmental Health Department follow up illegal dumping incidents (Provision C.5) and enforce the County's code

prohibiting non-stormwater discharges. Staff estimates 0.35 FTE is required for tracking and follow-up of reported illegal discharges.

The County has an Integrated Pest Management (IPM, Provision C.9) policy and an IPM coordinator who works with the public works department and with the County Agriculture Commissioner. There are three certified Pest Control Operators in public works. Much of this effort is funded by sources outside the stormwater budget.

Contra Costa Health Services, Environmental Health inspects restaurants and horse facilities for stormwater compliance, and the Office of Hazardous Materials Programs inspects industrial and commercial businesses for stormwater compliance (Provision C.4).

Review of proposed development projects, including discretionary applications, plan check, and construction inspection, is funded by drawing time and materials against a project account funded by the applicant (Provisions C.3 and C.6). Staff has determined a fee for C.3 review that comes to 0.15% of the improvement cost of improvements that create impervious surface. The County has established a Community Facilities District (CFD) into which all development projects with stormwater treatment facilities must join. The CFD funds operation and maintenance inspections of stormwater treatment facilities.

County staff estimates \$5,000 per cleanup per hot spot for mandated trash cleanups at each of 11 hot spots (Provision C.10). This includes 5 hot spots assigned to the County unincorporated area and 6 hot spots assigned to the Flood Control District. The County's trash reduction plan will likely include the use of mitigation funds from Keller Canyon landfill to clean up illegal dumps in the Bay Point area and trash removal by Richmond Sanitary Service in North Richmond by agreements without cost to the County.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Based on the County unincorporated area's 174,000 population, we estimate that local program coordination and local outreach activities (Provision C.7) will require 5.8 FTEs with a total cost of \$1,165,582.

Based on the number of storm drain inlets maintained, we estimate stormwater-related public works maintenance activities (Provisions C.2, C.5, and C.9) will require 5.2 FTEs, with a total cost of \$1,056,900. Based on the unincorporated area's commercial/retail acreage, we estimate the commercial/industrial inspection program (Provision C.4) will cost \$162,200 per year.

We estimate, based on the number of C.3-related projects in recent years, the unrecoverable portion of the cost of implementing Provisions C.3 and C.6 will be 0.12 FTEs. This includes activities related to coordinating the program and staying abreast of regulatory requirements, including training and reporting. We estimate the cost to be \$24,400 per year.

For implementation of the new trash requirements (Provision C.10), although planning is still at a preliminary stage, we estimate \$20,114 for the mandated hot-spot cleanups and \$786,000 for other expenses, including development of local short-term and long-term trash reduction plans in cooperation with the countywide Program and BASMAA and annual maintenance of full-trash-capture devices.

Attachment T—Contra Costa County

The County unincorporated budget also includes budget lines for stormwater pollution prevention related to roads maintenance (\$1,719,104) and expenses related to projects to implement mercury and PCBs controls (Provisions C.11 and C.12, \$58,000).

The total independent estimate of the County's local stormwater program cost, based on the linear model, is \$4,992,300. This is an 11% increase from expenditures for FY 2009-2010.

TABLES

Table T-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by County staff.

Table T-3-2 shows budgeted expenses, with a breakdown provided by County staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Table T-3-3 shows our projection based on our linear model. The bottom rows of this table compare the projection with the current budget.

Figure T-3-1 summarizes this information in a bar graph.

Table T-3-1. Contra Costa County (Unincorporated) Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^{[a][b]}		\$ 2,842,506	\$ 2,842,506	\$ 2,842,506	\$ 2,842,506	\$ 2,842,506	\$ 14,212,530
Subtotal		\$ 2,842,506	\$ 2,842,506	\$ 2,842,506	\$ 2,842,506	\$ 2,842,506	\$ 14,212,530
Total Program Expenditures							
Program Costs ^[c]	16.50%	\$ (382,937)	\$ (362,962)	\$ (670,412)	\$ (524,721)	\$ (524,598)	\$ (2,465,630)
SUA Shared Costs ^[d]		\$ (10,649)	\$ (10,649)	\$ (10,649)	\$ (10,649)	\$ (10,649)	\$ (53,244)
Inspections ^[e]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Auditor Assessment Fees ^[f]		\$ (45,382)	\$ (46,743)	\$ (48,146)	\$ (49,590)	\$ (51,078)	\$ (240,939)
Subtotal		\$ (438,968)	\$ (420,355)	\$ (729,206)	\$ (584,960)	\$ (586,324)	\$ (2,759,813)
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (4,515,000)	\$ (5,283,000)	\$ (5,440,000)	\$ (5,603,000)	\$ (5,770,000)	\$ (26,611,000)
Street Sweeping Costs ^[g]		\$ (146,962)	\$ (150,000)	\$ (154,500)	\$ (159,135)	\$ (163,909)	\$ (774,506)
Modeled Additional Costs ^[h]		\$ (477,300)	\$ -	\$ -	\$ -	\$ -	\$ (477,300)
Subtotal		\$ (5,139,262)	\$ (5,433,000)	\$ (5,594,500)	\$ (5,762,135)	\$ (5,933,909)	\$ (27,862,806)
Balance		\$ (2,735,724)	\$ (3,010,849)	\$ (3,481,200)	\$ (3,504,589)	\$ (3,677,728)	\$ (16,410,089)

Footnotes:

[a] Assumes that the SUA funding generated remains the same from year to year.

[b] All funding is currently generated by SUA.

[c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.

[d] Assumes that SUA Shared Costs remain the same from year to year.

[e] None.

[f] Cost for collecting assessment with the property tax bill. Assumes a 3% increase from year to year.

[g] Additional detail is provided in the "Existing Program Elements" spreadsheet.

[h] For the purpose of final cost estimates, any positive values generated by the model were set to zero within this table.

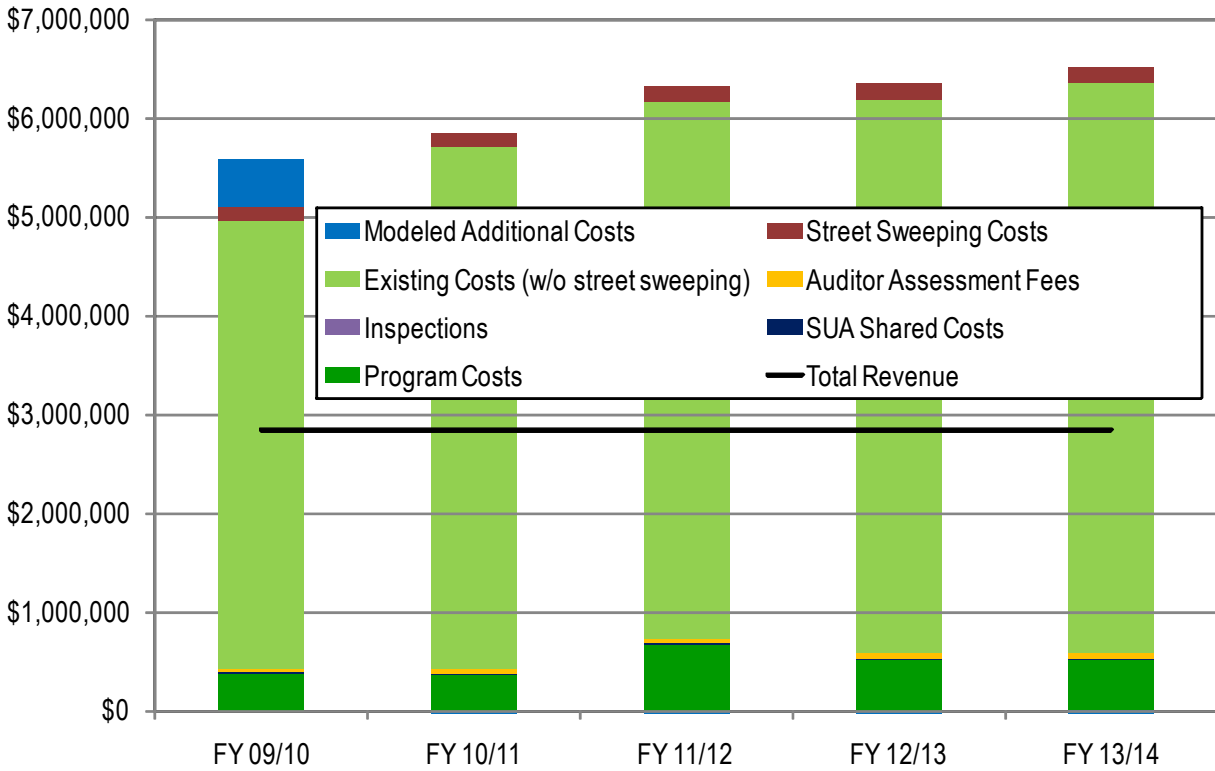
Table T-3-2. Contra Costa County Budgeted Expenditures

Contra Costa County (Unincorporated) Existing Program Elements	Assumptions	Estimated Costs by Fiscal Year ¹					Estimated Total
		FY 09/10 ²	FY 10/11 ³	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)		\$4,515,000	\$5,283,000	\$5,440,000	\$5,603,000	\$5,770,000	\$26,611,000
Total Estimated Existing Costs (w street sweeping)		\$4,661,000	\$5,433,000	\$5,595,000	\$5,762,000	\$5,934,000	\$27,385,000
Sum of Existing Costs (w/o street sweeping)		\$4,514,533	\$5,282,733	\$5,440,315	\$5,602,624	\$5,769,803	\$26,610,008
Sum of Estimated Existing Costs (w street sweeping)		\$4,661,495	\$5,432,733	\$5,594,815	\$5,761,759	\$5,933,712	\$27,384,514
Other Local Implementation Expenses		\$450,427	\$529,000	\$543,970	\$559,389	\$575,271	\$2,658,057
Roads	Currently funded through gas tax funds	\$1,841,488	\$1,896,733	\$1,953,635	\$2,012,244	\$2,072,611	\$9,776,711
C.2. Municipal Operations		\$1,168,387	\$1,219,000	\$1,255,570	\$1,293,237	\$1,332,034	\$6,268,228
C.3. New Development and Redevelopment		\$226,836	\$240,000	\$247,200	\$254,616	\$262,254	\$1,230,906
C.4. Industrial and Commercial Site Controls		\$106,812	\$150,000	\$154,500	\$159,135	\$163,909	\$734,356
C.5. Illicit Discharge Detection and Elimination		\$161,737	\$286,500	\$295,095	\$303,948	\$313,066	\$1,360,346
C.6. Construction Site Control		\$13,959	\$90,000	\$92,700	\$95,481	\$98,345	\$390,485
C.7. Public Information and Outreach		\$511,213	\$535,000	\$551,050	\$567,582	\$584,609	\$2,749,453
C.8. Water Quality Monitoring		\$2,592	\$11,667	\$12,017	\$12,377	\$12,748	\$51,401
C.9. Pesticides Toxicity Control		\$31,426	\$20,000	\$20,600	\$21,218	\$21,855	\$115,099
C.10. Trash Load Reduction		\$55,103	\$351,500	\$362,045	\$372,906	\$384,094	\$1,525,648
C.11. Mercury Controls		\$9,120	\$26,667	\$27,467	\$28,291	\$29,139	\$120,683
C.12. Polychlorinated Biphenyls (PCBs) Controls		\$9,120	\$26,667	\$27,467	\$28,291	\$29,139	\$120,683
C.13. Copper Controls		\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium		\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges		\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports		\$73,276	\$50,000	\$51,500	\$53,045	\$54,636	\$282,457
1 - Information is from the National Pollutant Discharge Elimination (NPDES) Budget							
2 - Information from the 2009-10 Expenditures							
3 - Information from the 2010-11 Appropriations							
Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.							

Table T-3-3. Contra Costa County Projected Future Program Costs and Comparison to Budgeted Costs

Contra Costa County Future Program Costs	Estimated Costs by Fiscal Year					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Program Administration and Outreach (C.7)	\$1,165,582	\$1,200,549	\$1,236,566	\$1,273,663	\$1,311,873	\$6,188,232
C.2 Municipal Operations						
C.5 Illicit Discharge Identification and Elimination						
C.9 Pesticide Toxicity Reduction	\$1,056,900	\$1,088,607	\$1,121,265	\$1,154,903	\$1,189,550	\$5,611,226
C.4. Industrial and Commercial Site Controls	\$162,200	\$167,066	\$172,078	\$177,240	\$182,558	\$861,142
C.3. New Development Controls (nonrecoverable)	\$10,400	\$10,712	\$11,033	\$11,364	\$11,705	\$55,215
C.6. Construction Site Controls (nonrecoverable)	\$14,000	\$14,420	\$14,853	\$15,298	\$15,757	\$74,328
C.10. Trash Controls -- Hot Spots	\$20,114	\$20,718	\$21,339	\$21,979	\$22,639	\$106,789
C.10. Trash -- Planning & Full Trash Capture	\$786,000	\$809,580	\$833,867	\$858,883	\$884,650	\$4,172,981
Anticipated C.11 and C.12 local costs	\$58,000	\$59,740	\$61,532	\$63,378	\$65,280	\$307,930
Roads Department	\$1,719,104	\$1,770,677	\$1,823,797	\$1,878,511	\$1,934,867	\$9,126,957
Totals	\$4,992,300	\$5,142,069	\$5,296,331	\$5,455,221	\$5,618,878	\$26,504,799
Estimate of Current Expenditures (without Street Sweeping)	\$4,515,000	\$5,283,000	\$5,440,000	\$5,603,000	\$5,770,000	\$26,611,000
Increase:	\$477,300	-\$140,931	-\$143,669	-\$147,779	-\$151,122	-\$106,201
Percentage increase	11%	-3%	-3%	-3%	-3%	0%
Assumed inflation factor:	3%					

Figure T-3-1. Contra Costa County (Unincorporated) Estimated Revenues and Expenditures



Contra Costa County Flood Control and Water Conservation District

CURRENT PROGRAM IMPLEMENTATION AND EXISTING EXPENDITURES

The Flood Control District expenditures in the table below are related to stormwater pollution prevention and are included here at the recommendation of staff.

ESTIMATE OF COSTS UNDER THE MRP (MODELED ADDITIONAL COSTS)

Because the Flood Control District expenditures are not, by nature, comparable with those of other jurisdictions, the linear model could not be used as to generate estimates for these expenses. We recommend that instead the budget numbers provided be used for projections with the appropriate escalator for inflation.

TABLES

Table U-3-1 summarizes estimated revenues and expenditures for the permit term based on information provided to us by City staff.

Table U-3-2 shows budgeted expenses, with a breakdown provided by City staff. Where staff has projected budgets for future fiscal years, those budgets are shown in blue; otherwise a 3% annual increase is assumed.

Figure U-3-1 summarizes this information in a bar graph.

Attachment U—Contra Costa County Flood Control and Water Conservation District

Table U-3-1. Contra Costa County Flood Control Estimated Revenues and Expenditures

	% Share	Estimated Amounts by Fiscal Year					Total
		FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Revenue							
Total SUA Funding ^{[a][b]}		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additional Funding ^[b]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Program Expenditures							
Program Costs ^[c]	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SUA Shared Costs ^[d]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inspections ^[e]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Auditor Assessment Fees ^[f]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Local Expenditures							
Existing Costs (w/o street sweeping) ^[g]		\$ (807,000)	\$ (1,004,000)	\$ (1,033,000)	\$ (1,064,000)	\$ (937,000)	\$ (4,845,000)
Street Sweeping Costs ^[g]		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Modeled Additional Costs		\$ (699,563)	\$ (870,710)	\$ (898,541)	\$ (926,108)	\$ (954,461)	\$ (4,349,384)
Subtotal		\$ (1,506,563)	\$ (1,874,710)	\$ (1,931,541)	\$ (1,990,108)	\$ (1,891,461)	\$ (9,194,384)
Balance		\$ (1,506,563)	\$ (1,874,710)	\$ (1,931,541)	\$ (1,990,108)	\$ (1,891,461)	\$ (9,194,384)

Footnotes:

[a] Assumes that the SUA funding generated remains the same from year to year.

[b] All funding is currently generated by SUA.

[c] Agency shares of Program costs are based on the "Estimated Group Program Costs" workbook.

[d] Assumes that SUA Shared Costs remain the same from year to year.

[e] None.

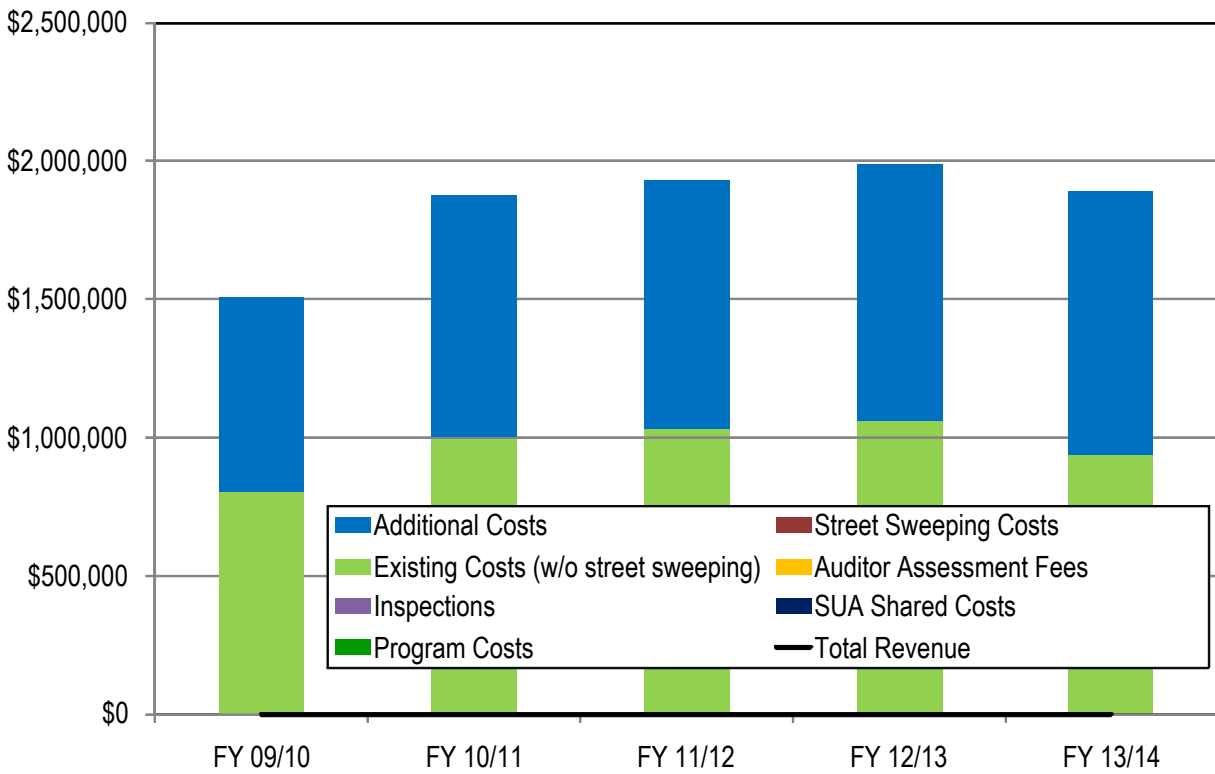
[f] None.

[g] Additional detail is provided in the "Existing Program Elements" spreadsheet.

Table U-3-2. Contra Costa County Flood Control District Budgeted Expenditures

Contra Costa County Flood Control Existing Program Elements	Estimated Costs by Fiscal Year ¹					Estimated Total
	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	
Total Estimated Existing Costs (w/o street sweeping)	\$807,000	\$1,004,000	\$1,033,000	\$1,064,000	\$937,000	\$4,845,000
Total Estimated Existing Costs (w street sweeping)	\$807,000	\$1,004,000	\$1,033,000	\$1,064,000	\$937,000	\$4,845,000
Other Local Implementation Expenses	\$22,500	\$37,300	\$38,400	\$39,552	\$40,739	\$178,491
C.2. Municipal Operations	\$157,225	\$161,942	\$166,800	\$171,804	\$176,958	\$834,729
C.3. New Development and Redevelopment	\$0	\$0	\$0	\$0	\$0	\$0
C.4. Industrial and Commercial Site Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.5. Illicit Discharge Detection and Elimination	\$46,564	\$47,961	\$49,400	\$50,882	\$52,408	\$247,216
C.6. Construction Site Control	\$385,286	\$396,845	\$408,750	\$421,013	\$433,643	\$2,045,536
C.7. Public Information and Outreach	\$23,565	\$24,272	\$25,000	\$25,750	\$26,523	\$125,109
C.8. Water Quality Monitoring	\$0	\$0	\$0	\$0	\$0	\$0
C.9. Pesticides Toxicity Control	\$105,984	\$263,163	\$262,438	\$270,311	\$119,285	\$1,021,181
C.10. Trash Load Reduction	\$53,550	\$60,000	\$70,000	\$72,100	\$74,263	\$329,913
C.11. Mercury Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.12. Polychlorinated Biphenyls (PCBs) Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.13. Copper Controls	\$0	\$0	\$0	\$0	\$0	\$0
C.14. Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium	\$0	\$0	\$0	\$0	\$0	\$0
C.15. Exempted and Conditionally Exempted Discharges	\$0	\$0	\$0	\$0	\$0	\$0
C.16. Annual Reports	\$12,136	\$12,500	\$12,500	\$12,875	\$13,261	\$63,272
1. From FCD Budgeted NPDES Expenditures.xlsx						
Assumed inflation factor is 3%. Totals have been rounded to the nearest thousand.						

Figure U-3-1. Contra Costa County Flood Control Estimated Revenues and Expenditures



Potential
Funding
Sources
Analysis

Task # 3

Contra Costa Clean Water Program
Stormwater Quality Funding Initiative
March 11, 2011



SCI
Consulting
Group



TRAMUTOLA
THE DISCIPLINE OF WINNING



DAN CLOAK
ENVIRONMENTAL
CONSULTING

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EXECUTIVE SUMMARY

The Contra Costa Clean Water Program has engaged a consulting team led by SCI Consulting Group to study, make recommendations, and assist in the implementation of strategies to fund water quality improvements required by the 2009 Municipal Regional Permit. This report analyzes and evaluates various funding mechanism alternatives, and in conjunction with public opinion polling, will serve as the basis for the recommendations to be presented to the Program in August of 2011.

This report closely evaluates special taxes and property related fees, as well as several other approaches that do not require a balloting, and are limited by legal restrictions and not voter or property owner politically driven rate limitations. Development-driven and legislative approaches are also presented. It is anticipated that a variety of funding mechanisms will be required to fully fund the permit requirements.

1.0 EXECUTIVE SUMMARY

BACKGROUND

The Contra Costa Clean Water Program ("CCCWP" or "Program") is composed of twenty-one public agencies including Contra Costa County, all nineteen of its incorporated cities and towns and the Contra Costa County Flood Control & Water Conservation District. The Program's primary purpose is to implement federal and state mandated stormwater regulations specifically targeting pollutants in urban runoff from municipal separate storm sewer systems. This organization includes all of the incorporated and unincorporated areas of Contra Costa County.

On August 30, 1992, Governor Pete Wilson signed Assembly Bill No. 2768 (Campbell), which amended the Contra Costa County Flood Control & Water Conservation District Act to permit the formation of stormwater utility areas based in the incorporated boundary of a city or the unincorporated area of Contra Costa County. Stormwater utility areas were created for each existing community with the exception of Brentwood and Richmond. (Brentwood and Richmond rely on other revenue sources to fund their implementation of the federal and state stormwater mandates.) The Stormwater Utility Assessments ("SUA"s) and calculation methodology used by the municipalities were based upon the impervious surfaces associated with a parcel's land use. The stormwater utility assessments generate approximately \$14 million annually which is used to fund Program and individual municipal stormwater permit compliance programs and activities. However, all municipalities are now at the maximum rate they can charge. Existing dedicated financial resources are simply insufficient to pay for present and future requirements. Thus, the need to increase resources for the Program's twenty one municipalities to remain in compliance is critical.

The purpose of this project, the Contra Costa Clean Water Program's Stormwater Quality Funding Initiative, is to develop public financing mechanisms to pay for the mandatory requirements of the 2009 Municipal Regional Permit ("MRP").

PROJECT COORDINATION, GOALS AND CONSTRAINTS

In 2010, the CCCWP retained a consultant team led by SCI Consulting Group to investigate additional public financing mechanisms that the municipalities could use to fulfill permit mandates. The elements of the Stormwater Quality Funding Initiative are:

Phase I

Task 1: Background Analysis and Research

Task 2: Future Program Cost Analysis

Task 3: Potential Funding Source Analysis

Task 4: Opinion Research and Survey

Task 5: Stormwater Funding Needs and Options Report

Phase II

Fee Report and Revenue Enhancement Action Plan

Phase III
Implementation and Educational Outreach

This Task #3 Report provides analysis of various potential funding mechanisms and is based, in part, on the results of Tasks 1 and 2. Ultimately, this report will be combined with the results of the public opinion research in Task #4, to make specific recommendations to the Program within the Task #5 Funding Needs and Options Report.

The goal of this project is to provide comprehensive, long term, protected and dedicated revenue for stormwater management. Most likely, the recommendations included with the Task #5 Funding Needs and Options Report will include a combination of funding approaches, rather than a single, all-encompassing approach. It is anticipated that this "funding portfolio" approach will include a balloted tax or fee. Unfortunately, it is also anticipated that the tax or fee will not be politically viable at a rate that would, combined with the existing SUA revenue, fully fund the permit requirements. Therefore, it is likely that significant "non-balloted approaches" will also be recommended..

The formula below has been developed to express the funding challenge:

$$\begin{aligned} \text{REVENUE REQUIRED FOR 2009 MRP IMPLEMENTATION} = & \\ & \text{REVENUE FROM EXISTING 1993 STORMWATER UTILITY ASSESSMENT}^1 + \\ & \text{REVENUE FROM PROPOSED BALLOTTED REVENUE MECHANISMS}^2 + \\ & \text{REVENUE FROM PROPOSED NON-BALLOTTED APPROACHES}^3 + \\ & \text{OTHER REVENUE}^4 \end{aligned}$$

with

- ¹ As tabulated in Table 2 of this report. Each participating municipality is currently generating the maximum amount allowable under this mechanism.
- ² Most likely a balloted special tax or property related fee.
- ³ Various proposed strategies are described in Section 2.0, II. of this report.
- ⁴ Other Revenue includes some general fund revenue (as well as existing other sources in Brentwood and Richmond). Ultimately, the goal is to minimize and/or eliminate this component of revenue.

Several aspects are considered as part of this analysis:

- Currently, most co-permittees fund at least a portion of 2009 MRP activities using general fund revenue along with existing SUA revenue (except for Richmond and Brentwood). The general fund of each co-permittee is not considered a viable option for this long term stormwater management funding.
- This Stormwater Quality Funding Initiative project is designed to address the funding needs of the 2009 MRP only, but will be sensitive to the fact that funding needs will likely increase, perhaps significantly, in subsequent permits.

- The Program intends to coordinate a Program-wide solution to funding the 2009 MRP. However, ultimately, through a designated process, the co-permittees will decide whether this effort should be implemented on a Program-wide wide, regional or even individual co-permittee basis. This Task #3 Report is written to allow for considerable latitude in this final strategic decision.
- The final Task# 5 recommendations must be evaluated along a number of key attributes including political viability and legal rigor. Further, the existing SUA funding source must not be jeopardized by this effort. An analysis of legal and political aspects, confirming that a new "overlying" fee or tax is preferable to an increase to the existing SUA, should be included.

RECENT STORMWATER FUNDING EFFORTS IN CALIFORNIA

Despite the fact that NPDES permits require a significant local investment of resources, there have been relatively few local revenue mechanisms established to support stormwater programs in California. Table 1, below, lists these efforts. Although Contra Costa County differs significantly in demographics, geography, and culture from many of the areas in Table 1, the analysis of these stormwater measure efforts provides useful information for the Program.

Table 1 - Recent Stormwater Measures

Jurisdiction	Status	Annual Rate	Year	Funding Mechanism
Burlingame	Successful	\$150.00	2009	Balloted Property Related Fee
Carmel	Unsuccessful	\$38.00	2003	Balloted Property Related Fee
County of Contra Costa	Studying	NA	NA	NA
County of Los Angeles	Studying	NA	NA	NA
County of Orange	Studying	NA	NA	NA
County of Ventura	Studying	+/- \$25.00	NA	Balloted Property Related Fee
Encinitas	Non-Balloted, Overturned by Court, Balloted, Failed	\$60.00	2005	Non-Balloted
Los Angeles	Successful	+/- \$28.00	2004	Special Tax - G. O. Bond
Los Angeles	Surveying	\$54.00	2009	Balloted Property Related Fee
Palo Alto	Successful	\$120.00	2005	Balloted Property Related Fee
Palo Alto	Unsuccessful	\$57.00	2003	Balloted Property Related Fee
Rancho Palos Verde	Successful, then Recalled and Reduced Successful, Overturned by Court of Appeals, Decertified by Supreme Court	\$200.00	2005, 2007	Balloted Property Related Fee
Ross	Successful and Renewed Once	\$125.00	2006	Balloted Property Related Fee
San Clemente	Successful and Renewed Once	\$60.15	2002, 2007	Balloted Property Related Fee
Santa Clarita	Successful	\$21.00	2009	Balloted Property Related Fee
Santa Cruz	Successful	\$25.00	2008	Special Tax
Santa Monica	Successful	\$84.00	2006	Special Tax
Stockton	Unsuccessful	\$34.56	2010	Balloted Property Related Fee
Woodland	Unsuccessful	\$60.00	2007	Balloted Property Related Fee

A STORMWATER UTILITY?

In many states, the establishment of a “Stormwater Utility” legally facilitates the imposition of a fee on affected properties, simply by a vote by the governing agency. In other words, a stormwater utility is established as an independent government agency and then the City Council or County Board of Supervisors can impose a fee by simple majority vote. These stormwater utilities often have centralized management, outreach and coordination, and much of the same “look and feel” of a traditional water or sewer agency. However, in California, there is no legal advantage to the formation of a “stormwater utility.”

OVERVIEW OF FUNDING NEEDS BY MUNICIPALITY (FROM TASK#2 REPORT)

Table 2, below, summarizes the approximate funding needs for each municipality based upon the analysis performed in Task #2. This analysis indicates that an additional \$14 million to \$18 million in annual revenue is needed collectively by the Program to fund the permit requirements .

Table 2 - Funding Needs by Municipality

Municipality	Total Parcels	Maximum Existing Stormwater Utility Assessment Rate	SUA Revenue Generated	Estimated Additional Revenue Needed 2011-12 (From Task#2 Analysis) without Street Sweeping	Estimated Additional Revenue Needed 2011-12 (From Task#2 Analysis) with Street Sweeping
ANTIOCH	32,851	\$25	\$1,160,793	\$1,068,035	\$1,068,035
BRENTWOOD	19,462	NA	NA	\$237,609	\$760,746
CLAYTON	4,305	\$35	\$125,641	\$130,949	\$130,949
UNINC. COUNTY	62,544	\$30	\$2,842,506	\$4,241,462	\$4,395,962
FLOOD CONTROL DIST	NA	NA	NA	\$1,931,541	\$1,931,541
CONCORD	38,123	\$38	\$2,056,558	\$736,554	\$936,492
DANVILLE	16,371	\$35	\$557,363	\$671,878	\$796,878
EL CERRITO	8,799	\$35	\$400,019	\$89,705	\$239,055
HERCULES	8,728	\$35	\$324,484	\$251,280	\$256,430
LAFAYETTE	8,900	\$35	\$452,093	\$193,685	\$261,052
MARTINEZ	13,333	\$30	\$626,150	\$109,251	\$226,789
MORAGA	5,889	\$35	\$285,693	\$175,319	\$180,469
OAKLEY	11,921	\$30	\$521,529	\$422,390	\$494,490
ORINDA	7,402	\$35	\$382,990	\$30,683	\$55,121
PINOLE	6,632	\$35	\$321,785	\$263,983	\$263,983
PITTSBURG	18,462	\$30	\$841,208	\$303,913	\$403,913
PLEASANT HILL	11,810	\$30	\$488,011	\$244,777	\$328,825
RICHMOND w CIP	32,676	NA	NA	\$3,193,509	\$5,285,604
SAN PABLO	6,941	\$45	\$422,662	\$34,555	\$109,230
SAN RAMON	23,626	\$35	\$1,147,985	\$235,625	\$498,792
WALNUT CREEK	28,468	\$35	\$1,234,412	\$729,456	\$919,331
				\$15,296,159	\$19,543,687

THE STREET SWEEPING CONUNDRUM

Prior to the implementation of the SUA in 1993, all municipalities and the County paid for street sweeping services out of their general fund. In general, street sweeping was historically considered to be a form of trash and debris collection/removal. Over time, local agencies in the County began using the SUA as a funding source for street sweeping. Today, seventeen of the local governments pay for at least some portion of street sweeping through the SUA. Historically, street sweeping has been an explicitly prescribed element of stormwater management as documented in previous permits. However, although street sweeping is still a well-recognized activity that can significantly improve water quality, it is not explicitly prescribed in the 2009 MRP. Moreover, street sweeping can alternatively be defined as a solid waste and trash collection service.

INTRODUCTION TO POTENTIAL FUNDING SOURCES

Dedicated local revenue mechanisms that are available to the Program can be divided into three primary groups – balloted, non-balloted, and development-driven. (Legislative approaches and grants are also briefly discussed in this report.)

Balloted revenue mechanisms are legally established, and rarely have legal challenges been successful. However, the balloting requirement significantly limits the total revenue that may be generated, as it is limited by the political "willingness to pay" of the local voters/property owners. Amendments to the California Constitution derived from Proposition 13 and Proposition 218 dictate the required processes for balloted revenue mechanisms.

There are two basic types of balloted measures: special taxes (primarily defined and regulated through Proposition 13-driven language) and property-related-fees taxes (primarily defined and regulated through Proposition 218 language). Special taxes are typically conducted at polling places and require two-thirds of registered voters' support, with one vote per registered voter. Property related fees are typically conducted by mail, with a threshold of 50% support of property owners, and one vote per parcel. (A third mechanism, the Proposition 218-compliant benefit assessment, is discussed briefly in this report, but is not legally or politically appropriate.)

Non-balloted approaches, while not subject to local voters/property owners' "willingness to pay" limitations, include increased legal risk. Non-balloted approaches include regulatory fees and financial re-alignment of stormwater program activities combined with non-balloted fees.

The outline below includes an overview of potential funding sources to address un-met funding requirements for implementation of the Program's 2009 MRP:

I. Balloted Approaches

1. Special Taxes including
 - a. Parcel-Based Taxes
 - b. General Obligation Bonds
 - c. User Taxes
 - d. Transient Occupancy Taxes and/or Sales Taxes
 - e. Vehicle License Fees
 - f. Other Special Tax Issues
2. Property Related Fees - Non Balloted
3. Benefit Assessments

II. Non Balloted Approaches

1. Re-Alignment of Stormwater Services
2. Dedicated Property Related Fee - Non Balloted
3. Regulatory Fees - SB 310
4. Regulatory Fees - Inspections

III. Development-Driven Approaches

1. Impact Fees
2. Community Facilities Districts

IV. Legislative Approaches

V. Other Approaches

1. Grants

VI. Other Issues Affecting All Approaches

2.0 STORMWATER FUNDING APPROACHES

I. BALLOTTED APPROACHES

1. Special Tax

Special taxes are decided by registered voters and require a two-thirds majority for approval. Traditionally, special taxes have been decided at polling places corresponding with primary and special elections. More recently, however, local governments have had significant success with special purpose, special taxes by conducting them entirely by mail and not during primary or general elections. In any case, special taxes are well known to Californians but are not as common as property related fees for funding of stormwater activities. Special taxes to fund stormwater services have been successfully implemented in Los Angeles, Santa Cruz and Santa Monica.

Parcel Based Taxes

Most special taxes are conducted on a parcel basis with rates potentially based upon property use and/or size and zone. Parcel taxes based upon the assessed value of a property are not allowed. Parcel taxes are the most common and most viable type of special tax for funding MRP requirements. As such, most discussion of special taxes in this report and the subsequent Task #5 report will focus on parcel taxes.

Advantages

- Legally rigorous. Special taxes, if approved by two-thirds of the registered voters within a community, are very reliable and very rarely successfully legally challenged. Special tax revenue has not been subject to state level "take-aways" like ERAF.
- Very little administrative overhead. Once approved, a tax does not require an extensive Fee Report or other administrative overhead.
- Well known. Most property owners are aware and comfortable with (but not necessarily supportive of) the special taxes and the special tax process.

Challenges

- Questionable political support at required rate and revenue. Generally speaking, the two-thirds majority threshold for approval is very politically challenging, particularly within the current political climate in Contra Costa County. Special taxes are subject to significant outside influence from media and opposition groups during voting, and are more vulnerable to other measures and candidates on the shared ballot.

When special taxes have been used for stormwater revenue, the rate and total revenue have been significantly less than with a property related fee. Both Santa Cruz and Santa Monica have very large, very high voting propensity renter populations, and renters tend to be more supportive than property owners in support of new taxes. In Contra Costa County, however, it is anticipated that the community is much more likely to satisfy the 50% property owner threshold of a property related fee than the 66.7% registered voter threshold of a special tax for the same stormwater quality measure. The Task # 4 Opinion Research should confirm this assertion.

Revenue Projections and Timing

Special tax elections held at polling places are conducted on the statutorily designated dates (typically in November for the general election and either March or June for the primary). If the Program or any of the co-permittees ultimately decide to pursue a special tax, it is highly recommended that a special all-mail election be considered. Special all-mail ballot elections are often less expensive and allow for more optimization of the election data, as well as having the advantage of presenting a single issue to the voters.

Upon the completion of the Task #4 polling, revenue projections for special taxes will be made, and will be included in Task #5 Report.

General Obligation Bonds

In California, special taxes can be linked directly to the sale of general obligation bonds to finance the construction of infrastructure. In 2004, the City of Los Angeles successfully passed "Measure O" which provided funding for a variety of capital improvements related to water quality. Arguably, voters are more likely to support general obligation bond special taxes than parcel-based taxes at equivalent rates. However, since special taxes for general obligations bonds can only be used for the financing of capital improvements, this mechanism is not appropriate for the funding of the 2009 MRP requirements.

User Taxes

User taxes are typically designed to associate "use" with "taxation." Stormwater management does not lend itself well to this model, as it is difficult to measure and assign stormwater quality services and improvements to specific users. One example of a user tax that is currently being evaluated is in El Dorado County. El Dorado County is considering the concept of a "Tahoe Basin User fee" with a portion of the revenue supporting stormwater quality services. In other words, tourists travelling into the Tahoe Basin would be charged an entry toll at a finite number of designated entry points, including Highway 50 into South Lake Tahoe. It is unlikely that this plan will be implemented in the Tahoe Basin, and even less likely such a user tax could work in Contra Costa County.

Transient Occupancy Taxes and/or Sales Taxes

A transient occupancy tax ("TOT") is charged when occupying a room or rooms or other living space in a hotel, inn, tourist home or house, motel or other lodging for a period of 30 days or less. A sales tax is a consumption tax charged at the point of purchase for certain goods and services. The sales tax amount is usually calculated by applying a percentage rate to the taxable price of a sale. Both of these mechanisms are particularly popular in areas with considerable tourist activity because it is perceived that a disproportionate amount of the tax load will be carried by "out of town" people and entities. Contra Costa County does not have a large tourist base and is not particularly well-suited for a sales tax or TOT.

Sales tax and hotel occupancy taxes have considerable internal political challenges and difficulty establishing at least a portion of it as dedicated to stormwater program requirements. A sales tax would require the difficult two-thirds of registered voter support, as would a transient occupancy tax. These mechanisms are considered less viable than a parcel tax.

Vehicle License Fees

One novel approach that worked for San Mateo County, albeit for a relatively short period of time, was the Vehicle Registration Fee. Established in 2003, AB 1546 authorized the City/County Association of Governments of San Mateo County to assess up to \$4 in motor vehicle fees. The purpose of the fee was to establish a pilot program that would fund congestion management activities to reduce traffic congestion, and to provide funding for the State-mandated Countywide Stormwater Pollution Prevention Program (STOPPP) in San Mateo County. The law expired in January of 2009 and efforts to have it renewed have failed.

Subsequent similar efforts in Alameda, Contra Costa, Marin, Napa, Sacramento, and Santa Clara Counties have also failed, either in the State assembly or senate, or by governor veto. Essentially, the Jarvis Taxpayers Association has been able to politically message that a two-thirds majority vote should be required for an increase to vehicle registration fees.

2. Property Related Fees - Balloted

A Proposition 218-compliant, property owner balloted, property related fee is a very viable revenue mechanism to fund the 2009 MRP requirements within the County. Accordingly, considerable detail is provided below regarding this approach. Typically, it is a property owner balloting requiring a simple majority for approval.

Historical Context of the Property Related Fees

Proposition 218, approved by California voters in 1996, is well known for establishing clear administrative and legal requirements to implement a common funding mechanism called a "Benefit Assessment." What is less well-known is that Proposition 218 also created a new mechanism called a "Property Related Fee." A property related fee is a fee or charge imposed upon a parcel "as an incident of property ownership."

Since Proposition 218's approval, property related fees have been widely implemented and used for water, sewer and refuse collection services. In the 2002 Proposition 218 case, *Howard Jarvis Taxpayers Association v. City of Salinas* (98 Cal.App.4th 1351), the Court of Appeal for the Sixth Appellate District held that a "storm water drainage fee" was illegally imposed by the City of Salinas. The plaintiff, Howard Jarvis Taxpayers Association ("HJTA") contended that the storm drainage fee imposed by the City of Salinas was a "property-related" fee requiring voter approval. In its decision, the Appellate Court sided with the HJTA, further explaining "we must conclude, therefore, that the storm drainage fee 'burdens landowners as landowners,' and is therefore subject to the voter-approval requirements of Article XIII D [section 6(c)]." This decision clarified the position that a property related fee is the appropriate vehicle for stormwater services, not a benefit assessment, and that the fee is subject to the balloting requirement.

Property Related Fee Process

The property related fee process requires public approval in two distinct steps, both of which must be completed successfully for the fee to be approved. The first step is a public notice mailed to each property owner followed by a public hearing 45 days later. If a majority of property owners protest the proposed fee at this initial protest hearing, the proposed fee cannot be sent to ballot. (This is highly unlikely in a large urbanized area such as Contra Costa County.) If a majority protest is not received, the local agency may, at its discretion, choose to submit the fee to a balloting of either all property owners subject to the proposed fee or all registered voters.

The second step of the process is the balloting. If a mailed-ballot procedure by property owners is used (and this option, not the registered voter option, is usually selected), the mailed ballot must contain the amount of the proposed fee to be imposed on the owner's property or properties, the basis for calculating the proposed fee, the reason for the fee, and a place upon which an owner can indicate his/her support or opposition for the proposed fee. A simple majority of ballots cast by property owners is required to approve the fee. The balloting must be held at least 45 days after the public hearing.

Required Documents for a Property Related Fee

- Fee Report
- Resolution Calling for Mailing of Notices
- Resolution Calling for Mailing of Ballots (assumes < 50% protest)
- Notice

- Ballot
- Resolution Directing Fees to be Charged (assumes >50% support)

Fee Report

Integral to the property related fee process is the development of a “Fee Report” including the fee methodology, which is a collection of formulas used to determine individual fees for specific parcels, based upon specific attributes. (The "Fee Report" is sometimes referred to as the "Engineer's Report," which is technically the required supporting document for a benefit assessment.) Although there have been fewer than 10 property related fees for stormwater in California history, a uniformity of methodology is beginning to emerge. Most methodologies incorporate either individual impervious areas for individual parcels, or more commonly, average impervious area percentages corresponding to property use. For example, all single family homes on 5,000 sq. ft. or less may receive exactly the same fee. Conversely, some agencies field measure every parcel and determine individual impervious amounts for individual parcels, and individual fees are calculated accordingly. Generally speaking, stormwater fee methodologies use “groupings” in which parcels of similar use and size receive the same fee. This is an advantage from an administration and community acceptance standpoint, while still being legally defensible.

Advantages

- Property related fees are the most commonly used mechanism for funding Stormwater Programs. Although special taxes have been used, they have been used less often, and in communities with large and very supportive renter populations such as Los Angeles, Santa Cruz and Santa Monica.
- Legally rigorous. Probably because the HJTA v. Salinas case explicitly called out a balloted property related fee, and since the plaintiff in this case was the primary taxpayers association in the state, there have not been any substantive legal challenges of this mechanism's use for stormwater services.
- Political viable. The approval threshold for a property related fee is 50%, with one vote per fee-eligible parcel. This mechanism is likely more politically viable than a special tax. Task #4 and Task #5 analysis work will evaluate and likely confirm this.

Challenges

- Community may be unfamiliar with the process. One potential criticism of the property related fee process is that property owners are generally unfamiliar with the process. However, with the recent dramatic increase in voting by mail in California, this would not likely be a major issue.
- Legal Scrutiny. Property related fees for stormwater management are well established and legally stout. However, special attention must be paid to ensure the Proposition 218 process is carefully followed. Proposition 218-driven mechanisms are typically subjected to greater legal scrutiny than are special taxes.

Revenue Projections and Timing

The basic fee rate should be determined by balancing the budgetary requirements of the proposed Stormwater Program and the political realities of support levels within the County. A viable fee rate will be identified using the survey prior to the balloting. Within the State, fees and taxes for stormwater management have ranged from \$25 per year to over \$200 per year.

Upon the completion of the Task #4 polling, revenue projections for property a related fee will be made, and included in the Task #5 Report.

See Table 3, which lists the required tasks and timeline, to implement a property related fee.

Table 3 - Balloted - Property Related Fee Tasks

Typical Duration	Task
6 months prior	Community Outreach
3 months prior	Develop Fee Report, Supporting Resolutions, Notice and Ballot
+/- 10 days	Governing Body (City Council or Board of Supervisors) considers approval of Fee Report and calls for mailing of
45 Days	Mail Notice of Proposed Fee and Date of Public Hearing to all property owners (45 day notice period)
+/- 10 days	Public Hearing and call to mail ballots (assumes < 50% protest)
45 Days	Mail Ballots to all property owners (45 day ballot period)
	Balloting period ends. Ballot tabulation begins. 50% +1 required for approval with 1 vote per fee-eligible parcel

Some Outstanding Questions Concerning Property Related Fees

Secret Ballot - Forde Greene v. Main County Flood Control and Water Conservation District (a.k.a. "Ross Valley Flood Fee")

In March of 2009, the California Court of Appeals (First Appellate District) issued a decision overturning a property owner approved, property related fee for stormwater management services in Ross, California. Essentially, the Court concluded that "the voters who adopted Proposition 218 intended the voting to be secret in these fee elections." However, this decision was completely contrary to the opinion of most Proposition 218 attorneys in California, as well as tradition and practice. Not surprisingly, the California Supreme Court has recently overruled the appellate court's decision, and the approved fee has been validated.

Property related fees to be collected monthly or on annual tax bills

Although not a major issue, there is some discussion amongst California's Proposition 218 attorneys regarding whether property related fees may be collected annually, on property tax bills, or must be collected monthly. Most agencies place property related fees on monthly bills. However, the recent City of Burlingame stormwater fee is collected on the annual property tax bill.

3. Benefit Assessments

As discussed in the preceding section on property related fees, the HJTA v. Salinas decision effectively determined that the benefit assessment is not the legally applicable mechanism for stormwater services. To our knowledge, there have not been any significant, agency-wide benefit assessment districts created to manage stormwater in California since this decision was made.

II. NON BALLOTTED APPROACHES

1. Re-Alignment of Some Stormwater Services (such as Sewer, Water, and Refuse Collection)

Over the last two decades, many public agencies in California have consolidated the services related to stormwater and NPDES permit compliance into one "stormwater department." This consolidation has allowed for improved management of these efforts; however, it may also have resulted in some unintended consequences in terms of optimizing of the funding of these services.

More recently, a number of public agencies in California have realigned services that were in their stormwater program to water, sewer, and refuse collection and have established new or increased fees, and/or re-negotiated existing franchise agreements for such services. This opportunity may be available to the Program as well. Ironically, one example is street sweeping, which in many cases was moved into municipal stormwater programs after the establishment of the SUA, because of the ample funding at the time, and to better manage this primary water quality improvement activity. It may be time for many of these municipalities to reconsider whether street sweeping should remain within the stormwater programs.

Of course, it does little good to simply re-align stormwater activities to other agencies and departments, along with the corresponding financial burden, if these other agencies or departments have little access to corresponding increased revenue. Accordingly, these re-alignments have been, and should be focused on, entities that have a solid opportunity to raise the corresponding revenue needed to support these additional services, such as sewer, water, and refuse collection.

Sewer, water and refuse collection services are provided throughout the County by a combination of private companies as franchisees, special districts, and the municipalities themselves. Special districts and the local governments are required to satisfy Proposition 218 processes when making increases to sewer, water and refuse collection services rates. The Proposition 218 process requirements are far less onerous for sewer, water, and/or refuse collection rates than for other services, because they are only subject to the noticed public hearing requirement and are exempted from the balloting requirement. Known as the "sewer, water, refuse exception," it is described in Proposition 218 as:

"...Except for fees or charges for sewer, water, and refuse collection services, no property related fee or charge shall be imposed or increased unless and until that fee or charge is submitted and approved by a majority vote of the property owners of the property subject to the fee or charge."

For franchisees, the requirement is less clear, and may only need a re-negotiation of the contract and rates with the governing local agency. *(The legal need for a franchisee to conduct a Proposition 218 noticed public hearing for sewer, water, and refuse collection is debated in California and is outside the scope of this report. The more conservative approach is to conduct a Proposition 218 noticed public hearing even when a franchisee is providing the services.)*

Most importantly, whether a Proposition 218 noticed public hearing is required, or only a franchisee re-negotiation, these processes do not require the expense, political risk and financial "willingness to pay" constraints of a special tax or balloted property related fee.

This approach requires the Program and/or individual co-permittees to conservatively review current stormwater program activities, and where reasonably and rationally appropriate, consider re-aligning some of these activities to sewer, water or refuse collection, and then increase the fees for these services accordingly. Any such re-alignments of activities and/or improvements should be bona fide, well supported, and well-reviewed. Moreover, any new or increased fees for sewer, water or refuse collection may require educational, political and stakeholder outreach, even though a balloting is not required.

Table 4 - Sewer, Water and Refuse Collection Service Providers by Local Government Agency

Municipality	Primary Refuse Collection Service Provider	Primary Water Service Provider	Primary Sewer Service Provider
ANTIOCH	Allied Waste	City of Antioch	City of Antioch
BRENTWOOD	City of Brentwood	City of Brentwood	City of Brentwood
CLAYTON	Allied Waste	Contra Costa Water District	Central Contra Costa Sanitary District
COUNTY	Various	Various	Various
CONCORD	Concord Disposal Service	Contra Costa Water District	Central Contra Costa Sanitary District
DANVILLE	Allied Waste	EBMUD	Central Contra Costa Sanitary District
EL CERRITO	East Bay Sanitary Company	EBMUD	Stege Sanitary District
HERCULES	Richmond Sanitary Services	EBMUD	City of Hercules
LAFAYETTE	Allied Waste	EBMUD	Central Contra Costa Sanitary District
MARTINEZ	Allied Waste	Contra Costa Water District	Central San & Mt. View Sanitary District
MORAGA	Allied Waste	EBMUD	Central Contra Costa Sanitary District
OAKLEY	Oakley Disposal Service	Diablo Water District	Ironhouse Sanitary District
ORINDA	Allied Waste	EBMUD	Central Contra Costa Sanitary District
PINOLE	Richmond Sanitary Services	EBMUD	City of Pinole
PITTSBURG	Pittsburg Disposal Services	City of Pittsburg	Delta Diablo Sanitation District
PLEASANT HILL	Allied Waste	CCWD & Diablo Vista Water	Central Contra Costa Sanitary District
RICHMOND w/o CIP	Richmond Sanitary Services	EBMUD	City of Richmond
SAN PABLO	Richmond Sanitary Service	EBMUD	West County Wastewater District
SAN RAMON	Valley Waste Management	EBMUD & Dublin San Ramon	Central San & Dublin San Ramon
WALNUT CREEK	Allied Waste	EBMUD	Central Contra Costa Sanitary District

New or increased fees or charges for sewer, water or refuse collection are established by the following steps:

Table 5 - Non-Balloted - Property Related Fee Tasks for Sewer, Water and Refuse Collection Only

Typical Duration	Task
6 months prior	Community Outreach
3 months prior	Develop Fee Report, Supporting Resolutions, Notice and Ballot
+/- 10 days	Governing Body (City Council or Board of Supervisors) considers approval of Fee Report and calls for mailing of
45 Days	Mail Notice of Proposed Fee and Date of Public Hearing to all property owners (45 day notice period)
+/- 10 days	Public Hearing and call to mail ballots (assumes < 50% protest)
45 Days	Mail Ballots to all property owners (45 day ballot period)
	Balloting period ends. Ballot tabulation begins. 50% +1 required for approval with 1 vote per fee eligible parcel

Opportunities for re-alignment of stormwater services to sewer, water and refuse/collection service providers

Listed below are examples of sewer, water and refuse collection services that potentially could be included in new or increased sewer, water or refuse collection fees - and do not need to receive ballot approval.

The Street Sweeping Opportunity

Many stormwater programs throughout California fully or partially fund street sweeping activities, and in many cases, it is the largest single element of the budget. Street sweeping can be reasonably and rationally assigned to the solid waste department of a public agency. Since most street sweeping is done along residential streets, a clear link can be established between this service and a specific property, perhaps based quantitatively on street frontage. (In some cases, public agencies may conservatively determine that less than 100% of the costs of street sweeping can be assigned to individual properties. Even so, any reduction will still have a positive effect on the stormwater budget.) Note that Waste Management Inc., the largest refuse collection company in the United States, provides street sweeping service as a core service to many municipalities throughout the nation. In fact, street sweeping is managed by the Delta Diablo Sanitation District for the incorporated community of Bay Point. Allied Waste provides street sweeping services to various areas within the County. Accordingly, this would require an increase to the contractual scope of the refuse collection provider and likely a corresponding rate increase. Be advised that the legal question as to whether "street sweeping" is

indeed "refuse collection" and satisfies the "sewer, water, refuse exception" of Proposition 218 has not been definitively answered.

The C.10 Trash Load Reduction Requirements Opportunity

Like the street sweeping example above, much of the 2009 MRP's C.10 Trash Load Reduction requirements are essentially "refuse collection" and may be re-aligned accordingly. This includes operating and collecting refuse from trash capture devices, hot spots and other BMPs, as well as activities associated with overall trash reduction plans. (It is likely that these activities would have to be linked to individual properties.) Re-aligning these trash-related activities to the refuse collection provider would also require an increase to the contractual scope of the refuse collection provider and likely a corresponding rate increase.

Other Opportunities

- Re-align catch basin trash removal as well as removal and replacement of filters to refuse collection/solid waste provider.
- Re-align other services that remove trash from water runoff to refuse collection/solid waste provider.
- Re-align services that proactively prevent trash pollution and pollution inspections to refuse collection/solid waste provider.
- Re-align community education efforts regarding overwatering to the water service provider as a water conservation service. (The benefit of preventing pollutants from being washed into streams, reservoirs and the ocean is ancillary.)
- Re-align water recycling, clean up and reuse to water service provider.
- Potentially re-align a portion of the cost of handling urban runoff to water service provider on the basis that such runoff is a direct byproduct of water usage. (Ideally, the fees for such services will be largely borne by properties that overuse water, creating urban runoff.)
- Potentially re-align improvements to stormwater piping (including re-lining of leaking pipes) to the sewer provider to reduce or eliminate wet weather inflow from stormwater pipes to sewer pipes.

In each case, these additional services would also require an increase to the contractual scope of the refuse collection provider and likely a corresponding rate increase. Also, a link would need to be established between these activities and individual properties. For example, street sweeping would be linked with property street frontage, catch basin cleaning would be linked with drainage area properties, etc.

Advantages

- No balloting requirement. These strategies would reduce the financial burdens of the co-permittee's stormwater programs while not requiring the risk, cost and rate limitations of a balloting.

Challenges

- Burden of reorganization. The reorganization of activities and operations from the stormwater program to sewer, water and/or solid waste providers will result in organizational and budgetary changes and potentially increased initial costs due to the reorganization.
- Local political fallout. There may be political restrictions to significant increases in sewer, water or refuse collection fees. One option is to plan the transfer of services and fee increases over several years. For example, a public agency can coordinate the transfer of sewer, water and refuse collection operations from stormwater programs to sewer, water or refuse providers through more “regularly scheduled” rate increases. Although it may not be easy to make these changes, it is indeed procedurally easier to increase funding for sewer, water or refuse collection (no balloting required) than to increase funding for stormwater (balloting required). Moreover, any fee increases should be enveloped with extensive educational, political and stakeholder outreach before, during and after the fee increase.
- Reduction of centralized management of stormwater program. The reorganization of stormwater related activities to sewer, water or refuse collection, even if only for funding purposes, may result in some loss of managerial quality control for the overall scope of activities and improvements needed for NPDES permit compliance and stormwater quality programs.
- Does not cover all stormwater program costs. These strategies will not cover the costs associated with inspections, monitoring, program management, etc. They should be implemented in combination with other funding sources.
- Legal Restrictions. Several years ago, the City of Encinitas added a fee onto their garbage collection fee to pay for stormwater management, and the City was legally challenged. The lawsuit was settled out of court when Encinitas agreed to conduct a balloting (which subsequently lost), and Encinitas was forced to refund the already collected fees. In this case, rather than redistributing specific and appropriate activities from stormwater to refuse collection, Encinitas incorrectly only used the solid waste collection fee as a mechanism to collect a fee for stormwater services. There have been legal challenges to other non-balloted efforts (e.g., Salinas, and Solana Beach), so the Program is advised to proceed cautiously with this approach and to fully justify and support any services allocated to sewer, water or refuse collection. The Program should only realign services where there is a clear, bona-fide component that is driven by sewer, water and/or refuse collection services. At this point, the outside limitations of the definitions of the "sewer, water, refuse exception" have not been legally established.

The Storm Drain Maintenance Issue

Storm drain maintenance is a critical municipal service that closely affects both flood control and water quality. The 1993 SUA provides for funding of storm drain maintenance from this assessment. If at some point, there is a well-funded budget for flood control, there may be an opportunity to fund a

larger portion of storm drain maintenance from flood control monies. At this point, however, there is no readily available mechanism for increasing flood control funding without the same limitations on generating funding as for stormwater activities.

2. Dedicated "Trash Load Removal" Property Related Fee - Non Balloted

This approach is closely related to the "re-alignment" strategies described in the previous section. The co-permittees could implement a dedicated, non-balloted, property related fee, most likely under the "refuse collection" balloting exception of Proposition 218.

Essentially, a local government could identify, organize and establish a dedicated budget for all 2009 MRP activities which could reasonably be described as "refuse collection," including much of the C.10 Trash Load Reduction permit requirements. A rate structure could then be developed, along with the required Fee Report. Next, the agency could follow the prescribed Proposition 218 property related fee process, with the "refuse collection" balloting exception and establish a dedicated fee. This fee could be entirely independent of the existing refuse collection provider.

The advantages and challenges associated with this strategy are similar to the "re-alignment" strategies described above. However, the decentralization challenge would not apply. This strategy has not been utilized in California to date, would likely attract considerable attention from opponents and should be subjected to considerable legal review prior to implementation.

3. Regulatory Fees - SB 310

Public agencies can impose certain “regulatory fees” without a balloting requirement. The fees are not taxes, assessments, nor property related fees, and do not contradict Proposition 13 nor Proposition 218 if the fees satisfy certain requirements. Regulatory fees are derived from the “police powers” inherent to the local jurisdiction. These fees are commonly called “Sinclair Fees,” after the 1997 California Supreme Court decision in *Sinclair Paint Company versus the State Board of Equalization* (“Sinclair v. State”), which legally established their use.

In practice, Sinclair Fees are largely imposed by public agencies upon commercial and industrial polluters to defray costs of cleanup. Public agencies have also imposed regulatory fees for liquor stores, billboards, amount of solid waste, and rental housing properties, with the resulting revenue going towards related programs such as police protection, community beautification, recycling programs, and affordable housing. In fact, public agencies have imposed fees to offset the costs of stormwater program inspections on restaurants and other commercial and industrial entities.

However, regulatory fees have not been assigned to individual residential parcels, to defray the costs of individual residential stormwater “polluters.” Although it has yet to be done, there is no clear legal evidence that it could not be accomplished.

In *Sinclair v. State*, the California Supreme Court determined that “bona fide regulatory fees” are not taxes if the fee is used “to mitigate the actual or anticipated adverse effects of the fee payers’ operations,” and the “fees must bear a reasonable relationship to those adverse effects.”

Ultimately, the court has said:

“The fee imposed...is not a tax imposed to pay general revenue to the local governmental entity, but is a regulatory fee intended to defray the cost of providing and administering the mitigating services.”

Proposition 26 Update

Proposition 26, approved by California voters on November 2, 2010, has likely effectively eliminated the ability to use a regulatory fee for stormwater management costs, without a balloted two-thirds majority approval. This proposition re-classified many regulatory fees as taxes, with the corresponding election requirements. Additional clarity on the impacts of Proposition 26 will continue to emerge from California's legal community.

In any case, the advantages and disadvantages of using the regulatory fee mechanisms for stormwater quality activities are listed below:

Advantages

- No balloting requirement, so greater revenue is possible. Since there is no balloting requirement, the Program could charge a fee rate that would generate enough revenue to cover all stormwater program costs. In any case, a higher fee rate, and more revenue, may be generated than with a balloted mechanism.

Challenges

- Extreme legal risk and imminent legal challenge. The Progra should proceed with this approach only after conducting an exhaustive cost-benefit, risk-reward legal review. In all likelihood, this approach would be challenged because there is no precedent for applying regulatory fees to individual residential property owners. (If the Progra were challenged and prevailed legally, it would have a reliable fee in place, and would have established a critical precedent for funding stormwater in California.) The approval of Proposition 26 increased this legal risk.
- Considerable administrative overhead. This approach requires the Progra to review, inspect, and quantifiably evaluate each parcel on a regular basis to ensure that the fee corresponds to the pollution level. In some cases, the property may not be required to pay the fee (i.e., a property in full compliance with the BMP retrofit ordinance).

The structure, implementation, billing, and collection of the fee are extremely important factors to consider for legal defensibility. Likely, each individual parcel would have to be inspected, evaluated, and graded, and the fees individually calculated with separate fee bills sent rather than “riding” on the property tax bill. The premise of using regulatory fees to fund stormwater is legally unproven, and the Program should probably not consider a SB 310 compliant regulatory fee, particularly in light of the passage of Proposition 26.

4. Regulatory Fees - Inspections

Public agencies throughout California often reimburse themselves for the costs of inspections and permits using regulatory fees approved and published as part of a "Master Fee Schedule." The costs of certain stormwater inspection activities can be defrayed by charging inspection fees on individual properties. This approach can minimally assist in reducing the Program's financial burden. However, the passage of Proposition 26 has added some question about the long term legal viability of even these types of regulatory fees.

III. DEVELOPMENT-DRIVEN APPROACHES

1. Impact Fees

Impact fees are one time only capital infusions which primarily affect new development and will only have a marginal effect on the overall funding of stormwater permit requirements. However, their significance can increase over time. (Fees for improving sewer and water systems, as well as for parks and schools, to accommodate new development are common examples of development impact fees. Historically, however, public agencies in California have not rigorously incorporated all stormwater costs into local developer impact fees.)

The implementation of impact fees dedicated to stormwater is primarily administrative and relatively inexpensive. The main challenges may be addressing any opposition from local developers and garnering support from the City Councils and/or Boards of Supervisors.

2. Community Facilities Districts

Contra Costa County currently has many localized special tax and assessment “districts” that fund the maintenance and operations of various local infrastructure. (These appear as “direct charges” on Contra Costa County property tax bills.) The special taxes are primarily Community Facilities Districts (more commonly known as “CFDs” or “Mello-Roos Districts”), and the assessments are primarily Landscaping and Lighting Assessment Districts (“LLADs”). Both CFDs and LLADs are very effective and manageable, and are commonly used for larger residential developments throughout the State. Most importantly, they are routinely established during the residential development phase, while the developer owns all of the property, because they are politically challenging (requiring a balloting of all affected property owners) after the homes have been sold.

Much of the remaining potential development in the County (other than East County) is single family “infill” development on individual lots amongst developed properties. However, parcels in CFDs and Benefit Assessment Districts need not be contiguous. In other words, the Program and/or co-permittees can create revenue districts and require new development to be annexed into the districts as a condition of development. Even though there remains a reasonable number of infill vacant lots within the County, topographic, economic and policy factors will continue to limit development such that CFD’s should not be viewed a significant source of future revenue.

Although most of the funding from developer-driven revenue will pay for services specific to development, a portion can augment the overall stormwater activities. For example, the impact fee may be justified to pay for the incremental cost of some stormwater related infrastructure (e.g., a diversion structure), and the collected fee may be used for the rehabilitation of this infrastructure. CFDs and Benefit Assessment Districts are typically used to pay for the annual operations and maintenance of something that benefits the paying property, like a local “BMP” installation. Care should be taken to clearly differentiate between what activities are funded by the CFD levy and a property related fee/tax, so that both can be collected from the affected property. Although sometimes incorrectly and unfairly described as “double taxation,” this situation is extremely common in California, and is a well know side-effect of Proposition 13. In any case, CFDs are slightly preferred over benefit assessments because they provide slightly broader flexibility in use and are slightly less expensive to annually administer.

IV. LEGISLATIVE APPROACHES

Over the last 10 years, at least three bills have been introduced to add "stormwater" to the "sewer, water, trash exception" within Proposition 218. All have failed to garner the needed political support. Even if the state legislature approved such a ball, it would still require statewide approval from registered voters. While obtaining a constitutional amendment may be possible, it would be highly challenging. Both Proposition 13 and Proposition 218-related constitutional code is well-defended by politicians, taxpayers groups and well-motivated individuals. Any and all proposed exceptions are viewed as an attack on the existing legislation and would likely entice a strong negative reaction. Nonetheless, the Program could invest resources to attempt such a legislative approach.

V. OTHER APPROACHES

1. Grants

Grants and Programs

California has a limited mix of State grants and programs which provide funding opportunities for local stormwater programs. Proposition 84, Proposition 1B, and Proposition 1E allocate funding to support stormwater management activities and projects. Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, authorized the sale of \$5.4 billion in general obligation bonds, to be used to fund water-related projects. One element of Proposition 84 establishes that a portion of the revenue be dedicated specifically to the reduction and prevention of polluted stormwater to lakes, rivers, and the ocean. Proposition 1B, approved by voters in November of 2006, is titled the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. This Act includes some limited opportunities for stormwater. Proposition 1E, also approved by voters in November of 2006, is the Disaster Preparedness and Flood Prevention Bond Fund of 2006 and provides some focused opportunities for funding of stormwater projects. Most of the funding associated with these propositions is delivered through competitive or targeted grants and programs.

State grants are typically awarded through a highly competitive process, often require matching local funds, tend to be focused on capital expenses, are often narrowly focused in terms of scope and services, and can have significant administrative overhead. In addition, most grants are seldom designed to fund the management and operations of a stormwater program or the maintenance of stormwater infrastructure. Nonetheless, the revenue opportunities provided by grants is significant enough that they should be considered part of the Program's efforts.

If State grants are pursued, applications should be written to maximize flexibility in use of the funds so the grant award can contribute towards annual Stormwater Program expenses. The Program should also consider coordinating with other affected local agencies to put forth larger and potentially more competitive grant applications.

The Program may also consider supporting any effort to create new Statewide Bond measures with stormwater components. However, there is currently very little political momentum for such a proposition at this time. The Program should work to identify applicable Federal grants and compete, in coordination with other affected local agencies, for funding. Also, the Program should consider working with local elected officials to pursue provisions that direct approved funds to be spent on specific projects, often called earmarks.

VI. OTHER ISSUES:

Timing and Schedule

The Contra Costa County Auditor requires levies to be submitted by early August 10th of that fiscal year in order to be placed on tax bills. Accordingly, if the Program chooses a balloted option, it will need to begin work on this effort by around December of the year prior to the first year of taxation. At this time, the August 2012 levy deadline is being pursued.

A Consumer Price Index Escalator Is Recommended

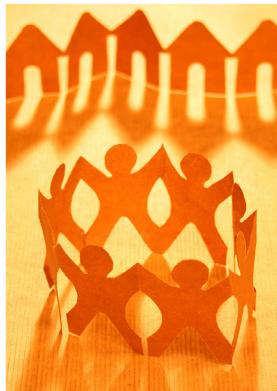
The incorporation of a consumer price index (CPI) escalator is legally defensible with property related fees, regulatory fees, and special taxes, and is highly recommended. One approach is to link CPI increases to the U.S Department of Labor CPI and cap it at a 3% maximum per year. The majority of survey data supports the fact that a CPI escalator introduces minimal decay in overall support.

A Sunset Provision Is Not Recommended

A “Sunset Provision” is a mechanism used to increase political support by setting an expiration date for a measure, and can be used with a property related fee, regulatory fee, or tax. Sunset provisions typically range from 5 years (like the property related fee for the City of San Clemente) to 20 years. However, the political advantage is typically very slight and does not outweigh the negative aspect of the increased costs and political risk of having to re-ballot at the termination of the sunset period.

REVENUE MEASURE FEASIBILITY STUDY
SURVEY REPORT

PREPARED FOR THE
CONTRA COSTA CLEAN WATER PROGRAM



JUNE 20, 2011



741 GARDEN VIEW COURT, SUITE 208
ENCINITAS CA 92024
760.632.9900 WWW.TN-RESEARCH.COM



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INTRODUCTION

Under the Federal Clean Water Act, each county and municipality throughout the nation is issued a National Pollutant Discharge Elimination System (NPDES) Permit. The goal of the permit is to stop polluted discharges from entering the storm drain system, local water sources, and coastal waters. In order to comply with State and Federal regulations regarding stormwater and urban water runoff, Contra Costa County, all nineteen of its incorporated cities, and the Contra Costa Flood Control & Water Conservation District have joined together to form the Contra Costa Clean Water Program (Program). The Program provides services designed to not only meet the requirements of the NPDES Permit, but also protect and improve public health by identifying, controlling and removing pollution from the stormdrain system, local water sources, and coastal waters.

Unfortunately, the infrastructure improvements and services needed to meet the requirements of the NPDES permit exceed the revenues available to the Program. Not only does this create a public health risk, non-compliance with the Permit will also expose the Program and local jurisdictions to civil penalties, fines, federal enforcement action, and third-party litigation. Civil penalties can reach \$10,000 per day, per violation.

MOTIVATION FOR RESEARCH The primary purpose of the study was to produce an unbiased, statistically reliable evaluation of voters' interest in supporting a local revenue measure to partially close the funding gap noted above. Additionally, should the Program decide to move forward with a revenue measure, the data provides guidance as to how to structure the measure so that it is consistent with the community's priorities and expressed needs. Specifically, the study was designed to:

- Gauge current, *baseline* support for a local revenue measure that would protect water quality, reduce stormwater pollution, and improve public health
- Identify the types of services and projects that voters and property owners are most interested in funding, should the measure pass
- Expose respondents to arguments in favor of—and against—the proposed revenue measure to gauge how information affects support for the measure
- Estimate support for the measure once voters and property owners are presented with the types of information they will likely be exposed to during the election cycle

It is important to note at the outset that voters' opinions about revenue measures are often somewhat fluid, especially when the amount of information they initially have about a measure is limited. How voters think and feel about a measure today may not be the same way they think and feel once they have had a chance to hear more information about the measure during the election cycle. Accordingly, to accurately assess the feasibility of establishing a local revenue measure, it was important that in addition to measuring *current* opinions about the measure (Question 2), the survey expose respondents to the types of information voters are likely to encounter during an election cycle—including arguments in favor of (Question 6) and opposed to (Question 8) the measure—and gauge how this information ultimately impacts their voting decision (Questions 7 & 9).

REVENUE MEASURE OPTIONS To raise the funds needed to reduce stormwater pollution and meet clean water requirements, the Program has two potentially viable options with respect to the *type* of revenue measure it can place before voters or property owners: parcel tax and property-related fee.

A **parcel tax** for a specific purpose is considered a special tax under California law and requires support from two-thirds of voters who participate in the election. The election can be held either as a traditional polling-booth election or by mailed-ballot, and registered voters can participate in the election regardless of whether they own property or are renters. The Howard Jarvis Tax-payers Association deemed a super-majority threshold appropriate for special taxes when they crafted Proposition 218 because many of the voters participating in a special tax are renters who do not have to directly pay the proposed special tax, and because many other property owners who will have to pay the tax (such as commercial and apartment owners) do not have an opportunity to vote in a special tax election.

A **property-related fee**, on the other hand, is voted on by all property owners in the county who are being asked to pay the new fee. In addition to residential property owners, owners of other types of properties (i.e., commercial, industrial, apartments, etc.) as well as absentee owners are eligible to participate. Whereas a parcel tax requires two-thirds support for passage, because all affected property owners can participate in a property-related fee, a majority of ballots returned (one vote per parcel) is required for approval. Property-related fee ballot proceedings also employ different voting procedures, as all property owners are typically mailed a ballot that includes an information sheet, but does not include arguments in support or opposition as is the case with a special tax. It should be noted that most of the funding measures for similar water and stormwater quality programs have been owner-decided property-related fees.¹

DIFFERENT MECHANISMS, DIFFERENT METHODOLOGIES One of the key objectives of this study was to determine how support for a proposed revenue measure may vary depending on the type of funding mechanism employed: parcel tax or property-related fee. Because the legal, logistical, and campaign environments for special taxes and fees differ on so many dimensions that ultimately affect whether a measure will win or lose, it was important that the research methodology take these differences into account to ensure reliable results for each unique scenario. Accordingly, the Program commissioned True North Research and SCI to conduct two surveys—one to assess the feasibility of a parcel tax, the other for a property-related fee.

The **parcel tax survey** was administered by telephone to 900 voters in Contra Costa County who are likely to participate in the November 2012 election, with a subset of voters who are likely to participate in the lower-turnout November 2011 election. The interviews were conducted between February 4 and February 27, 2011, averaged 15 minutes in length, and were conducted during weekday evenings (5:30PM to 9PM) and on weekends (10AM to 5PM). It is standard practice not to call during the day on weekdays because most working adults are unavailable and thus calling during those hours would bias the sample. The parcel tax survey focused on gauging the feasibility of a \$32 flat-rate parcel tax and has a statistical margin of error of $\pm 3.3\%$ at the 95% level of confidence.

1. Examples include fees established in Rancho Palos Verdes, Palo Alto, Burlingame, and San Clemente.

Because research has shown that a mail-based survey methodology more accurately represents the likely outcome of a mail-based ballot proceeding, the **property-related fee survey** was conducted by mail. A total of 24,765 property owners in the county representing *all* property classes that are eligible to cast a ballot were mailed a survey on April 25, 2011. A total of 5,225 surveys were returned, representing a participation rate of 21% which is similar to the return rate for actual ballot proceedings in large jurisdictions. A sample of this size produces results with a very high degree of reliability, achieving a statistical margin of error of $\pm 1.34\%$ at the 95% level of confidence. The final data were weighted to account for disproportionate participation rates in mailed-ballot elections and the strategic oversampling by jurisdiction.

ORGANIZATION OF REPORT This report is designed to meet the needs of readers who prefer a summary of the findings as well as those who are interested in the details of the results. For those who seek an overview of the findings, the sections titled *Just the Facts* and *Conclusions* are for you. They provide a summary of the most important factual findings of the surveys in bullet-point format and a discussion of their implications. For the interested reader, this section is followed by a more detailed question-by-question discussion of the results from the surveys by topic area—first for the parcel tax survey, then for the property-related fee survey (see *Table of Contents*). And, for the truly ambitious reader, the methodologies for the surveys are discussed at the back of the report.

ACKNOWLEDGMENTS True North thanks the Contra Costa Clean Water Program for the opportunity to conduct the study, as well as for their staff's contributions to the design of the survey. A special thanks also to SCI Consulting Group and Tramutola LLC for assisting in the overall research design. Their collective expertise, local knowledge, and insight improved the overall quality of the research presented here.

DISCLAIMER The statements and conclusions in this report are those of the authors (Dr. Timothy McLarney and Richard Sarles) at True North Research, Inc. and not necessarily those of the Contra Costa Clean Water Program. Any errors and omissions are the responsibility of the authors.

ABOUT TRUE NORTH True North is a full-service survey research firm that is dedicated to providing public agencies with a clear understanding of the values, perceptions, priorities and concerns of their residents and voters. Through designing and implementing scientific surveys, focus groups and one-on-one interviews, as well as expert interpretation of the findings, True North helps its clients to move with confidence when making strategic decisions in a variety of areas—such as planning, policy evaluation, performance management, organizational development, establishing fiscal priorities, passing revenue measures, and developing effective public information campaigns.

During their careers, Dr. McLarney and Mr. Sarles have designed and conducted over 600 survey research studies for public agencies—including more than 250 studies for California municipalities and special districts, and more than 200 revenue measure feasibility studies. Of the measures that have gone to ballot based on Dr. McLarney's recommendation, more than 90% have been successful. In total, the research that Dr. McLarney has conducted has led to over \$19 billion in successful local revenue measures.

ABOUT SCI CONSULTING GROUP SCI Consulting Group, a California Corporation, is a public finance and urban economic consulting firm with over 25 years of expertise in assisting public agencies in California with planning, justifying and successfully establishing new revenues for their service and capital improvement needs and objectives. SCI provides a broad range of planning, research, engineering, outreach, balloting and financing services for local agencies. Since the passage of Proposition 218 in 1996, SCI has been successful on 101 community-wide ballots for new or increased assessments or fees and over 300 business area, neighborhood or development project area assessment or fee districts covering a wide range of public services and improvements.



JUST THE FACTS

The following section is an outline of the main factual findings from the surveys. For the reader's convenience, we have organized the findings according to the section titles used in the body of this report. Thus, if you would like to learn more about a particular finding, simply turn to the appropriate report section.

IMPORTANCE OF ISSUES

- When asked to rate the importance of eight local issues, maintaining the quality of education in public schools received the highest percentage of respondents indicating that the issue was either extremely or very important (87%), followed by improving the local economy (85%), protecting water quality (84%), and protecting the Bay and Delta (72%).

INITIAL BALLOT TEST

- With only the information provided in the ballot language, 63% of voters indicated that they would definitely or probably support the proposed \$32 parcel tax measure at this stage in the survey, whereas 31% stated that they would oppose the measure and 6% were unsure or unwilling to share their vote choice.
- Among those who initially opposed or were unsure about the parcel tax, the most commonly cited reasons for their position were the perception that taxes are already too high (39%), followed by concerns about wasting/mispending the money (20%) or a need for additional information (9%).

TAX THRESHOLD

- Voters were somewhat sensitive to the tax rate associated with the proposed parcel tax. At the highest rate tested (\$32 per year), 59% of those surveyed indicated that they would vote in favor of the measure. Incremental reductions in the tax rate resulted in incremental increases in support for the measure, with 69% of those surveyed indicating they would support the proposed measure at the rate of \$14 per year.

PROGRAMS & PROJECTS

- Among the programs and services that could be funded by the measure, voters most strongly favored protecting sources of clean drinking water from contamination and pollution (85% strongly or somewhat favor), followed by keeping trash and pollution of our shorelines and out of creeks, lakes, the Delta and the Bay (83%), and catching, cleaning-up, and reusing rainwater runoff to irrigate parks, landscapes and golf courses, which will conserve our clean drinking water (83%).

POSITIVE ARGUMENTS

When presented with arguments in favor of the measure, voters found the following arguments to be the most persuasive:

- *Nothing is more important than having clean water to drink. This measure will protect our clean water sources from contamination to ensure that we always have a safe, local supply of clean water.*

- *Every time it rains, tons of trash, dangerous bacteria and pollution are carried directly to the Bay Delta, which is the source for more than half of the County's fresh drinking water. This measure is needed to protect our supply of drinking water from pollution.*
- *This measure will protect the environment, our natural resources, and our quality of life for future generations*

INTERIM BALLOT TEST

- After being presented with programs that could be funded as well as arguments in favor of the measure, overall support for the \$32 parcel tax measure among likely November 2012 voters held steady 63% of voters indicated that they would definitely or probably support the proposed \$32 parcel tax measure at this stage in the survey, whereas 31% stated that they would oppose the measure and 6% were unsure or unwilling to share their vote choice.

NEGATIVE ARGUMENTS

Of the arguments in opposition to the measure, voters found the following arguments to be the most persuasive:

- *People are having a hard time making ends meet with the housing crisis, high unemployment, and the economy in recession. Now is NOT the time to be raising taxes.*
- *The County and cities can't be trusted with this tax. They will mismanage the money or use it for their own pet projects.*
- *Experts say that raising taxes during a recession will hurt the economy even more.*

FINAL BALLOT TESTS

- After being presented with programs and projects that could be funded by the measure, possible tax rates, as well as arguments in favor and against the measure, support for the \$32 parcel tax measure was found among 60% of likely November 2012 voters, with 36% indicating they would *definitely* support the measure. Approximately 35% of respondents were opposed to the measure at the Final Ballot Test, whereas 5% were unsure or unwilling to state their vote choice.
- Respondents who did not support the \$32 measure at the Final Ballot Test were asked how they would vote on the proposed measure if the tax rate were lowered to \$14 per parcel. An additional 10% of voters indicated they would definitely or probably support the measure at the lower rate, bringing the overall support for the measure at \$14 per parcel *among a high-turnout electorate that is also quite familiar with the measure* to 70%.

PROPERTY-RELATED FEE SURVEY

- Among all property owners, just over half (52%) indicated that they would support the proposed clean water measure if it were structured as a property-related fee using a \$22 single family residence equivalent rate. For property-related fees, this is 2% above the majority required for passage under California law.



CONCLUSIONS

The bulk of this report is devoted to conveying the details of the study findings. In this section, however, we attempt to ‘see the forest through the trees’ and note how the collective results of the survey answer the key questions that motivated the research. The following conclusions are based on True North’s, SCI Consulting Group’s, and Tramutola LLC’s interpretations of the survey results and the firms’ collective experience conducting hundreds of revenue measure feasibility studies for public agencies throughout the State.

Should the Contra Costa Clean Water Program proceed with plans to place a revenue measure before voters or property owners in 2012?

Yes. The vast majority of voters and property owners in the county consider protecting water quality, the Bay and the Delta to be among the most important issues facing their community—more important than maintaining streets and roads, reducing traffic congestion, and preventing local tax increases. This sentiment translates into solid support for a local revenue measure to protect sources of clean drinking water, remove pollutants from reservoirs and waterways, keep trash and pollution off shorelines and out of creeks, lakes, the Delta and the Bay, and reduce illegal discharges of pollution through improved monitoring, investigation and prosecution.

The results of this study suggest that, if packaged appropriately and combined with a broad-based and effective public education effort, a measure to fund clean, safe water has a good chance of passage.

Having recommended that the Program move forward, it is important to note that this recommendation to take the next steps toward placing a measure on the ballot comes with several qualifications and conditions. Indeed, although the results are promising, all revenue measures must overcome challenges prior to being successful. The proposed measure is no exception. The following paragraphs discuss some of the challenges and the next steps that True North, SCI and Tramutola recommend.

Which funding mechanism appears to have the best chance for passage?

One of the key objectives of this study was to determine how support for a local revenue measure for clean water services may vary depending on the type of funding mechanism employed: parcel tax or property-related fee. As described in the *Introduction*, these financial mechanisms have very different legal, logistical, and campaign environments, each having its own opportunities and challenges for a measure.

The results of the mail survey indicate that a **property-related fee** has a good chance of success if the rate is kept affordable (\$22 or less), the measure is supported by the local jurisdictions, and is accompanied by a well-organized, effective campaign. Although support for the measure among owners of apartments, commercial, industrial, and agricultural properties was somewhat lower than the majority required for passage, strong support among residential property owners resulted in a 52%

level of support *overall*—2% above the simple majority required for passage under California law.

Although also positive, the results of the telephone **parcel tax** survey indicate that this path could be more challenging. The natural level of support found for a \$32 parcel tax measure among a high-turnout electorate was 63%, approximately 4% *below* the threshold required for passage of a special tax in California. Although voters strongly favored all of the services that would be funded by the measure, and responded positively to arguments on behalf of the measure, ultimately support failed to reach the two-thirds threshold at each of the key ballot tests in the survey. Moreover, support was noticeably lower in a low-turnout scenario, such as what is expected for the November 2011 or June 2012 elections. Only when the tax rate was lowered to \$14 per parcel were two-thirds of voters prepared to support the parcel tax. Unfortunately, a tax rate of \$14 per parcel is too low to generate the revenue needed to adequately fund the Program and allow it to meet NPDES permit requirements.

Based on the survey findings, we recommend that the Program pursue a property-related fee. Not only does this approach appear to have the highest support levels (relative to the required threshold for passage) among those who will ultimately decide the fate of the measure, it is also the only financial mechanism that allows all property owners who would be impacted the opportunity to vote on the measure. It is worth noting, moreover, that most of the similar water quality measures already in place in California were implemented as property-related fees—not parcel taxes.

How will the tax or fee rate affect support for the measure?

Naturally, the willingness of voters and property owners to support a specific revenue measure is contingent—in part—on the tax rate associated with a measure. The higher the rate, all other things being equal, the lower the level of aggregate support that can be expected. It is critical that the rate be set at a level that the necessary proportion of voters or property owners view as affordable.

One of the more striking patterns from the surveys is that voters and property owners are somewhat price sensitive with respect to the proposed clean water measure, especially when their attention is *focused* on the tax rate. At the highest tax rate tested for a **parcel tax** (\$32 per year per property), for example, just 59% of voters indicated that they would vote in favor of the measure. Support did not reach the required two-thirds threshold until the rate was lowered to \$14 per parcel.

Given that price will be one of the *driving* factors that will shape how voters react to the proposed measure, we recommend keeping the tax rate as affordable as possible—especially considering the current state of the

economy and voters' sensitivity to this issue. Our recommendation as to a specific rate will depend upon which financial mechanism is chosen, the outcome of future discussions with the Program, and a candid evaluation of the resources that can be expected for the campaign.

How might a public information campaign affect support for the proposed measure?

As noted in the body of this report, individuals' opinions about revenue measures are often not rigid, especially when the amount of information presented to the public on a measure has been limited. Thus, in addition to measuring current support for the measure, one of the goals of this study was to explore how the introduction of additional information about the measure may affect voters' and property owners' opinions about the measure.

It is clear from the survey results that voters' and property owners' opinions about the proposed measure are somewhat sensitive to the nature—and amount—of information that they have about the measure. Information about the specific improvements that could be funded by the measure, as well as arguments in favor of the measure, were found by many respondents to be compelling reasons to support the measure. Moreover, this information played an important role in mitigating the erosion of support for the measure once respondents were exposed to the types of opposition arguments they will likely encounter during an election cycle.

Accordingly, one of the keys to building and *sustaining* support for the clean water measure will be the presence of an effective, well-organized campaign to that focuses on the need for the measure as well as the many benefits that it will bring.

How might the economic or political climate alter support for the measure?

An important component of any ballot measure's potential for success is the economic and political climate surrounding the election. Concerns about the housing market, an unstable stock market, job losses, and the recession have done little to raise consumer confidence—which has yet to rebound substantially from all-time *lows* reached during the past two years. Together with the state of the economy, lingering concerns about the ongoing wars in Iraq and Afghanistan, as well as the State budget crisis combine to create an economic and political climate that is not as favorable to revenue measures as it has been in prior years.

The results of this study and the conclusions noted above must be viewed in light of the current times. Indeed, the results for a measure were reasonably strong *despite* the general economic malaise, which speaks volumes about the value that voters place on protecting water quality. It is important to keep in mind that this poll is a snapshot in time. Should the economy and/or political climate change in ways that would be more favorable, support for the measure—and the potential effectiveness of a positive education campaign—could increase consider-

ably. Conversely, negative economic and/or political developments, especially at the local level, could dampen support for the measure below what was recorded in this study.

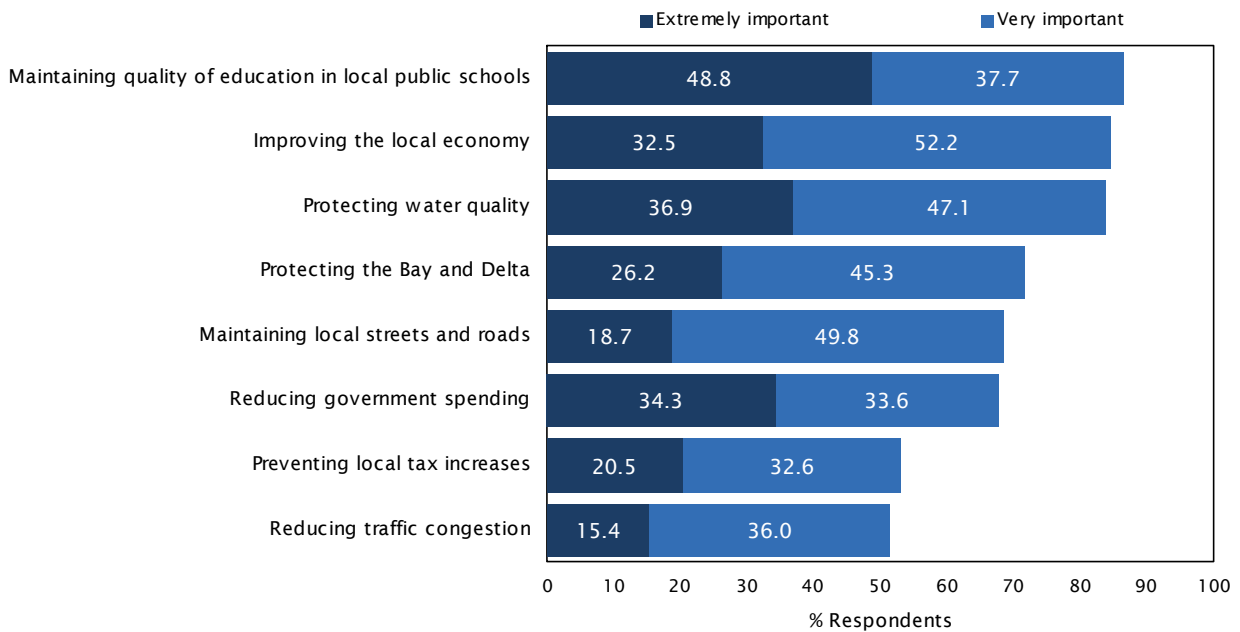
IMPORTANCE OF ISSUES

The first substantive question of the telephone survey presented respondents with several issues facing residents in their community and asked them to rate the importance of each issue. Because the same response scale was used for each issue, the results provide an insight into how important each issue is on a scale of importance *as well as* how each issue ranks in importance relative to the other issues tested. To avoid a systematic position bias, the order in which the issues were read to respondents was randomized for each respondent.

Figure 1 presents each issue tested, as well as the importance assigned to each issue by survey participants, ranked by order of importance.² Overall, maintaining the quality of education in public schools received the highest percentage of respondents indicating that the issue was either extremely or very important (87%), followed by improving the local economy (85%), protecting water quality (84%), and protecting the Bay and Delta (72%). Given the purpose of this study, it is instructive to note that preventing local tax increases was rated lower in importance (53%) when compared with the issues that would be addressed by the proposed measure (protecting water quality, the Bay, and the Delta).

Question 1 *To begin, I'm going to read a list of issues facing your community and for each one, please tell me how important you feel the issue is to you, using a scale of extremely important, very important, somewhat important or not at all important.*

FIGURE 1 IMPORTANCE OF ISSUES



2. Issues were ranked based on the percentage of respondents who indicated that the issue was either *extremely* important or *very* important.

INITIAL BALLOT TEST

The primary research objective of the telephone survey was to estimate voters' support for establishing a parcel tax measure protect sources of clean drinking water, remove pollutants from reservoirs and waterways, keep trash and pollution off shorelines and out of creeks, lakes, the Delta and the Bay, and reduce illegal discharges of pollution through improved monitoring, investigation and prosecution. To this end, Question 2 was designed to take an early gauge of voters' support for the proposed measure.

The motivation for placing Question 2 at the front of the survey is twofold. First, voter support for a measure can often depend on the amount of information they have about a measure. At this point in the survey, the respondent has not been provided information about the proposed measure beyond what is presented in the ballot language. This situation is analogous to a voter casting a ballot with limited knowledge about the measure, such as what might occur in the absence of an effective education campaign. Question 2, also known as the Initial Ballot Test, is thus a good measure of voter support for the proposed measure *as it is today* in the absence of an information campaign. Because the Initial Ballot Test provides a gauge of 'uninformed' support for the measure, it also serves a second purpose in that it provides a useful baseline from which to judge the impact of various information items conveyed later in the survey on voter support for the measure.

Question 2 *Next year, voters in Contra Costa County may be asked to vote on a local ballot measure. Let me read you a summary of the measure. In order to protect public health and water quality in your community by: Protecting sources of clean drinking water from contamination and pollution; Removing dangerous pollutants, toxic chemicals, and infectious bacteria from water reservoirs and waterways; Keeping trash and pollution off our shorelines and out of creeks, lakes, the Delta, and the Bay; and Reducing illegal discharges of pollution into water sources through improved monitoring, investigation and prosecution shall property owners in Contra Costa County be assessed up to \$32 per year for each property that they own in the County, with citizen oversight, annual independent audits, and all money staying local? If the election were held today, would you vote yes or no on this measure?*

FIGURE 2 INITIAL BALLOT TEST

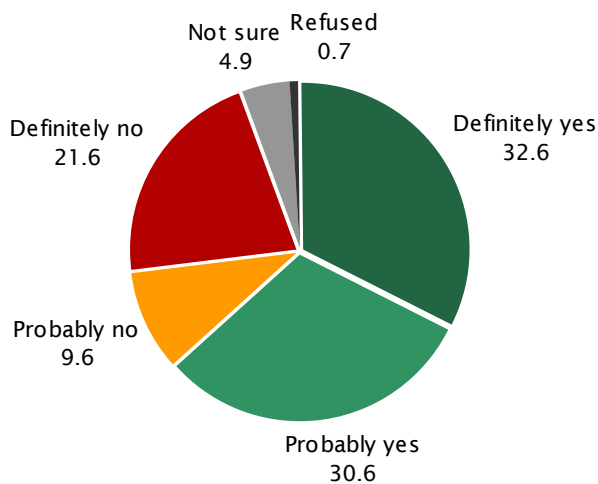


Figure 2 presents the results of the Initial Ballot Test among all respondents in the high-turnout, November 2012 election scenario. Overall, 63% of voters indicated that they would definitely or probably support the proposed \$32 parcel tax measure at this stage in the survey, whereas 31% stated that they would oppose the measure and 6% were unsure or unwilling to share their vote choice. For parcel taxes in California, the level of support recorded at the Initial Ballot Test is approximately four percentage points below the two-thirds super-majority (67%) required for a measure to pass.

SUPPORT BY SUBGROUPS For the interested reader, Table 1 shows how support for the parcel tax measure at the Initial Ballot Test varied by key demographic traits. The blue column (Approximate % of Likely Voter Universe) indicates the percentage of the universe that each subgroup category comprises. It is important to note that although initial support among voters who are expected to participate in a high-turnout election such as November 2012 was 63%, support levels were somewhat lower among the smaller number of high propensity voters who are expected to participate in the November 2011 election.

TABLE 1 DEMOGRAPHIC BREAKDOWN OF SUPPORT AT INITIAL BALLOT TEST

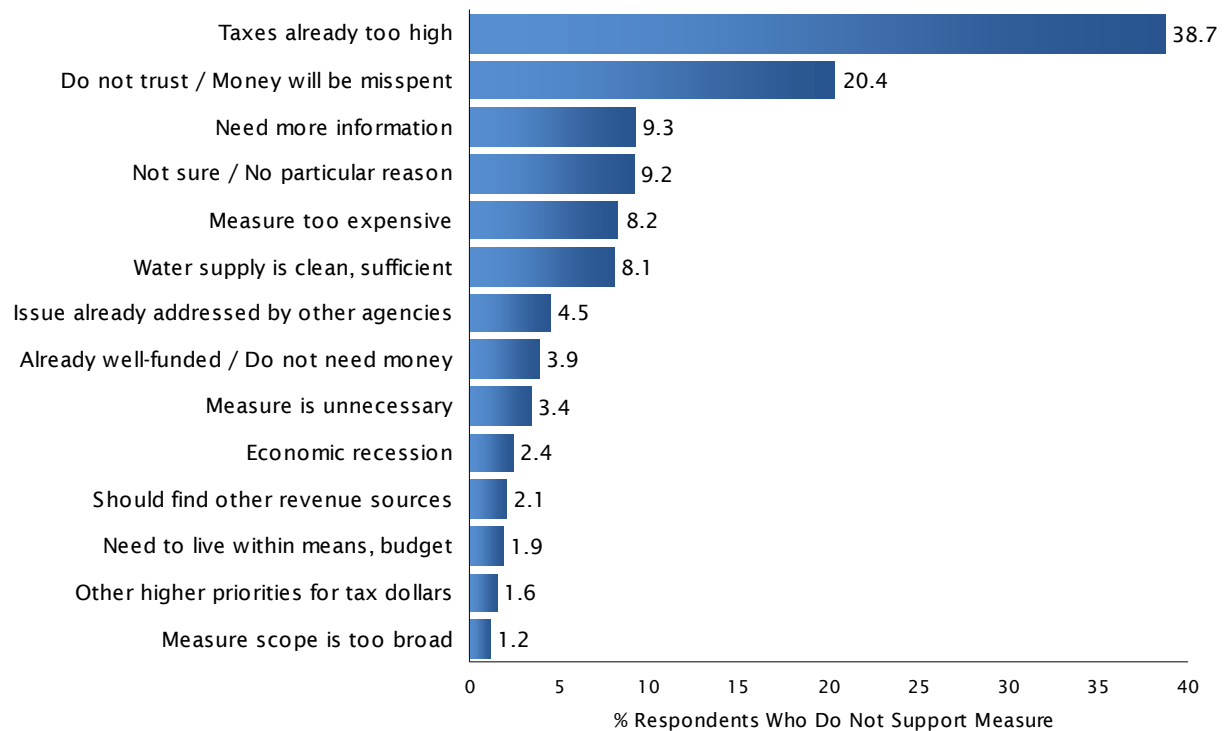
		Approximate % of Voter Universe	% Probably or Definitely Yes	% Not sure
Overall		100	63.2	4.9
Years in District (QD1)	Less than 10	18	66.6	8.8
	10 to 14	12	71.5	3.3
	15 or more	70	60.8	4.3
Child in Home (QD3)	Yes	42	61.5	7.3
	No	58	64.8	3.3
Party	Democrat	49	76.1	4.4
	Republican	28	42.0	4.6
	Other / DTS	24	61.4	6.4
Gender	Male	47	59.9	3.3
	Female	53	66.1	6.4
Age	18 to 29	13	71.1	6.7
	30 to 39	13	55.4	4.2
	40 to 49	20	66.0	4.3
	50 to 64	34	62.3	3.7
	65 or older	20	61.6	6.9
Home Ownership Status	Owner	72	57.5	5.6
	Renter	28	77.9	3.0
Registration Year	2010 to 2005	46	63.8	5.8
	2004 to 2001	17	72.4	2.6
	2000 to 1997	12	57.4	6.8
	1996 to 1990	11	56.0	3.4
	Before 1990	14	59.9	4.4
Likely to Vote by Mail	Yes	44	63.4	5.2
	No	56	63.0	4.7
Region	Central	49	60.9	5.3
	East	24	63.7	3.4
	South	6	66.2	3.2
	West	21	66.8	6.2
Household Party Type	Single dem	25	79.9	3.3
	Dual dem	16	76.1	4.9
	Single rep	11	44.0	4.2
	Dual rep	10	40.0	5.2
	Other	18	63.7	8.0
	Mixed	19	53.7	4.3
Likely November 2011 Voter	Yes	45	59.7	4.4
	No	55	65.9	5.3

REASONS FOR OPPOSING MEASURE Respondents who initially opposed the tax measure (or were unsure of their position) were asked if there was a particular reason for their position. The question was asked in an open-ended manner, thereby allowing respondents to mention any reason that came to mind without being prompted by or restricted to a particular list of options. True North later reviewed the verbatim responses and grouped them into the categories shown in Figure 3 below.

Voters' reasons for not supporting the measure were typical of what True North has found from opponents of revenue measures in other communities. The most common reasons cited for opposing the measure were the perception that taxes are already too high (39%), followed by concerns about wasting/misspending the money (20%) or a need for additional information (9%).

Question 3 *Is there a particular reason why you do not support the clean water measure I just described?*

FIGURE 3 REASONS FOR NOT SUPPORTING MEASURE



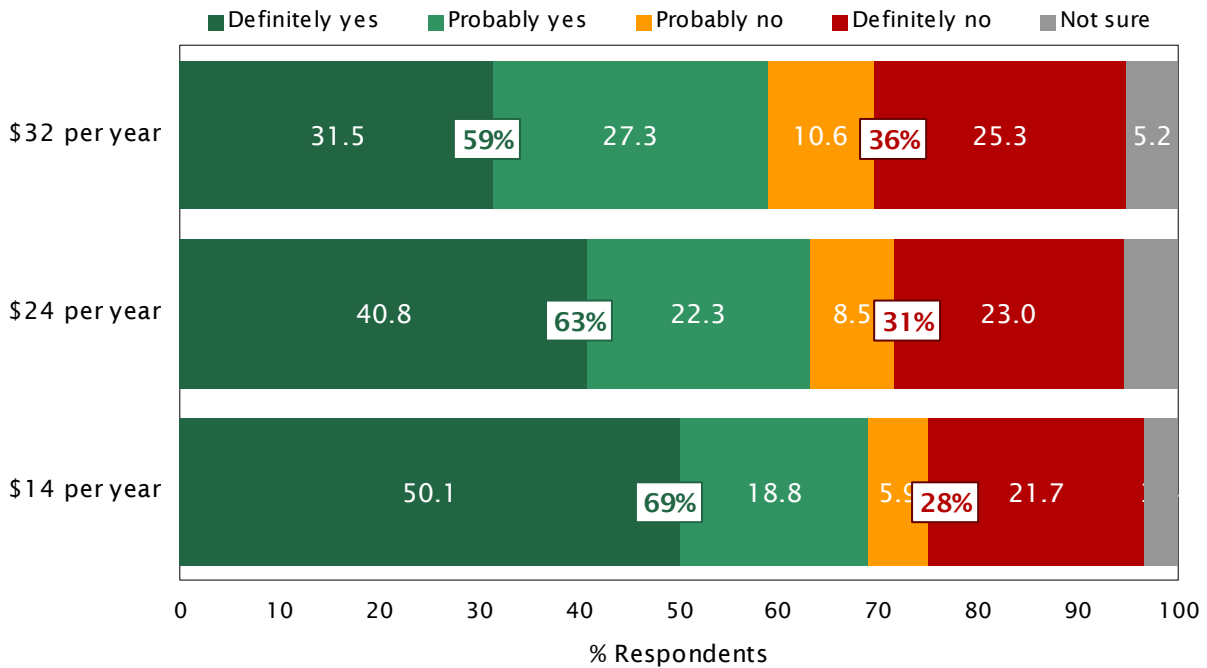
TAX THRESHOLD

Naturally, voter support for a revenue measure is often contingent on the cost of the measure. The higher the tax rate, all other things being equal, the less likely a voter is to support the measure. Because the ballot language tested in Question 2 indicated that property owners could be assessed *up to* \$32 per parcel, it left open the possibility that the rate could be substantially less for certain property owners. One of the goals of this study was thus to gauge the impact that changes in the tax rate can be expected to have on support for the proposed parcel tax measure.

Question 4 was designed to do just that. Respondents were first instructed that the measure would raise money through annual property taxes paid by residential and commercial property owners in the county, although the amount to be charged to each parcel had not yet been determined. They were then presented with the highest tax rate (\$32 per parcel) and asked if they would support the proposed measure at that rate. If a respondent did not answer ‘definitely yes’, they were asked whether they would support the measure at the next lowest tax rate.³ The three tax rates tested, as well as the percentage of respondents who indicated they would vote in favor of the measure at each rate, are shown below in Figure 4.

Question 4 *The measure I just described would raise money through annual property taxes paid by residential and commercial property owners in the County. However, the amount to be charged to each parcel has not been finalized yet. If you heard that your household would pay _____ per year for each property that you own in the County, would you vote yes or no on the measure?*

FIGURE 4 TAX THRESHOLD



3. If a respondent answered ‘definitely yes’, it is assumed that they would support the measure at the lower tax rates. Their support at each rate is factored into the percentages shown in Figure 4.

The most obvious pattern revealed in Figure 4 is that voters are price sensitive when it comes to their support for the proposed parcel tax measure. At the highest rate tested (\$32 per year), 59% of those surveyed indicated that they would vote in favor of the measure. Incremental reductions in the tax rate resulted in incremental increases in support for the measure, with 69% of those surveyed indicating they would support the proposed measure at the rate of \$14 per year.

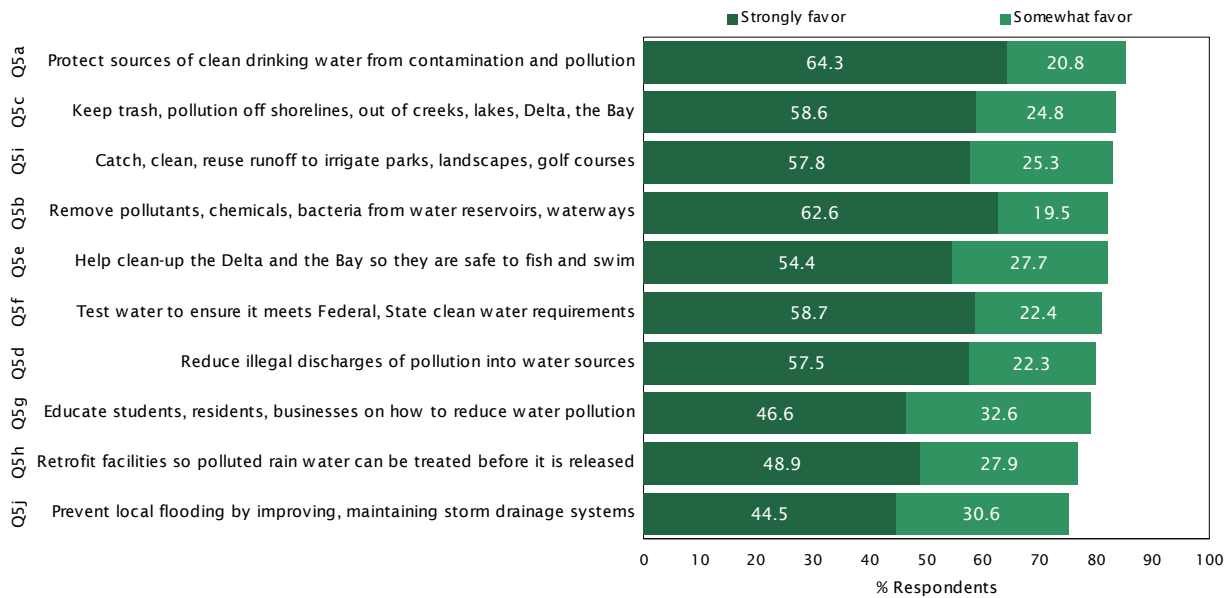
PROGRAMS & PROJECTS

The ballot language presented in Question 2 indicated that the proposed parcel tax measure would be used to protect sources of clean drinking water, remove pollutants from water reservoirs and waterways, keep trash and pollution off shorelines and out of creeks, lakes, the Delta and the Bay, and reduce illegal discharges of pollution through improved monitoring, investigation and prosecution. The purpose of Question 5 was to provide respondents with the full range of programs and services that may be funded by the proposed measure, and to identify which of these improvements voters most favored funding with parcel tax proceeds.

After reading each improvement that may be funded by the measure, respondents were asked if they would favor or oppose spending some of the money on that particular improvement assuming that the measure passes. Truncated descriptions of the improvements tested, as well as voters' responses, are shown in Figure 5 below.⁴

Question 5 *The measure we've been discussing would provide funding for a variety of clean water programs and services. If the measure passes, would you favor or oppose using some of the money to: _____, or do you not have an opinion?*

FIGURE 5 PROGRAMS & PROJECTS



Overall, the service that resonated with the largest percentage of respondents was protecting sources of clean drinking water from contamination and pollution (85% strongly or somewhat favor), followed by keeping trash and pollution of our shorelines and out of creeks, lakes, the Delta and the Bay (83%), and catching, cleaning-up, and reusing rainwater runoff to irrigate parks, landscapes and golf courses, which will conserve our clean drinking water (83%). Its worth noting, however, that even the lowest-ranked service (flood prevention) was favored by three-quarters (75%) of voters.

4. For the full text of programs and services tested, turn to Question 5 in *Questionnaire & Toplines* on page 36.

SPENDING PROGRAMS & PROJECTS RATINGS BY SUBGROUP Table 2 presents the top five programs and projects (showing the percentage of respondents who *strongly* favor each) by position at the Initial Ballot Test. Not surprisingly, individuals who initially opposed the measure were generally less likely to favor spending money on a given program or service when compared to supporters. Nevertheless, initial supporters, opponents and the undecided did agree on two of the five top priorities for funding.

TABLE 2 TOP PROGRAMS & PROJECTS BY POSITION AT INITIAL BALLOT TEST

Position at Initial Ballot Test (Q2)	Item	Program or Project Summary	% Strongly Favor
Probably or Definitely Yes (n = 569)	Q5a	Protect sources of clean drinking water from contamination and pollution	79
	Q5b	Remove pollutants, chemicals, bacteria from water reservoirs, waterways	79
	Q5f	Test water to ensure it meets Federal, State clean water requirements	76
	Q5c	Keep trash, pollution off shorelines, out of creeks, lakes, Delta, the Bay	75
	Q5d	Reduce illegal discharges of pollution into water sources	71
Probably or Definitely No (n = 281)	Q5i	Catch, clean, reuse runoff to irrigate parks, landscapes, golf courses	37
	Q5a	Protect sources of clean drinking water from contamination and pollution	36
	Q5d	Reduce illegal discharges of pollution into water sources	34
	Q5b	Remove pollutants, chemicals, bacteria from water reservoirs, waterways	33
	Q5f	Test water to ensure it meets Federal, State clean water requirements	29
Not sure (n = 44)	Q5a	Protect sources of clean drinking water from contamination and pollution	48
	Q5e	Help clean-up the Delta and the Bay so they are safe to fish and swim	46
	Q5c	Keep trash, pollution off shorelines, out of creeks, lakes, Delta, the Bay	46
	Q5b	Remove pollutants, chemicals, bacteria from water reservoirs, waterways	44
	Q5i	Catch, clean, reuse runoff to irrigate parks, landscapes, golf courses	38

POSITIVE ARGUMENTS

Ballot measures do not succeed or fail in a political vacuum. During an election cycle, proponents of a measure will present arguments to try to persuade voters to support a measure, just as opponents will present arguments to achieve the opposite goal. The objective of Question 6 was thus to present respondents with arguments in favor of the proposed measure and identify whether they felt the arguments were convincing reasons to support it. Arguments in opposition to the measure were also presented and will be discussed later in this report (see *Negative Arguments* on page 23). Within each series, specific arguments were administered in random order to avoid a systematic position bias.

Question 6 *What I'd like to do now is tell you what some people are saying about the measure we've been discussing. Supporters of the measure say: _____. Do you think this is a very convincing, somewhat convincing, or not at all convincing reason to SUPPORT the measure?*

FIGURE 6 POSITIVE ARGUMENTS

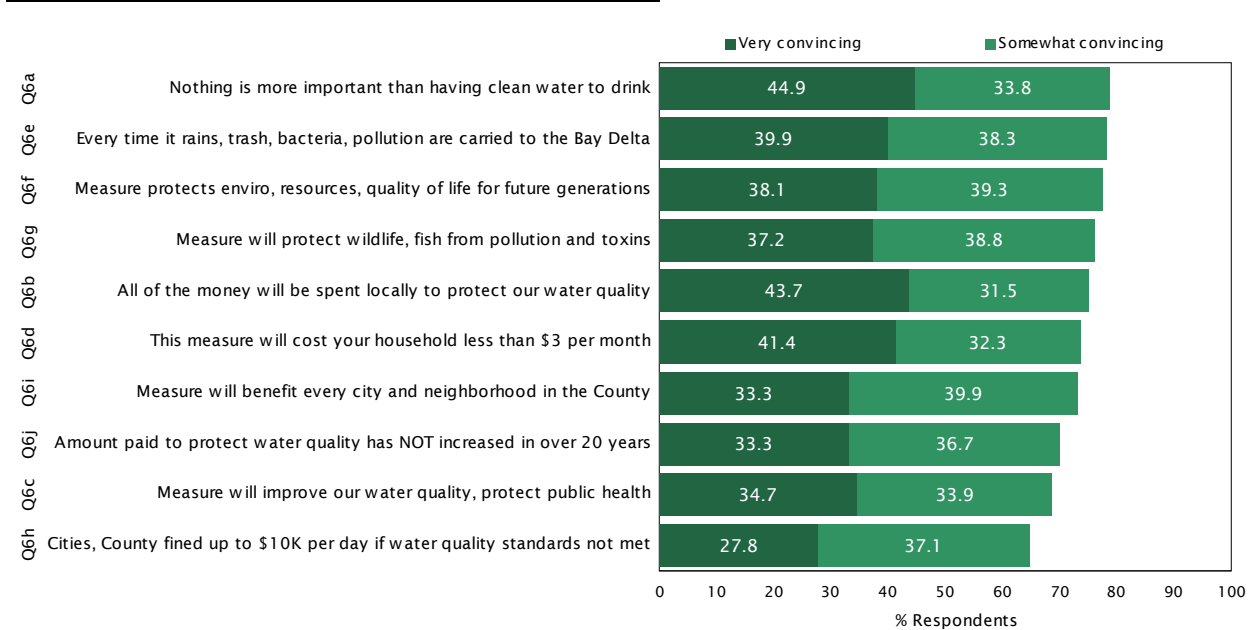


Figure 6 above presents the truncated positive arguments tested, as well as voters' reactions to the arguments. The arguments are sorted from most convincing to least convincing based on the percentage of respondents who indicated that the argument was either a 'very convincing' or 'somewhat convincing' reason to support the measure. Using this methodology, the most compelling positive arguments were: *Nothing is more important than having clean water to drink. This measure will protect our clean water sources from contamination to ensure that we always have a safe, local supply of clean water (79%), Every time it rains, tons of trash, dangerous bacteria and pollution are carried directly to the Bay Delta, which is the source for more than half of the County's fresh drinking water. This measure is needed to protect our supply of drinking water from pollution (78%), and This measure will protect the environment, our natural resources, and our quality of life for future generations (77%).*

Considering the *intensity* of voters’ reactions (% very convincing), other notably strong positive arguments were: *All of the money raised by this measure will be spent locally to protect our water quality. It cannot be taken away by the State or be used for other purposes* (44% very convincing), and *This measure will cost your household less than \$3 per month. That is a small price to pay to have clean beaches, safe drinking water, and better public health* (41% very convincing).

POSITIVE ARGUMENTS BY INITIAL SUPPORT Table 3 lists the top five most convincing positive arguments (showing the percentage of respondents who cited it as *very convincing*) according to respondents’ vote choice at the Initial Ballot Test. The most striking pattern in the table is that the positive arguments resonated with a much higher percentage of voters who were initially inclined to support the measure when compared to voters who initially opposed the measure or were unsure. Nevertheless, three specific arguments were ranked among the top five most compelling by all three groups.

TABLE 3 TOP POSITIVE ARGUMENTS BY POSITION AT INITIAL BALLOT TEST

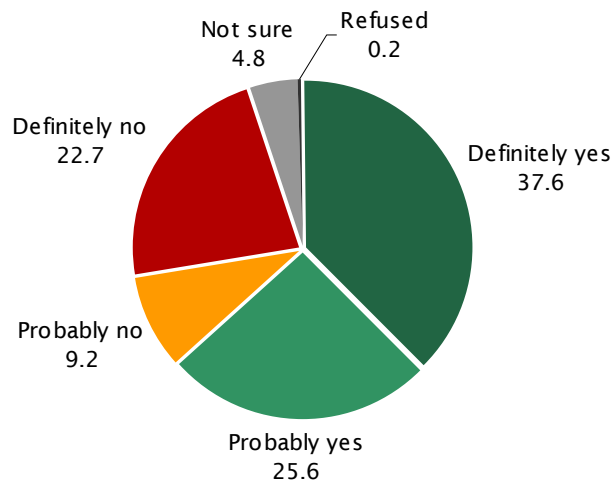
Position at Initial Ballot Test (Q2)	Item	Positive Argument Summary	% Very Convincing
Probably or Definitely Yes (n = 569)	Q6a	Nothing is more important than having clean water to drink	59
	Q6d	This measure will cost your household less than \$3 per month	59
	Q6b	All of the money will be spent locally to protect our water quality	59
	Q6e	Every time it rains, trash, bacteria, pollution are carried to the Bay Delta	55
	Q6f	Measure protects enviro, resources, quality of life for future generations	53
Probably or Definitely No (n = 281)	Q6a	Nothing is more important than having clean water to drink	19
	Q6b	All of the money will be spent locally to protect our water quality	16
	Q6e	Every time it rains, trash, bacteria, pollution are carried to the Bay Delta	12
	Q6h	Cities, County fined up to \$10K per day if water quality standards not met	12
	Q6f	Measure protects enviro, resources, quality of life for future generations	11
Not sure (n = 44)	Q6a	Nothing is more important than having clean water to drink	26
	Q6b	All of the money will be spent locally to protect our water quality	32
	Q6e	Every time it rains, trash, bacteria, pollution are carried to the Bay Delta	24
	Q6g	Measure will protect wildlife, fish from pollution and toxins	22
	Q6j	Amount paid to protect water quality has NOT increased in over 20 years	19

INTERIM BALLOT TEST

After exposing respondents to the types of positive arguments they may encounter during an election cycle, the survey again presented voters with the ballot language used previously to gauge how support for the proposed parcel tax measure may have changed. As shown in Figure 7, overall support for the measure among likely November 2012 voters held steady at 63%. Approximately 32% of respondents opposed the measure at this point in the survey, and an additional 5% were unsure or unwilling to state their vote choice.

Question 7 *Sometimes people change their mind about a measure once they have more information about it. Now that you have heard a bit more about the measure, let me read you a summary of it again. In order to protect public health and water quality in your community by: Protecting sources of clean drinking water from contamination and pollution; Removing dangerous pollutants, toxic chemicals, and infectious bacteria from water reservoirs and waterways; Keeping trash and pollution off our shorelines and out of creeks, lakes, the Delta, and the Bay; and Reducing illegal discharges of pollution into water sources through improved monitoring, investigation and prosecution shall property owners in Contra Costa County be assessed up to \$32 per year for each property that they own in the County, with citizen oversight, annual independent audits, and all money staying local? If the election were held today, would you vote yes or no on this measure?*

FIGURE 7 INTERIM BALLOT TEST



SUPPORT BY SUBGROUPS Table 4 on the next page shows how support for the measure at this point in the survey varied by key demographic subgroups, as well as the percentage change in subgroup support when compared to the Initial Ballot Test. Positive differences appear in green, whereas negative differences appear in red. The aggregate stability in support for the measure among voters as a whole was also reflected at the subgroup level. For most identified subgroups, support for the measure changed only slightly (+/- 3% or less) between the Initial and Interim Ballot Tests.

TABLE 4 DEMOGRAPHIC BREAKDOWN OF SUPPORT AT INTERIM BALLOT TEST

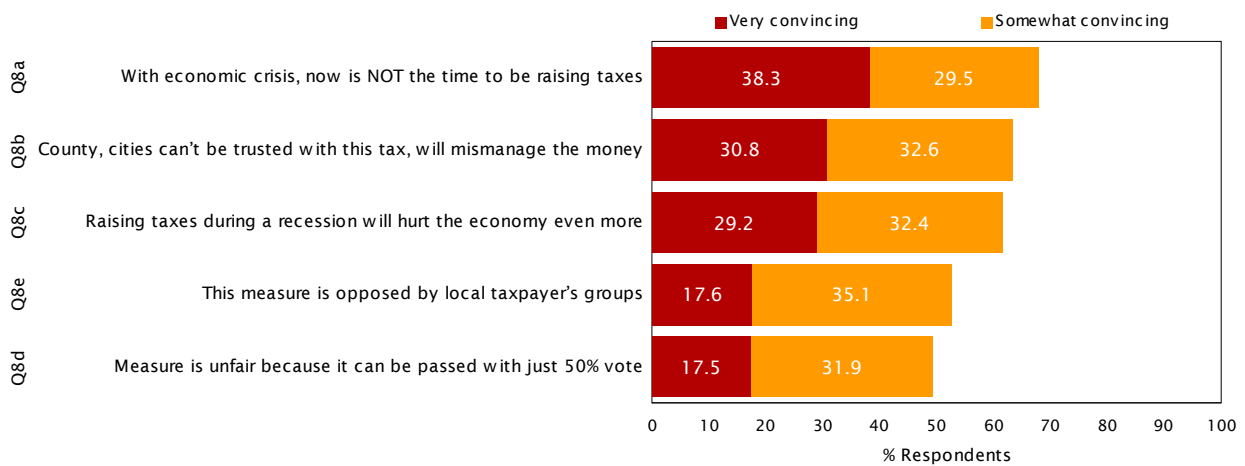
		Approximate % of Voter Universe	% Probably or Definitely Yes	Change From Initial Ballot Test (Q2)
Overall		100	63.1	-0.0
Years in District (QD1)	Less than 10	18	68.8	+2.2
	10 to 14	12	71.5	+0.0
	15 or more	70	60.2	-0.6
Child in Home (QD3)	Yes	42	63.1	+1.7
	No	58	63.8	-1.0
Party	Democrat	49	75.3	-0.8
	Republican	28	42.1	+0.0
	Other / DTS	24	62.9	+1.5
Gender	Male	47	57.6	-2.2
	Female	53	68.1	+2.0
Age	18 to 29	13	68.7	-2.4
	30 to 39	13	60.5	+5.1
	40 to 49	20	65.5	-0.5
	50 to 64	34	64.0	+1.7
	65 or older	20	57.5	-4.1
Home Ownership Status	Owner	72	58.4	+0.8
	Renter	28	75.6	-2.3
Registration Year	2010 to 2005	46	64.4	+0.6
	2004 to 2001	17	68.9	-3.5
	2000 to 1997	12	60.6	+3.3
	1996 to 1990	11	55.1	-0.9
	Before 1990	14	60.0	+0.1
Likely to Vote by Mail	Yes	44	63.0	-0.3
	No	56	63.2	+0.2
Region	Central	49	62.5	+1.6
	East	24	63.5	-0.2
	South	6	55.7	-10.5
	West	21	66.2	-0.6
Household Party Type	Single dem	25	75.4	-4.5
	Dual dem	16	76.7	+0.6
	Single rep	11	40.0	-4.0
	Dual rep	10	44.4	+4.4
	Other	18	64.1	+0.4
	Mixed	19	58.5	+4.8
Likely November 2011 Voter	Yes	45	58.6	-1.1
	No	55	66.8	+0.9

NEGATIVE ARGUMENTS

Whereas Question 6 presented respondents with arguments in favor of the measure, Question 8 presented respondents with arguments designed to elicit opposition to the measure. With Question 8, however, respondents were asked whether they felt that the argument was a very convincing, somewhat convincing, or not at all convincing reason to *oppose* the measure. The arguments tested, as well as voters' opinions about the arguments, are presented in Figure 8.

Question 8 *Next, let me tell you what opponents of the measure are saying. Opponents of the measure say: _____. Do you think this is a very convincing, somewhat convincing, or not at all convincing reason to OPPOSE the measure?*

FIGURE 8 NEGATIVE ARGUMENTS



Among the negative arguments tested, the most compelling was *People are having a hard time making ends meet with the housing crisis, high unemployment, and the economy in recession. Now is NOT the time to be raising taxes* (68%), followed by *The County and cities can't be trusted with this tax. They will mismanage the money or use it for their own pet projects* (63%), and *Experts say that raising taxes during a recession will hurt the economy even more* (62%).

NEGATIVE ARGUMENTS BY INITIAL SUPPORT Table 5 on the next page ranks the five negative arguments according to respondents' vote position at the Initial Ballot Test.

TABLE 5 NEGATIVE ARGUMENTS BY POSITION AT INITIAL BALLOT TEST

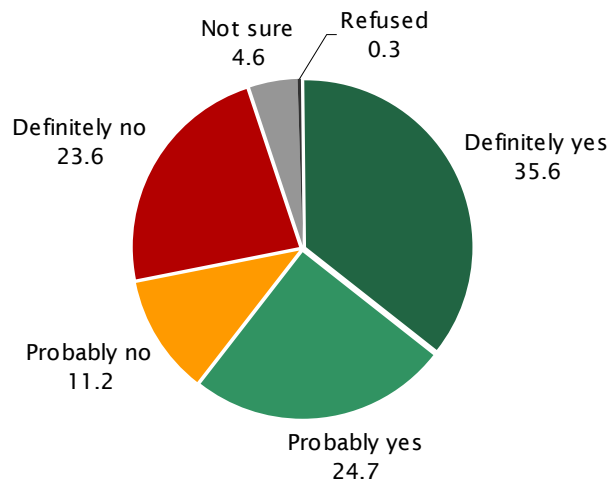
Position at Initial Ballot Test (Q2)	Item	Negative Argument Summary	% Very Convincing
Probably or Definitely Yes (n = 569)	Q8a	With economic crisis, now is NOT the time to be raising taxes	26
	Q8b	County, cities can't be trusted with this tax, will mismanage the money	22
	Q8c	Raising taxes during a recession will hurt the economy even more	19
	Q8e	This measure is opposed by local taxpayer's groups	12
	Q8d	Measure is unfair because it can be passed with just 50% vote	12
Probably or Definitely No (n = 281)	Q8a	With economic crisis, now is NOT the time to be raising taxes	64
	Q8b	County, cities can't be trusted with this tax, will mismanage the money	51
	Q8c	Raising taxes during a recession will hurt the economy even more	49
	Q8e	This measure is opposed by local taxpayer's groups	29
	Q8d	Measure is unfair because it can be passed with just 50% vote	29
Not sure (n = 44)	Q8a	With economic crisis, now is NOT the time to be raising taxes	40
	Q8c	Raising taxes during a recession will hurt the economy even more	34
	Q8b	County, cities can't be trusted with this tax, will mismanage the money	23
	Q8d	Measure is unfair because it can be passed with just 50% vote	13
	Q8e	This measure is opposed by local taxpayer's groups	12

FINAL BALLOT TESTS

Voters' opinions about ballot measures are often not rigid, especially when the amount of information presented to the public on a measure has been limited. A goal of the survey was thus to gauge how voters' opinions about the proposed measure may be affected by the information they could encounter during the course of an election cycle. After providing respondents with the wording of the proposed measure, possible tax rates, programs and services that could be funded by the measure, and arguments in favor and against the proposal, respondents were again asked whether they would vote 'yes' or 'no' on the proposed \$32 parcel tax measure.

Question 9 *Now that you have heard a bit more about the measure, let me read you a summary of it one more time. In order to protect public health and water quality in your community by: Protecting sources of clean drinking water from contamination and pollution; Removing dangerous pollutants, toxic chemicals, and infectious bacteria from water reservoirs and waterways; Keeping trash and pollution off our shorelines and out of creeks, lakes, the Delta, and the Bay; and Reducing illegal discharges of pollution into water sources through improved monitoring, investigation and prosecution shall property owners in Contra Costa County be assessed up to \$32 per year for each property that they own in the County, with citizen oversight, annual independent audits, and all money staying local? If the election were held today, would you vote yes or no on this measure?*

FIGURE 9 FINAL BALLOT TEST



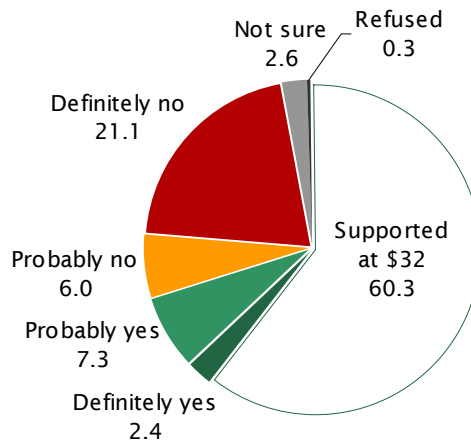
At this point in the survey, support for the measure was found among 60% of likely November 2012 voters, with 36% indicating they would *definitely* support the measure. Approximately 35% of respondents were opposed to the measure at the Final Ballot Test, whereas 5% were unsure or unwilling to state their vote choice.

LOWER TAX RATE The ballot language for the proposed measure used in Questions 2, 7, and 9 indicated that the measure would increase annual property taxes by up to \$32 per parcel. Respondents who opposed the measure at the Final Ballot Test (or were unsure of their position) were subsequently asked how they would vote if the tax increase were instead \$14 per parcel.

Figure 10 displays the responses to this question and includes those respondents who previously indicated they would support the measure at \$32 (and thus did not receive this question). An additional 10% of voters indicated they would definitely or probably support the measure at the lower rate, bringing the overall support for the measure at \$14 per parcel *among a high-turnout electorate that is also quite familiar with the measure* to 70%.

Question 10 *How about if instead of \$32 per household, the fee were \$14 per household. Would you vote yes or no on this measure?*

FIGURE 10 FINAL BALLOT TEST AT \$14





CHANGE IN SUPPORT

Table 6 provides a closer look at how support for the parcel tax measure changed over the course of the interview by calculating the difference in support between the Initial, Interim, and Final Ballot Tests within various subgroups of voters. The percentage of support for the measure at the Final Ballot Test is shown in the column with the heading *% Probably or Definitely Yes*. The columns to the right show the difference between the Final and the Initial, and the Final and Interim Ballot Tests. Positive differences appear in green, negative differences appear in red.

TABLE 6 DEMOGRAPHIC BREAKDOWN OF SUPPORT AT FINAL BALLOT TEST

		Approximate % of Voter Universe	% Probably or Definitely Yes	Change From Initial Ballot Test (Q2)	Change from Interim Ballot Test (Q9)
Overall		100	60.3	-2.9	-2.8
Years in District (QD1)	Less than 10	18	65.9	-0.7	-2.9
	10 to 14	12	69.5	-2.1	-2.1
	15 or more	70	57.3	-3.5	-2.9
Child in Home (QD3)	Yes	42	61.2	-0.3	-1.9
	No	58	61.4	-3.4	-2.4
Party	Democrat	49	72.7	-3.4	-2.6
	Republican	28	41.4	-0.6	-0.7
	Other / DTS	24	57.1	-4.4	-5.8
Gender	Male	47	58.1	-1.8	+0.4
	Female	53	62.3	-3.8	-5.8
Age	18 to 29	13	62.9	-8.2	-5.8
	30 to 39	13	58.0	+2.5	-2.5
	40 to 49	20	61.5	-4.4	-3.9
	50 to 64	34	62.8	+0.6	-1.1
	65 or older	20	54.7	-6.9	-2.9
Home Ownership Status	Owner	72	56.0	-1.5	-2.3
	Renter	28	71.5	-6.5	-4.2
Registration Year	2010 to 2005	46	59.9	-3.9	-4.5
	2004 to 2001	17	69.4	-3.0	+0.5
	2000 to 1997	12	53.4	-4.0	-7.3
	1996 to 1990	11	56.1	+0.1	+1.0
	Before 1990	14	59.4	-0.5	-0.6
Likely to Vote by Mail	Yes	44	62.1	-1.3	-0.9
	No	56	58.9	-4.1	-4.4
Region	Central	49	59.6	-1.3	-2.9
	East	24	57.5	-6.2	-6.0
	South	6	61.1	-5.2	+5.3
	West	21	64.8	-2.0	-1.4
Household Party Type	Single dem	25	73.8	-6.1	-1.5
	Dual dem	16	72.5	-3.7	-4.3
	Single rep	11	42.5	-1.5	+2.5
	Dual rep	10	40.8	+0.8	-3.6
	Other	18	58.0	-5.8	-6.1
	Mixed	19	55.6	+1.9	-2.8
Likely November 2011 Voter	Yes	45	57.3	-2.4	-1.3
	No	55	62.7	-3.2	-4.1

As expected, most voters responded to the negative arguments with a reduction in their support for the measure when compared with levels recorded at the Interim Ballot Test. The trend over the course of the entire survey (Initial to Final Ballot Test) was also one of slightly decreasing support (-3%). Overall support at the Final Ballot Test was approximately three percentage points

lower than that found at the Initial Ballot Test, with the majority of subgroups showing slight decreases as well.

Whereas Table 6 on the previous page displays change in support for the measure over the course of the interview at the group level, Table 7 below presents individual-level changes that occurred between the Initial and Final Ballot Tests for the measure. On the left side of the table is shown each of the response options to the Initial Ballot Test and the percentage of respondents in each group. The cells in the body of the table depict movement within each response group (row) based on the information provided throughout the course of the survey as recorded by the Final Ballot Test. For example, in the first row we see that of the 32.6% of respondents who indicated they would definitely support the measure at the Initial Ballot Test, 25.0% indicated they would definitely support the measure at the Final Ballot Test. Approximately 4.9% moved to the probably support group, 1.2% moved to the probably oppose group, 0.7% moved to the definitely oppose group, and 0.7% percent stated they were now unsure of their vote choice.

To ease interpretation of the table, the cells are color coded. Red shaded cells indicate declining support, green shaded cells indicate increasing support, whereas white cells indicate no movement. Moreover, within the cells, a white font indicates a fundamental change in the vote: from yes to no, no to yes, or not sure to either yes or no.

TABLE 7 MOVEMENT BETWEEN INITIAL & FINAL BALLOT TESTS

Initial Ballot Test (Q2)		Final Ballot Test (Q9)				
		Definitely support	Probably support	Probably oppose	Definitely oppose	Not sure
Definitely support	32.6%	25.0%	4.9%	1.2%	0.7%	0.7%
Probably support	30.6%	9.4%	16.5%	1.8%	1.6%	1.3%
Probably oppose	9.6%	0.5%	1.5%	4.6%	2.4%	0.5%
Definitely oppose	21.6%	0.3%	0.7%	2.4%	17.8%	0.3%
Not sure	5.7%	0.4%	1.1%	1.2%	0.9%	1.8%

As one might expect, the information conveyed in the survey had the greatest impact on individuals who either weren't sure about how they would vote at the Initial Ballot Test or were tentative in their vote choice (probably yes or probably no). Moreover, Table 7 makes clear that although the information presented in the survey did impact some voters, it did not do so in a consistent way for all respondents. Some respondents found the information conveyed during the course of the interview to be a reason to become more supportive of the measure, whereas a slightly larger percentage found the same information reason to be less supportive. Despite 15% of respondents making a *fundamental*⁵ shift in their opinion regarding the measure over the course of the interview, the net impact is that support for the measure at the Final Ballot Test (60%) was approximately 3% lower than support at the Initial Ballot Test (63%).

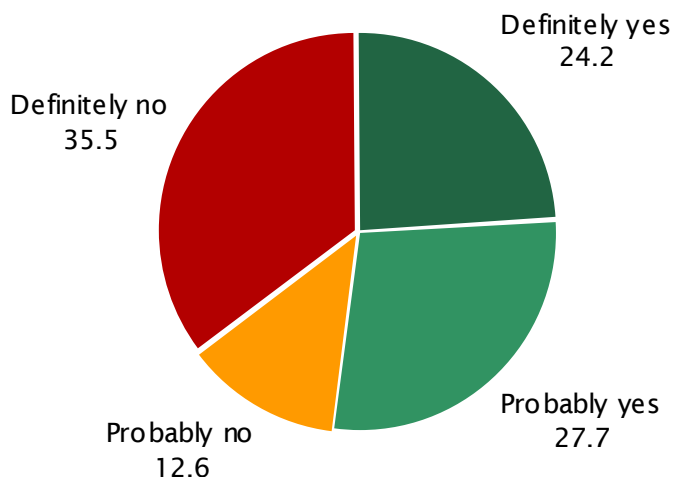
5. This is, they changed from a position of support, opposition, or undecided at the Initial Ballot Test to a different position at the Final Ballot Test.

ASSESSMENT MAIL SURVEY

The parcel tax survey described in previous sections of this report was conducted by telephone. Because research has shown that a mail-based survey methodology more accurately represents the likely outcome of a mail-based ballot proceeding, the **property-related fee survey** was conducted by mail. A total of 24,765 property owners in the County representing *all* property classes that are eligible to cast a ballot were mailed a survey on April 25, 2011. A total of 5,225 surveys were returned, representing a participation rate of 21% which is similar to the return rate for actual ballot proceedings in large jurisdictions. The final data were weighted to account for disproportionate participation rates in mailed-ballot elections and the strategic oversampling by jurisdiction.

OVERALL SUPPORT & BY SUBGROUPS Figure 11 presents the weighted results for the proposed property-related fee at the \$22 rate equivalent. Among all property owners, just over half (52%) indicated that they would support the proposed fee. For property-related fees, this is 2% above the majority required for passage under California law.

FIGURE 11 OVERALL SUPPORT FOR \$22 PROPERTY-RELATED FEE



SUPPORT BY SUBGROUPS For the interested reader, the following figures show how support for the proposed fee varied by key property owner subgroups, including by type of property owned, jurisdiction, length of residence, and household party type. As is typical of these types of measures, support for the proposed assessment was strongest among owners of single family residences and Democrats.

FIGURE 12 SUPPORT FOR FEE BY PROPERTY TYPE

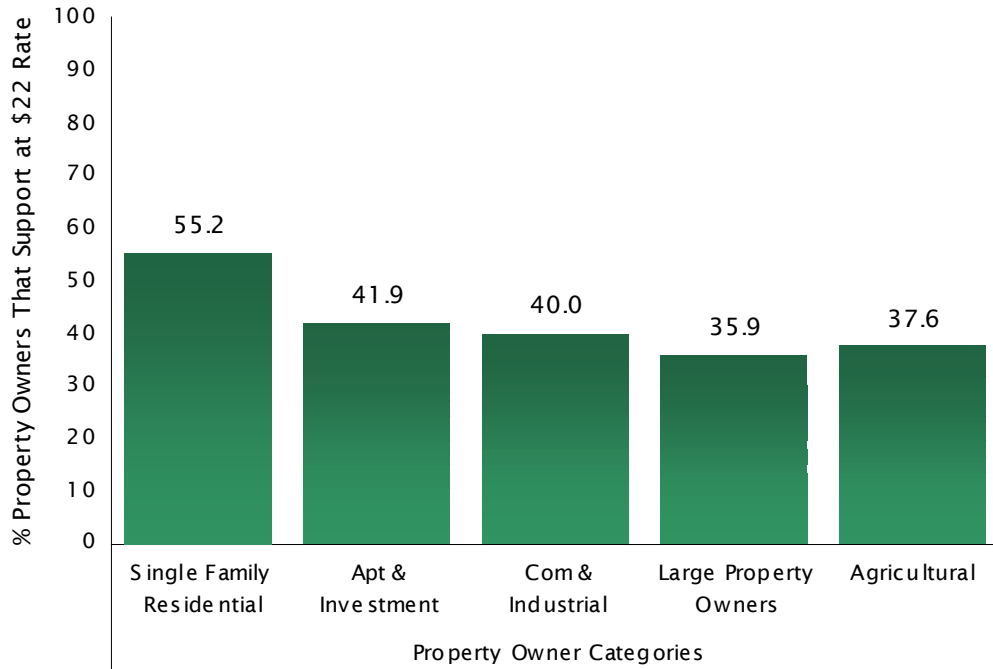


FIGURE 13 SUPPORT FOR FEE BY JURISDICTION

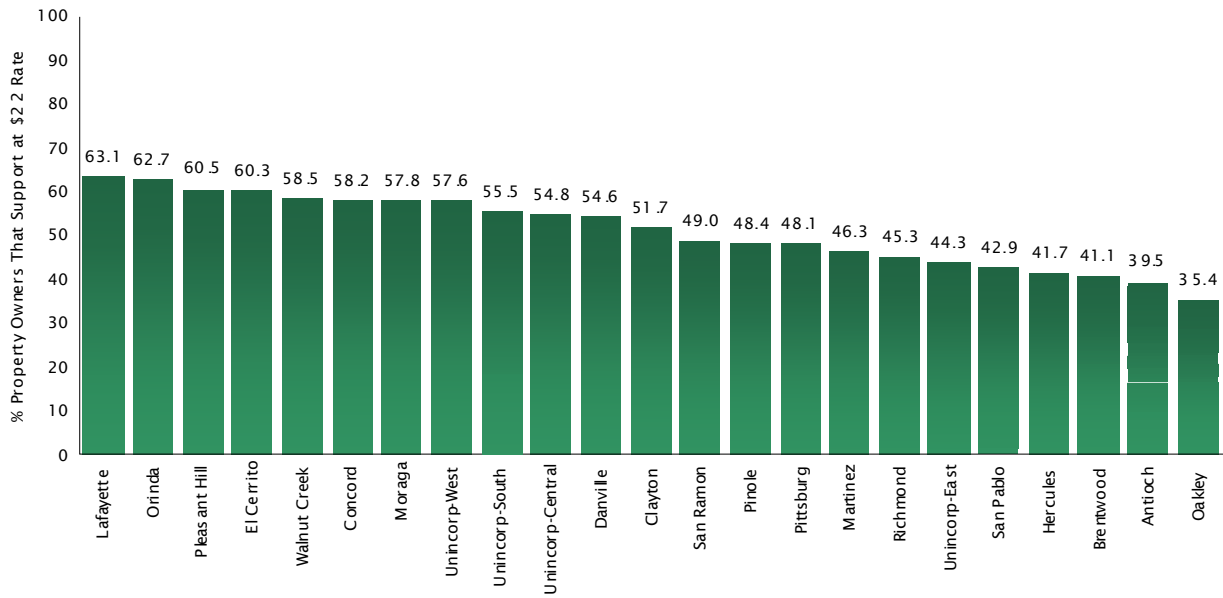


FIGURE 14 SUPPORT FOR FEE BY LENGTH OF RESIDENCE

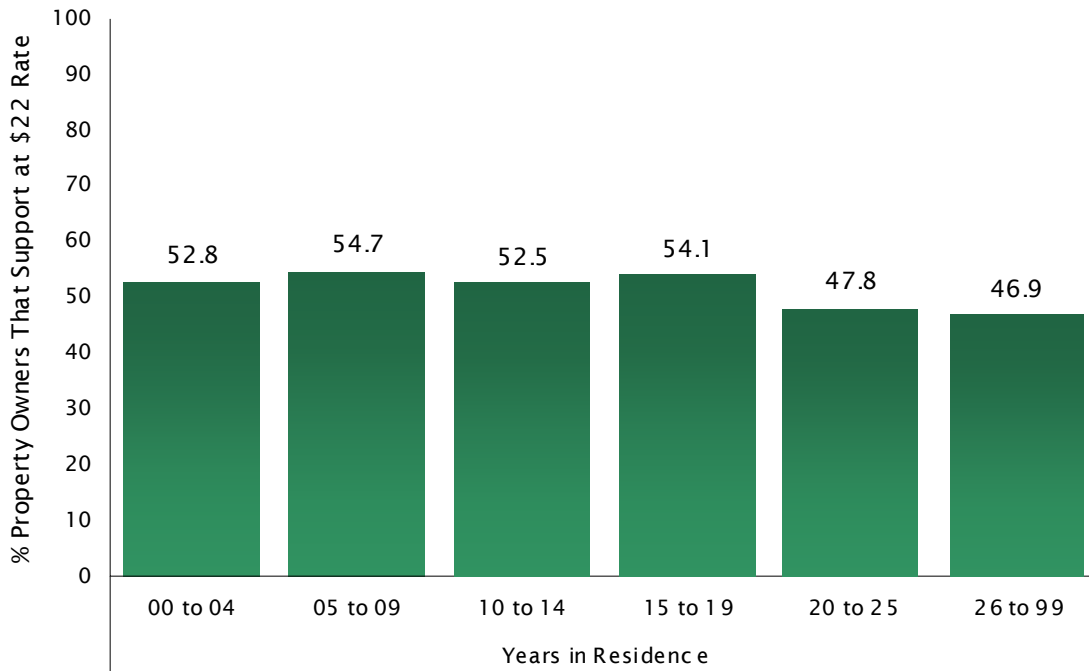
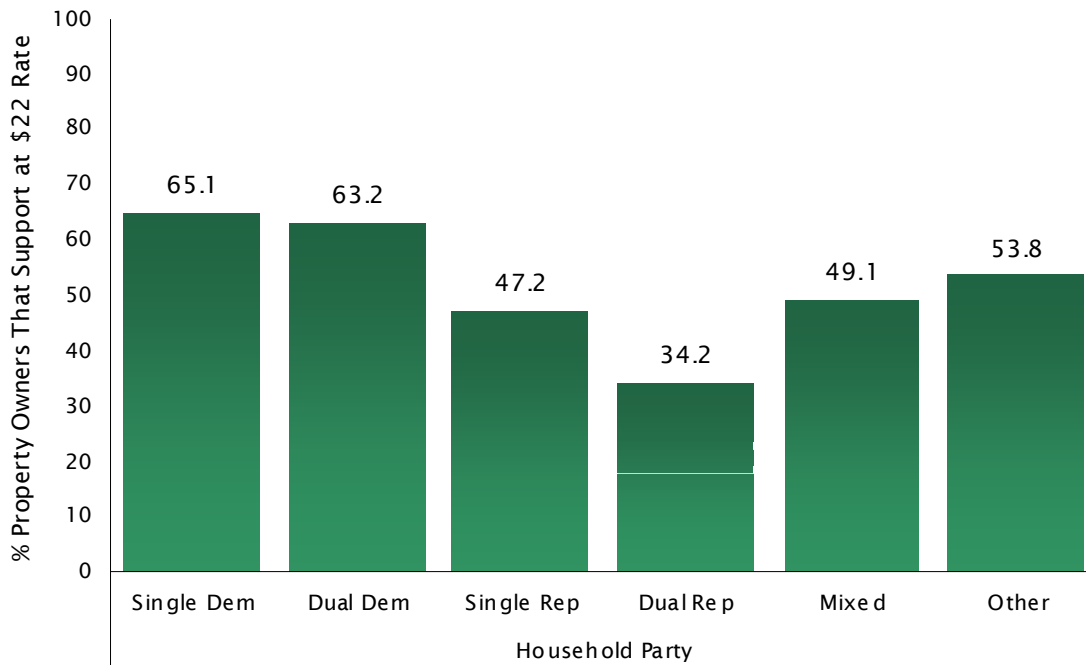


FIGURE 15 SUPPORT FOR FEE BY HOUSEHOLD PARTY TYPE





BACKGROUND & DEMOGRAPHICS

TABLE 8 DEMOGRAPHICS OF SAMPLE

<i>Total Respondents</i>	<i>900</i>
Years in District (QD1)	
Less than 10	18.1
10 to 14	11.5
15 or more	69.2
Refused	1.2
Home Type (QD2)	
Single family	74.6
Apartment	12.9
Condo	3.6
Townhome	3.6
Mobile home	2.4
Refused	3.0
Child in Home (QD3)	
Yes	40.9
No	56.6
Refused	2.5
Party	
Democrat	48.5
Republican	27.7
Other / DTS	23.8
Gender	
Male	47.5
Female	52.5
Age	
18 to 29	13.0
30 to 39	12.7
40 to 49	20.3
50 to 64	33.6
65 or older	20.5
Home Ownership Status	
Owner	72.4
Renter	27.6
Registration Year	
2010 to 2005	46.1
2004 to 2001	17.5
2000 to 1997	12.1
1996 to 1990	10.6
Before 1990	13.7
Likely to Vote by Mail	
Yes	44.2
No	55.8
Likely June 2011 Voter	
Yes	41.9
No	58.1
Region	
East	48.5
West	24.1
South	6.1
Central	21.3
Household Party Type	
Single dem	24.8
Dual dem	16.2
Single rep	11.0
Dual rep	10.5
Other	18.1
Mixed	19.3
Likely November 2011 Voter	
Yes	44.7
No	55.3

In addition to questions directly related to the proposed parcel tax measure, the telephone survey collected basic demographic information about respondents and their households. Some of this information was gathered during the interview, although much of it was collected from the voter file. The profile of the likely November 2012 voter sample used for the parcel tax survey is shown in Table 8.



M E T H O D O L O G Y

The following section outlines the methodology used in the study, as well as the motivation for using certain techniques.

QUESTIONNAIRE DEVELOPMENT Dr. McLarney of True North Research worked closely with the Contra Costa County Clean Water Program, SCI Consulting Group, and Tramutola to develop a questionnaire that covered the topics of interest and avoided the many possible sources of systematic measurement error, including position-order effects, wording effects, response-category effects, scaling effects and priming. Several questions included multiple individual items. Because asking the items in a set order can lead to a systematic position bias in responses, the items were asked in a random order for each respondent.

Some of the questions asked in this study were presented only to a subset of respondents. For example, only respondents who opposed the parcel tax measure or were undecided at the Final Ballot Test (Question 9) were asked a follow-up question (Question 10) regarding their support for the measure with a lower tax rate. The questionnaire included with this report (see *Questionnaire & Toplines* on page 36) identifies the skip patterns that were used during the telephone interview to ensure that each respondent received the appropriate questions.

PROGRAMMING & PRE-TEST Prior to fielding the parcel tax survey, the questionnaire was CATI (Computer Assisted Telephone Interviewing) programmed to assist the live interviewers when conducting the telephone interviews. The CATI program automatically navigates the skip patterns, randomizes the appropriate question items, and alerts the interviewer to certain types of keypunching mistakes should they happen during the interview. The integrity of the questionnaire was pre-tested internally by True North and by dialing into random homes in the District prior to formally beginning the survey.

SAMPLES The parcel tax survey was administered to a stratified and clustered random sample of registered voters in the District who are likely to participate in the November 2012 election with subsets of voters who are likely to participate in the lower-turnout June 2011 and November 2011 elections. Consistent with the profile of this universe, the sample was stratified into clusters, each representing a particular combination of age, gender, and household party-type. Individuals were then randomly selected based on their profile into an appropriate cluster. This method ensures that if a person of a particular profile refuses to participate in the study, they are replaced by an individual who shares their same profile.

For the property-related fee survey, a total of 24,765 property owners in the County representing *all* property classes that are eligible to cast a ballot were mailed a survey on April 25, 2011. A total of 5,225 surveys were returned, representing a participation rate of 21% which is similar to the return rate for actual ballot proceedings in large jurisdictions. The final data were weighted to account for disproportionate participation rates in mailed-ballot elections and the strategic oversampling by jurisdiction.

STATISTICAL MARGIN OF ERROR By using the probability-based sampling designs noted above, True North ensured that the final samples were representative of voters and property owners in the District who are likely to participate in the November 2012 election or return a mailed ballot in a property-related fee proceeding. The results of this study can thus be used to estimate the opinions of *all* voters and property owners likely to participate in those election scenarios. Because not all voters and property owners participated in the study, however, the results have what is known as a statistical margin of error due to sampling. The margin of error within the parcel tax survey refers to the difference between what was found in the survey of 900 voters for a particular question and what would have been found if all 467,191 likely November 2012 voters identified in the District had been surveyed for the study. The margin of error within for the property-related fee survey refers to the difference between what was found among the 5,225 surveyed property owners for a particular question and what would have been found if all of the approximately 295,000 eligible property owners identified in the County had participated in the study.

For example, in estimating the percentage of likely November 2012 voters that would *definitely* support the parcel tax measure at the Initial Ballot Test (Question 2 in the parcel tax questionnaire), the margin of error can be calculated if one knows the size of the population, the size of the sample, a confidence level, and the distribution of responses to the question. The appropriate equation for estimating the margin of error, in this case, is shown below.

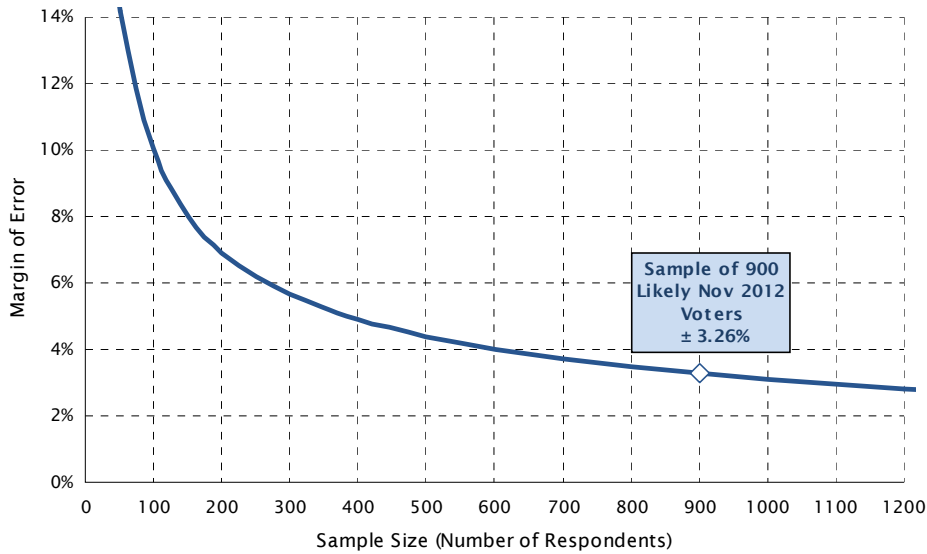
$$\hat{p} \pm t \sqrt{\left(\frac{N-n}{N}\right) \frac{\hat{p}(1-\hat{p})}{n-1}}$$

Where \hat{p} is the proportion of voters who said *definitely yes* (0.33 for 33% in this example), N is the population size of likely voters (467,191), n is the sample size that received the question (900) and t is the upper $\alpha/2$ point for the t-distribution with $n - 1$ degrees of freedom (1.96 for a 95% confidence interval). Solving this equation using these values reveals a margin of error of $\pm 3.07\%$. This means that with 33% of respondents indicating they would *definitely* support the measure at the Initial Ballot Test, we can be 95% confident that the actual percentage of likely November 2012 voters that would definitely support the measure is between 30% and 36%.

Figure 16 provides a graphic plot of the *maximum* margin of error for the parcel tax survey. The maximum margin of error for a dichotomous percentage result occurs when the answers are evenly split such that 50% provide one response and 50% provide the alternative response. For the parcel tax survey, the maximum margin of error is $\pm 3.26\%$. Although not shown in the figure, the maximum margin of error for the property-related fee mail survey is $\pm 1.34\%$.

Within this report, figures and tables show how responses to certain questions varied by subgroups such as age, gender, and partisan affiliation. Figure 16 is thus useful for understanding how the maximum margin of error for a percentage estimate will grow as the number of individuals asked a question (or in a particular subgroup) shrinks. Because the margin of error grows exponentially as the sample size decreases, the reader should use caution when generalizing and interpreting the results for small subgroups.

FIGURE 16 MAXIMUM MARGIN OF ERROR DUE TO SAMPLING (PARCEL TAX SURVEY)



DATA COLLECTION For the parcel tax survey, the method of data collection was telephone interviewing. Interviews were conducted during weekday evenings (5:30PM to 9PM) and on weekends (10AM to 5PM) between February 4 and February 27, 2011. It is standard practice not to call during the day on weekdays because most working adults are unavailable and thus calling during those hours would bias the sample. The interviews averaged 15 minutes in length. For the property-related fee study, surveys were mailed to property owners on April 25, 2011 and gathered via pre-paid postage return mail for approximately one month.

DATA PROCESSING Data processing consisted of scanning mailed surveys and keypunching where necessary, checking all data for errors or inconsistencies, coding and recoding responses, categorizing verbatim responses, and preparing frequency analyses and crosstabulations.

ROUNDING Numbers that end in 0.5 or higher are rounded up to the nearest whole number, whereas numbers that end in 0.4 or lower are rounded down to the nearest whole number. These same rounding rules are also applied, when needed, to arrive at numbers that include a decimal place in constructing figures and charts. Occasionally, these rounding rules lead to small discrepancies in the first decimal place when comparing tables and pie charts for a given question.

QUESTIONNAIRE & TOPLINES



Contra Costa Clean Water Program
Parcel Tax Survey
Final Toplines
February 2011

Section 1: Introduction to Study

Hi, may I please speak to _____. My name is _____, and I'm calling on behalf of TNR, an independent public opinion research firm. We're conducting a survey of voters about important issues in Contra Costa County and I'd like to get your opinions.

If needed: This is a survey about important issues in your community. I'm NOT trying to sell anything and I won't ask for a donation.

If needed: The survey should take about 12 minutes to complete.

If needed: If now is not a convenient time, can you let me know a better time so I can call back?

If the person asks why you need to speak to the listed person or if they ask to participate instead, explain: For statistical purposes, at this time the survey must only be completed by this particular individual.

If the person asks who is sponsoring the survey, explain: For statistical purposes, I can't reveal the sponsor of the survey at the beginning of this interview, but I will tell you at the end.

If the person says they are an elected official or is somehow associated with the survey, politely explain that this survey is designed to measure the opinions of those not closely associated with the study, thank them for their time, and terminate the interview.

Section 2: Screener for Inclusion in the Study

SC1	Before we begin, could you please tell me whether you currently rent or own your home?			
	1	Rent	28%	Skip to Q1
	2	Own	72%	Continue
	99	Refused	0%	Terminate
SC2	And please tell me if you are the person in your household who pays your property tax bill, which often is included in your mortgage.			
	1	Respondent pays bill	96%	Continue
	2	Someone else pays bill	0%	Ask to speak with this person
	3	It depends	4%	Continue
	99	Not sure / Refused	0%	Terminate

Section 2: Importance of Issues

Q1 To begin, I'm going to read a list of issues facing your community and for each one, please tell me how important you feel the issue is to you, using a scale of extremely important, very important, somewhat important or not at all important. Here is the (first/next) issue: _____. Do you think this issue is extremely important, very important, somewhat important, or not at all important?

	<i>Randomize</i>	Extremely Important	Very Important	Somewhat Important	Not at all Important	Not sure	Refused
A	Protecting water quality	37%	47%	14%	2%	0%	0%
B	Protecting the Bay and Delta	26%	45%	24%	4%	1%	0%
C	Maintaining the quality of education in our local public schools	49%	38%	10%	3%	0%	0%
D	Preventing local tax increases	20%	33%	32%	12%	2%	1%
E	Maintaining local streets and roads	19%	50%	28%	2%	1%	0%
F	Reducing traffic congestion	15%	36%	39%	9%	1%	0%
G	Improving the local economy	32%	52%	13%	2%	0%	0%
H	Reducing government spending	34%	34%	20%	8%	4%	1%

Section 3: Initial Ballot Test

Next year, voters in Contra Costa County may be asked to vote on a local ballot measure. Let me read you a summary of the measure:

Q2	<p>In order to protect public health and water quality in your community by:</p> <ul style="list-style-type: none"> Protecting sources of clean drinking water from contamination and pollution; Removing dangerous pollutants, toxic chemicals, and infectious bacteria from water reservoirs and waterways; Keeping trash and pollution off our shorelines and out of creeks, lakes, the Delta, and the Bay; and Reducing illegal discharges of pollution into water sources through improved monitoring, investigation and prosecution <p>Shall property owners in Contra Costa County be assessed up to \$32 per year for each property that they own in the County, with citizen oversight, annual independent audits, and all money staying local? If the election were held today, would you vote yes or no on this measure? <i>Get answer, then ask:</i> Would that be definitely (yes/no) or probably (yes/no)?</p>			
	1	Definitely yes	33%	Skip to Q4
	2	Probably yes	31%	Skip to Q4
	3	Probably no	10%	Ask Q3
	4	Definitely no	22%	Ask Q3
	98	Not sure	5%	Ask Q3
	99	Refused	1%	Skip to Q4

Q3	Is there a particular reason why you do not support the clean water measure I just described?	
	Taxes already too high	39%
	Do not trust / Money will be misspent	20%
	Need more information	9%
	Not sure / No particular reason	9%
	Water supply is clean, sufficient	8%
	Measure too expensive	8%
	Issue already addressed by other agencies	5%
	Already well-funded / Do not need money	4%
	Measure is unnecessary	3%
	Need to live within means, budget	2%
	Should find other revenue sources	2%
	Economic recession	2%
	Other higher priorities for tax dollars	2%
	Measure scope is too broad	1%

Section 4: Tax Threshold

Q4 The measure I just described would raise money through annual property taxes paid by residential and commercial property owners in the County. However, the amount to be charged to each parcel has not been finalized yet.

If you heard that your household would pay _____ per year for each property that you own in the County, would you vote yes or no on the measure? *Get answer, then ask: Is that definitely (yes/no) or probably (yes/no)?*

Read in sequence starting with the highest amount (A), then the next highest (B), and so on. If respondent says 'definitely yes', record 'definitely yes' for all LOWER dollar amounts.

	Ask in order	Definitely yes	Probably yes	Probably no	Definitely no	Not sure	Refused
A	\$32	32%	27%	11%	25%	4%	1%
B	\$24	41%	22%	9%	23%	5%	1%
C	\$14	50%	19%	6%	22%	3%	1%

Section 5: Programs & Projects							
Q5	The measure we've been discussing would provide funding for a variety of clean water programs and services.						
	If the measure passes, would you favor or oppose using some of the money to: _____, or do you not have an opinion? <i>Get answer, if favor or oppose, then ask: Would that be strongly (favor/oppose) or somewhat (favor/oppose)?</i>						
	<i>Randomize</i>	Strongly Favor	Somewhat Favor	Somewhat Oppose	Strongly Oppose	No Opinion	Refused
A	Protect sources of clean drinking water from contamination and pollution	64%	21%	5%	7%	2%	0%
B	Remove dangerous pollutants, toxic chemicals, and infectious bacteria from water reservoirs and waterways	63%	20%	5%	8%	4%	1%
C	Keep trash and pollution off our shorelines and out of creeks, lakes, the Delta, and the Bay	59%	25%	4%	8%	3%	0%
D	Reduce illegal discharges of pollution into water sources through improved monitoring, investigation and prosecution	58%	22%	6%	9%	4%	1%
E	Help clean-up the Delta and the Bay so they are safe to fish and swim	54%	28%	6%	8%	4%	0%
F	Inspect and test water quality throughout the County on a regular basis to ensure that it meets Federal and State clean water requirements	59%	22%	4%	10%	4%	0%
G	Educate students, residents and businesses on how they can reduce water pollution	47%	33%	7%	11%	3%	1%
H	Retrofit water treatment facilities so that polluted rain water can be diverted to these plants and treated before it is released	49%	28%	6%	10%	6%	1%
I	Catch, clean-up, and reuse rainwater runoff to irrigate parks, landscapes and golf courses, which will conserve our clean drinking water	58%	25%	4%	8%	4%	1%
J	Help prevent local flooding by improving and maintaining storm drainage systems	45%	31%	8%	10%	7%	1%

Section 6: Positive Arguments

What I'd like to do now is tell you what some people are saying about the measure we've been discussing.

Q6 Supporters of the measure say: _____. Do you think this is a very convincing, somewhat convincing, or not at all convincing reason to SUPPORT the measure?

		Very Convincing	Somewhat Convincing	Not At All Convincing	Don't Believe	Not sure	Refused
	<i>Randomize</i>						
A	Nothing is more important than having clean water to drink. This measure will protect our clean water sources from contamination to ensure that we always have a safe, local supply of clean water.	45%	34%	17%	2%	2%	0%
B	All of the money raised by this measure will be spent locally to protect our water quality. It cannot be taken away by the State or be used for other purposes.	44%	31%	17%	6%	2%	0%
C	Infection-causing bacteria and toxic pollutants in our local waters cause many people to get sick and suffer infections, fever and intestinal illnesses. This measure will improve our water quality and protect public health.	35%	34%	25%	5%	2%	0%
D	This measure will cost your household less than \$3 per month. That is a small price to pay to have clean beaches, safe drinking water, and better public health.	41%	32%	21%	4%	1%	0%
E	Every time it rains, tons of trash, dangerous bacteria and pollution are carried directly to the Bay Delta, which is the source for more than half of the County's fresh drinking water. This measure is needed to protect our supply of drinking water from pollution.	40%	38%	17%	3%	2%	0%
F	This measure will protect the environment, our natural resources, and our quality of life for future generations.	38%	39%	18%	3%	1%	0%
G	By passing this measure, we can help protect wildlife and fish from harmful pollution and toxins that now end up in our lakes, the Delta and the Bay.	37%	39%	18%	4%	2%	0%
H	When cities or the County do not meet the State's water quality standards, they are fined up to 10 thousand dollars per day. This is money that can otherwise be used to fund services like police & fire safety. This measure will help clean up our water and protect our local budgets from being depleted by fines.	28%	37%	26%	6%	3%	0%

I	This measure will benefit every city and neighborhood in the County. Each community will receive water quality services and improvements that are most needed in that area.	33%	40%	22%	3%	1%	0%
J	The amount of money a property owner pays to help protect our water quality has NOT been increased in over 20 years. This measure is needed to keep up with the true costs of protecting our water.	33%	37%	24%	4%	2%	0%

Section 7: Interim Ballot Test

Sometimes people change their mind about a measure once they have more information about it. Now that you have heard a bit more about the measure, let me read you a summary of it again:

Q7	In order to protect public health and water quality in your community by:	
	Protecting sources of clean drinking water from contamination and pollution; Removing dangerous pollutants, toxic chemicals, and infectious bacteria from water reservoirs and waterways; Keeping trash and pollution off our shorelines and out of creeks, lakes, the Delta, and the Bay; and Reducing illegal discharges of pollution into water sources through improved monitoring, investigation and prosecution	
	Shall property owners in Contra Costa County be assessed up to \$32 per year for each property that they own in the County, with citizen oversight, annual independent audits, and all money staying local?	
	If the election were held today, would you vote yes or no on this measure? <i>Get answer, then ask:</i> Would that be definitely (yes/no) or probably (yes/no)?	
	1	Definitely yes 38%
	2	Probably yes 26%
	3	Probably no 9%
4	Definitely no 23%	
98	Not sure 5%	
99	Refused 0%	

Section 8: Negative Arguments

Next, let me tell you what opponents of the measure are saying.

Q8 Opponents of the measure say: _____. Do you think this is a very convincing, somewhat convincing, or not at all convincing reason to OPPOSE the measure?

	<i>Randomize</i>	Very Convincing	Somewhat Convincing	Not At All Convincing	Don't Believe	Don't Know/No Opinion	Refused
A	People are having a hard time making ends meet with the housing crisis, financial crisis, and the economy in recession. Now is NOT the time to be raising taxes.	38%	30%	29%	2%	1%	0%
B	The County and cities can't be trusted with this tax. They will mismanage the money or use it for their own pet projects.	31%	33%	31%	3%	2%	0%
C	Experts say that raising taxes during a recession will hurt the economy even more.	29%	32%	34%	3%	1%	0%
D	This measure is unfair because it can be passed with just a 50% vote and some voters are excluded from participating.	17%	32%	41%	4%	5%	0%
E	This measure is opposed by local taxpayer's groups.	18%	35%	40%	2%	4%	0%

Section 9: Final Ballot Tests					
Now that you have heard a bit more about the measure, let me read you a summary of it one more time:					
Q9	<p>In order to protect public health and water quality in your community by:</p> <ul style="list-style-type: none"> Protecting sources of clean drinking water from contamination and pollution; Removing dangerous pollutants, toxic chemicals, and infectious bacteria from water reservoirs and waterways; Keeping trash and pollution off our shorelines and out of creeks, lakes, the Delta, and the Bay; and Reducing illegal discharges of pollution into water sources through improved monitoring, investigation and prosecution <p>Shall property owners in Contra Costa County be assessed up to \$32 per year for each property that they own in the County, with citizen oversight, annual independent audits, and all money staying local?</p> <p>If the election were held today, would you vote yes or no on this measure? <i>Get answer, then ask:</i> Would that be definitely (yes/no) or probably (yes/no)?</p>				
	1	Definitely yes	36%	<i>Skip to D1</i>	
	2	Probably yes	25%	<i>Skip to D1</i>	
	3	Probably no	11%	<i>Ask Q10</i>	
	4	Definitely no	24%	<i>Ask Q10</i>	
	98	Not sure	5%	<i>Ask Q10</i>	
	99	Refused	0%	<i>Ask Q10</i>	
Q10	How about if instead of \$32 per household, the fee were \$14 per household. Would you vote yes or no on this measure? <i>Get answer, then ask:</i> Would that be definitely (yes/no) or probably (yes/no)?				
		Supported at \$32 (Q9)	60%		
		1	Definitely yes	2%	
		2	Probably yes	7%	
		3	Probably no	6%	
		4	Definitely no	21%	
		98	Not sure	3%	
		99	Refused	0%	

Section 10: Background & Demographics

Thank you so much for your participation. I have just a few background questions for statistical purposes.

D1	How long have you lived in Contra Costa County?		
	1	Less than 1 year	1%
	2	1 year to less than 5 years	9%
	3	5 years to less than 10 years	9%
	4	10 years to less than 15	12%
	5	15 years or more	69%
	99	Refused	1%
D2	Which of the following best describes your current home?		
	1	Single family detached home	75%
	2	Apartment	13%
	3	Condominium	4%
	4	Townhome	4%
	5	Mobile home	2%
	99	Refused	3%
D3	Do you have children in your household?		
	1	Yes	41%
	2	No	57%
	99	Refused	3%

Those are all of the questions that I have for you. Thanks so much for participating in this important survey. This survey was conducted for the Contra Costa Clean Water Program.

Post-Interview & Sample Items

S1	Gender		
	1	Male	47%
	2	Female	53%

S2 Party		
1	Democrat	49%
2	Republican	28%
3	Other	5%
4	DTS	19%
S3 Age on Voter File		
1	18 to 29	13%
2	30 to 39	13%
3	40 to 49	20%
4	50 to 64	34%
5	65 or older	20%
99	Not Coded	0%
S4 Registration Date		
1	2010 to 2005	46%
2	2004 to 2001	17%
3	2000 to 1997	12%
4	1996 to 1990	11%
5	Before 1990	14%
S5 Household Party Type		
1	Single Dem	25%
2	Dual Dem	16%
3	Single Rep	11%
4	Dual Rep	10%
5	Single Other	15%
6	Dual Other	4%
7	Dem & Rep	5%
8	Dem & Other	8%
9	Rep & Other	5%
0	Mixed (Dem + Rep + Other)	1%

S6	Homeowner on Voter File		
	1	Yes	54%
	2	No	46%
S7	Likely to Vote by Mail		
	1	Yes	44%
	2	No	56%
S8	Likely November 2012 Voter		
	1	Yes	100%
	2	No	0%
S9	Likely June 2011 Voter		
	1	Yes	42%
	2	No	58%
S10	Likely November 2011 Voter		
	1	Yes	45%
	2	No	55%
S11	Region		
	Central		49%
	East		24%
	South		6%
	West		21%

Funding
Needs &
Options
Report

Task #5

Contra Costa Clean Water Program
2012 Community Clean Water Initiative
September 11, 2011



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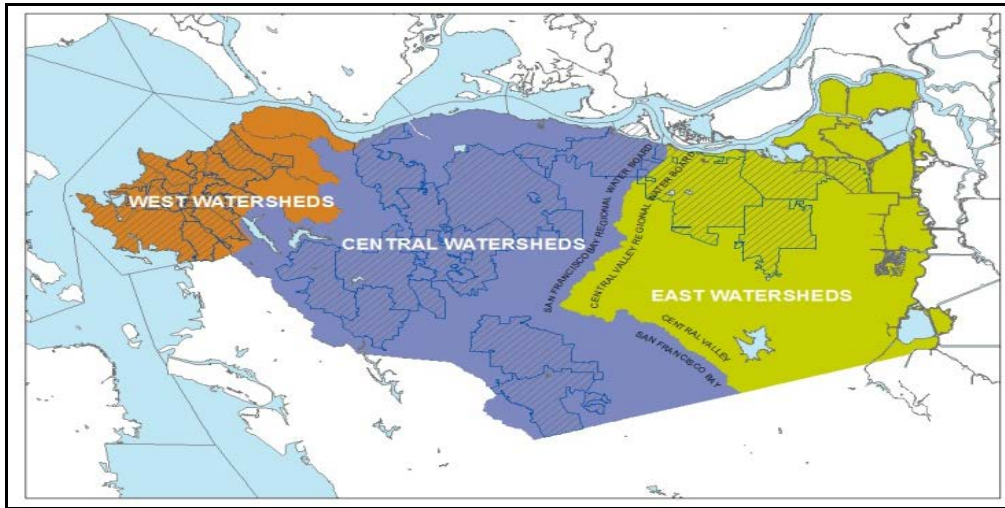
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EXECUTIVE SUMMARY

The Contra Costa Clean Water Program (“Program”) has engaged a consulting team led by SCI Consulting Group to study, make recommendations, and assist in the implementation of strategies to fund water quality improvements mandated by the adoption of the 2009 San Francisco Bay and 2010 Central Valley Regional Water Quality Control Board Municipal Regional Permits (“MRP”s). This Task #5 Funding Needs and Options Report concludes the first phase of this project, and combines the results of an analysis of current and future clean water program costs, investigations of optimal funding mechanisms, extensive opinion research including both telephone and mail surveys, and coordination and outreach with Program co-permittees, other local agencies and stakeholders. It provides a recommended approach along with critical corresponding decision points and options. Recommendations for addressing any post-implementation budget shortfalls are also presented.

Originally, the purpose of this report was to provide an array of recommended approaches to address the Clean Water Program’s funding needs in order to facilitate an extensive decision-making process by the co-permittees. However, during the course of conducting the research for these recommendations, one proposed approach effectively satisfied the goals of the co-permittees, and was essentially accepted by the Program. It is anticipated this recommendation will be adopted by the Program in September 2011. As result, this report largely documents this recommended approach, which is summarized on the following page.

Summary of Proposed Funding Approach



COUNTYWIDE, WATERSHED-BASED, THREE TIERED RATE PROPERTY-RELATED FEE PROPOSAL

Sponsoring Agency	- Contra Costa Clean Water Program	
Measure Name	- "2012 Community Clean Water Initiative"	
Funding Mechanism	- Proposition 218-compliant, balloted, property-related fee	
Region	- Countywide	
Rates	- Divided into West, Central, and East watersheds. Based upon relative impervious area per property type & size	
Rate Tiers	- Based upon watershed (per year per typical single family home)	
West Watershed	- \$19.00	
Central Watershed	- \$22.00 (includes El Cerrito and Pittsburg)	
East Watershed	- \$12.00	
Tabulation	- Countywide – 1 vote per parcel	
Revenue	- 100% return to source	
Proposed Schedule	Dec 17, 2011	Mail Notice of Public Hearing
	Jan 31, 2012	Public Hearing (Board of Supervisors/Flood Control Dist.)
	Feb 15, 2012	Mail ballots
	Apr 1, 2012	Balloting closed
Other Elements of Measure	Independent Oversight Committee	
	No Exemptions or Discounts	
	Mandatory Annual Audits	
	Cost-of-Living Adjustment - Indexed \leq 2% per year	
Pending	Sunset Provision	

1.0 INTRODUCTION

I. BACKGROUND

The Contra Costa Clean Water Program is composed of twenty-one public agencies including Contra Costa County, all nineteen of its incorporated cities and towns, and the Contra Costa County Flood Control & Water Conservation District. The Program's primary purpose is to implement federal and state mandated regulations specifically targeting pollutants in urban runoff from municipal separate storm sewer systems. (These regulations are widely known as "NPDES" or "National Pollution Discharge Elimination System" permit requirements.) This organization includes all of the incorporated and unincorporated areas of Contra Costa County.

On August 30, 1992, Governor Pete Wilson signed Assembly Bill No. 2768 (Campbell), which amended the Contra Costa County Flood Control & Water Conservation District Act to permit the formation of stormwater utility areas based in the incorporated boundary of a city or the unincorporated area of Contra Costa County. Stormwater utility areas were created for each existing community with the exception of Brentwood and Richmond. (Brentwood and Richmond rely on other revenue sources to fund their implementation of the federal and state stormwater mandates.) The Stormwater Utility Assessments ("SUA"s) and calculation methodology used by the municipalities were based upon the impervious surfaces associated with a parcel's land use.

Currently, the SUAs generate approximately \$14 million annually, which is used to fund Program and individual municipal stormwater permit compliance programs and activities. However, all municipalities are now at the maximum rate they can charge. Existing dedicated financial resources are simply insufficient to pay for present and future requirements. Thus, the need to increase resources for the Program's twenty-one municipalities to remain in compliance is critical.

The purpose of this project, the Contra Costa Clean Water Program's 2012 Community Clean Water Initiative, is to develop public financing mechanisms to pay for the mandatory requirements of the Municipal Regional Permits.

II. PROJECT COORDINATION, GOALS AND CONSTRAINTS, AND CONCLUSIONS

In 2010, the CCCWP retained a consultant team led by SCI Consulting Group, which included True North Research, Tramutola, Larry Walker Associates and Dan Cloak Environmental Consulting to investigate additional public financing mechanisms that the agencies could use to fulfill permit mandates. The elements and conclusions of the 2012 Community Clean Water Initiative project tasks are listed and briefly discussed below:

Phase I

Task #1: Background Analysis and Research

The objective of Task #1 was to collect and analyze background and reference information for the Program, including expenditures, and sources of funding, as well as past and current MRP and NPDES requirements.

Task #2: Future Program Cost Analysis

The objective of Task #2 was to review and analyze projected future annual costs and sources of funding. Working with the consultant team, Program staff understood the importance of analyzing the financial data for each individual co-permittee, not just regionally, as had been originally thought. As a result, Program staff issued a contract modification and directed the consultant team to significantly increase the detail of financial analysis from the countywide level to the local agency level.

Task #3: Potential Funding Source Analysis

The objective of Task #3 was to analyze and evaluate various funding mechanism alternatives. The Task #3 Report, dated March 11, 2011, closely evaluated numerous potential funding mechanisms and focused on the two most optimal:

- Special Taxes (i.e., parcel tax)
- Balloted, Property-Related Fees

Both of these mechanisms are legally reliable, potentially politically viable and well established for use to fund for clean water permit requirements. The authors of this report are aware of six successfully implemented property-related fees and two successfully special taxes, for dedicated clean water services funding, within California.

Table 1 – Comparison of Special Tax (Parcel Tax) and Property-Related Fee

	Special Tax (Polling Place)	Property Related Fee (Mail Ballot)
Who Decides	Registered Voters	Property Owners
Approval Threshold	2/3	50%
Election Venue	Polling Place	Mailed
Election Period	1 day	45 days
Voting Power	1 vote per person	1 vote per parcel

In addition to these two funding mechanisms, other approaches are presented in the Task #3 report, including several that do not require a balloting. Non-balloted approaches are limited by legal restrictions - not voter or property owner politically-imposed rate/revenue limitations. For example, a co-permittee could re-assign a budgeted stormwater activity, like street sweeping, into a service area that does not require balloting for a rate increase, like refuse collection. In this way, the service burden on the stormwater budget is reduced (and aligned

with the political realities of stormwater revenue levels) and shared more equitably with other, similar co-permittee provided services.

Also, development-driven and legislative approaches are presented. Development driven approaches include the establishment of impact fees, and local revenue mechanisms on new development such as community facility districts and/or special assessments. Unfortunately, development driven revenue sources are limited to revenue generated by and for new development. Legislative approaches include changes to state and federal laws and regulations which reduce regulatory permit requirements and/or improve the ability of local agencies to establish additional revenue sources.

Because some of the co-permittees will likely still have funding shortfalls even if the proposed new property-related fee is successfully implemented, these additional non-balloted approaches are discussed in more detail in Section 3 of this report.

Task #4: Opinion Research and Survey

The purpose of Task #4 was to evaluate the willingness of Contra Costa voters and property owners to invest in local clean water services and improvements. Accordingly, both a telephone and mailed survey were conducted.

Telephone Survey

The telephone survey, which more closely modeled a parcel tax, utilized telephone interviews with over 900 Contra Costa County registered voters. The interviews were conducted between February 4 and February 27, 2011, averaged 15 minutes in length, and were conducted during weekday evenings (5:30PM to 9:00PM) and on weekends (10:00AM to 5:00PM). It is standard practice not to call during the day on weekdays because most working adults are unavailable and thus calling during those hours would bias the sample. This telephone-based, parcel tax survey focused on gauging the feasibility of a flat-rate parcel tax and has a statistical margin of error of $\pm 3.3\%$ at the 95% level of confidence. The survey found support levels of:

- 59% at a proposed rate of \$32 (per year for a typical single family home)
- 63% at a proposed rate of \$24 (per year for a typical single family home)
- 69% at a proposed rate of \$14 (per year for a typical single family home)

The required rate for approval of a parcel tax is two-thirds majority (66.66+ %). At the tested rate of \$24, the measured support of 63% is slightly below the required threshold.

Mail Survey

The mail survey, which more closely modeled a property-related fee, utilized over 5,200 returned survey questionnaires. This survey found a support level of 52% at a proposed rate of \$22 per year for a typical single family home. For a property-related fee, the required rate for approval is 50% plus one.

The results of the mail survey generally indicated that the 50% threshold could be achieved by most or all of the participating co-permittees. Largely speaking, predicted regional and socio-economic support levels were confirmed by the survey. However, a correlation between support for a clean water measure and a history of support for similar quality of life measures was not confirmed.

Task #5: Clean Water Funding Needs and Options Report

The goal of this project is to develop and implement a strategy to address the additional funding required to implement the MRP. This Task #5 Report recommends the countywide, watershed-based, three tiered rate property-related fee for the primary funding approach. Additionally other, non-balloted approaches are recommended to address funding shortfalls for co-permittees that may need additional funding along with the proposed fee.

The components of this funding challenge are described below:

$$\begin{aligned} &\text{REVENUE REQUIRED FOR MRP IMPLEMENTATION} = \\ &\quad \text{REVENUE FROM EXISTING 1993 STORMWATER UTILITY ASSESSMENT}^1 + \\ &\quad \text{REVENUE FROM PROPOSED BALLOTTED REVENUE MECHANISM}^2 + \\ &\quad \text{REVENUE FROM OTHER NON-BALLOTTED FUNDING APPROACHES}^3 + \\ &\quad \text{OTHER REVENUE}^4 \end{aligned}$$

With

¹ Brentwood and Richmond do not receive SUA funds.

² Balloted, property-related fee.

³ Various proposed strategies are described in Section 3.0 of this report.

⁴ Other revenue includes some general fund revenue (as well as existing other sources in Brentwood and Richmond). Ultimately, the goal is to minimize and/or eliminate this component of revenue.

Upon conclusion of Task #5, the Management Committee of the Program will make critical strategy decisions and decide whether to proceed with Phases II and III of the project. Phase II includes the development of a Fee Report, which is a required document to establish the proposed property-related fee. It also includes an action plan which describes all steps necessary to complete Phase III, which is the implementation of the property-related fee and corresponding community outreach.

III. REVIEW OF PROPERTY-RELATED FEES

Since this report concludes that the optimal funding mechanism is a balloted, property-related fee, additional discussion of the process required to implement the fee is provided below. The

balloted, property-related fee process requires public approval in two distinct steps, both of which must be completed successfully for the fee to be approved. The first step is a public notice, mailed to each property owner, and followed by a public hearing 45 days later. If a majority of property owners protest the proposed fee at this initial protest hearing, the proposed fee cannot be balloted. If a majority protest is not received, the local agency may, at its discretion, choose to submit the fee to a balloting of all property owners subject to the proposed fee.

The second step of the process is the balloting. The mail ballot must contain the amount of the proposed fee to be imposed on the owner's property or properties, the basis for calculating the proposed fee, the reason for the fee, and a place upon which an owner can indicate his/her support or opposition for the proposed fee. A simple majority (50% plus one) of ballots cast, with one vote per fee parcel, is required to approve the fee. The balloting must be held at least 45 days after the public hearing.

IV. OVERVIEW OF INPUT FROM CO-PERMITTEES

Each co-permittee has a designated representative on the Clean Water Program's Management Committee. These representatives help to shape policy and direction for the Program and report back to their individual agency. Also, Program staff periodically makes presentations to elected officials and staff throughout the County.

Most recently, Program staff presented the current findings, including the Task #4 survey results, to the Contra Costa County Mayors' Conference on July 7, 2011 and at the Public Managers' Association ("PMA") monthly meeting on July 14, 2011. The July 14, 2011 PMA meeting was a seminal event for this funding initiative because the PMA thoroughly discussed various options, and provided Program staff with clear direction for moving forward. The PMA committed to an effort that was countywide, watershed-based, and was not conducted on a typical election cycle. The PMA expressed support for a rate structure of \$19 for the west watersheds, \$22 for the central watersheds and \$12 for the east watersheds.

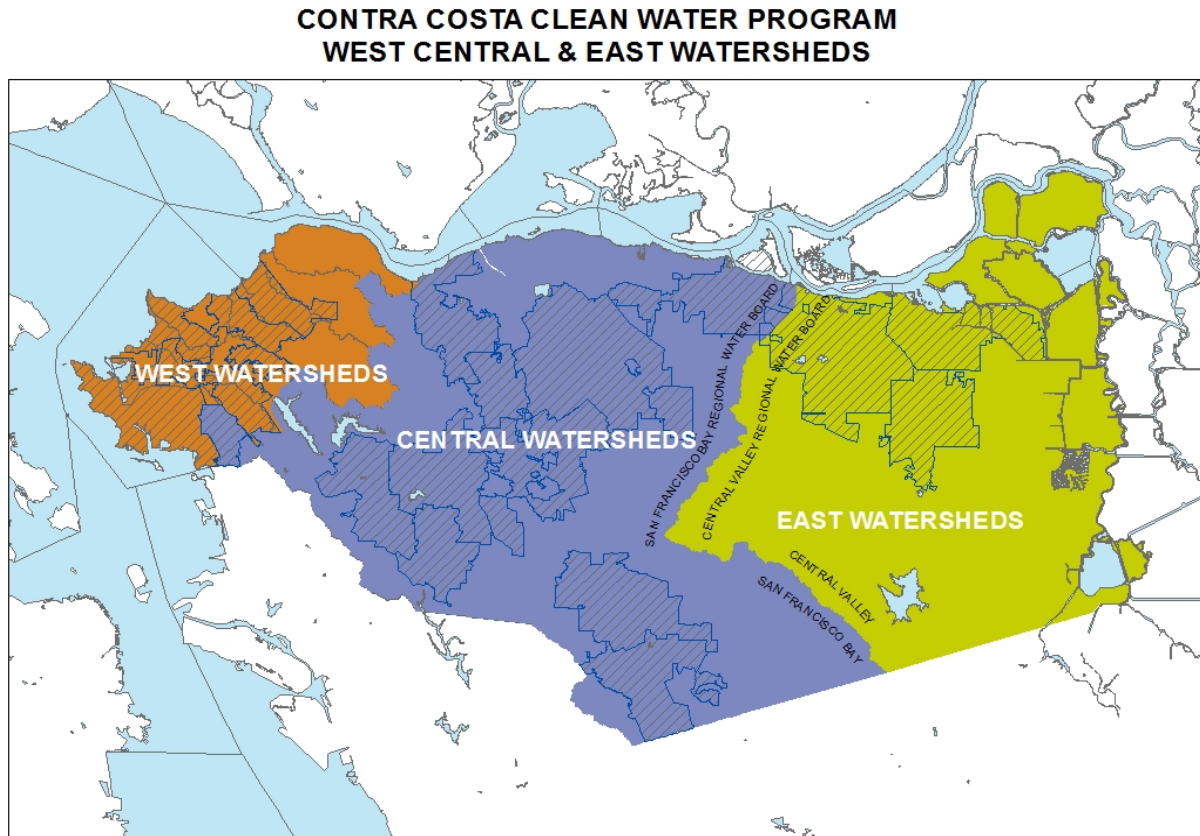
In an effort to maximize transparency and input from each co-permittee, Program staff then met individually with each agency. These meetings, conducted in July, August and September of 2011, allowed Program staff to further describe and refine the funding approach as well as to answer any questions. At the time of this report, all co-permittees support the proposed countywide, watershed-based, three tiered rate, property related fee approach (as described on page 4 and in Section 2.0 of this report). This broad and unanimous level of support, to our knowledge, is unprecedented for a clean water program in California.

V. BACKGROUND OVERVIEW OF THE EVALUATED FUNDING SCENARIOS

Per Program staff direction, the consultant team developed and analyzed a variety of potential funding scenarios. These included scenarios based upon various rates according to each individual city or town, groups of cities, countywide, sub-regional and/or watershed. The consultant team worked to develop scenarios that provide political viability while maximizing revenue.

2.0 RECOMMENDED FUNDING APPROACH

I. COUNTYWIDE, WATERSHED-BASED, THREE TIERED RATE, PROPERTY-RELATED FEE



The recommended approach is a countywide, watershed-based, three tiered rate, balloted, property-related fee. The proposed name for this effort is the “2012 Community Clean Water Initiative.”

The proposed fee rates for properties will be based upon impervious area and individually calculated for each parcel. The base rate for a typical single family home will be \$19 per year in the West Watershed, \$22 per year in the Central Watershed (which includes El Cerrito and Pittsburg) and \$12 in the East Watershed. The Unincorporated county parcels will be subject to a \$19 per year fee. Note that these rates are a maximum “ceiling” and that co-permittees may choose to reduce the fee in any given year.

The tabulation will be conducted countywide, so the initiative will either pass or fail based on a county wide vote. The votes are counted with one parcel equal to one vote. More than 50% of the cast votes must be in favor for this measure to pass.

The revenue generated by the fee will be completely returned to the co-permittee where it was collected (commonly known as “100% return to source”). Other elements of the measure include establishment of an Independent Oversight Committee, mandatory annual audits and a cost-of-living increase, which is indexed and does not exceed 2% per year. There are no proposed exemptions or discounts. A sunset provision (also known as an expiration provision) is still being considered. The balloting is currently scheduled for February and March of 2012.

3.0 ADDRESSING FUNDING SHORTFALLS

I. INTRODUCTION

The proposed property-related fee may not generate enough revenue to satisfy permit requirements for all co-permittees. This section provides further attention to the agencies that may require additional funding beyond what will be generated from the proposed fee. This section describes several strategies, and recommendations to fund revenue shortfalls. These strategies are described in more detail in the Task #3 Report.

II. SUMMARY OF APPROACHES

The Task #3 Funding Options report thoroughly discusses non-balloted, legislative and other approaches for funding and should be used for a more detailed reference. These approaches can be used in addition to the proposed property-related fee, and are summarized below.

Realignment of Some Clean Water Services (for Sewer, Water, & Refuse Collection)

An increasingly common method to reduce financial burdens on clean water programs throughout California is to realign specific clean water and pollution abatement activities to water, sewer and refuse collection service providers. These service providers can establish new or increased fees and/or re-negotiate existing franchise agreements for such activities with fewer obstacles than for clean water services. The realignment also requires the service entities, to which the activity will be realigned, have a sound means to raise the corresponding revenue needed to support these additional services.

The benefit of realigning “traditional clean water services” to water, sewer and solid refuse services is that these services are exempted from the Proposition 218 balloting requirement for establishment of a property-related fee. As a result, the process is less expensive and is far less constrained by local “willingness to pay” limitations as compared to a balloted, property-related fee.

This approach requires the individual co-permittees to methodically review their current stormwater program activities, and where reasonably and rationally appropriate, consider shifting some of these activities to sewer, water or refuse collection service providers. Table 2 identifies primary service providers within the relevant municipalities.

Table 2 – Sewer, Water and Refuse Collection Service Providers by Local Government

Municipality	Primary Refuse Collection Service Provider	Primary Water Service Provider	Primary Sewer Service Provider
ANTIOCH	Allied Waste	City of Antioch	City of Antioch
BRENTWOOD	City of Brentwood	City of Brentwood	City of Brentwood
CLAYTON COUNTY	Allied Waste	Contra Costa Water District	Central Contra Costa Sanitary District
DANVILLE	Various	Various	Various
EL CERRITO	Allied Waste	EBMUD	Central Contra Costa Sanitary District
HERCULES	East Bay Sanitary Company	EBMUD	Stege Sanitary District
OAKLEY	Richmond Sanitary Services	EBMUD	City of Hercules
PINOLE	Oakley Disposal Service	Diablo Water District	Ironhouse Sanitary District
RICHMOND w/o CIP	Richmond Sanitary Services	EBMUD	City of Pinole
WALNUT CREEK	Richmond Sanitary Services	EBMUD	City of Richmond
	Allied Waste	EBMUD	Central Contra Costa Sanitary District

Examples of realignment of clean water activities to sewer, water and refuse collection service providers include:

- Street Sweeping
- Trash Load Reduction Requirements (C.10)
- Catch Basin Trash Removal
- Other Trash Removal activities
- Proactive Trash Pollution Prevention Activities and Inspections
- Community Education Efforts
- Water Wise Education
- Urban Runoff as a result of water usage
- Improvements to Stormwater pipes and drainage systems to protect against infiltration into sewer

Dedicated "Trash Load Removal" Property-Related Fee - Non Balloted

This approach implements a dedicated, non-balloted, property-related fee, under the “refuse collection” balloting exception of Proposition 218. A local government could identify, organize and establish a dedicated budget for all current MRP activities which could be described as “refuse collection.” This fee could be entirely independent of the existing refuse collection provider. This strategy may not have been employed in California to date and should receive considerable legal review prior to implementation.

Regulatory Fees - SB 310

Public agencies can impose certain “regulatory fees” without balloting requirements, in conformance with Proposition 218, commonly called “Sinclair Fees.” These fees are considered to be “bona fide regulatory fees” and not taxes if the fees are used “to mitigate the actual or anticipated adverse effects of the fee payers’ operations.” These fees are largely imposed by

public agencies upon commercial and industrial polluters to defray costs of clean up, and to support recycling programs, community beautification and similar services. However, the recently approved Proposition 26 has effectively eliminated an agency's ability to use a regulatory fee for stormwater management costs without a balloted approval – and this approach is not recommended at this time.

Regulatory Fees - Inspections

In California, public agencies frequently reimburse themselves for the costs of inspections and permits using regulatory fees approved as part of a "Master Fee Schedule." Again, Proposition 26 has created legal uncertainty about this method as a long term approach.

Impact Fees

Impact fees are one time only capital infusions associated with new development. Impact fees are common for multiple services but receive some opposition from local developers. With the limited rate of current and future development in Contra Costa, clean water impact fees will likely have a marginal effect on funding.

Community Facilities Districts/Benefit Assessment Districts

Local special tax and/or assessment "districts" are a common method used throughout the County to fund a variety of local infrastructure needs. These revenue mechanisms, primarily Community Facilities Districts (CFDs), are very effective and routinely established during the development phase, as a condition of development, when a project has one owner, simplifying the balloting process. (Benefit assessments are very similar.) For most co-permittees, potential development opportunities are likely limited to "infill" development on relatively smaller areas. CFDs need not be contiguous and can be easily managed. This approach can create revenue to pay for services specific to development such as rehabilitation of infrastructure or local "BMP" installation while a portion of the funds can augment some of the overall program costs.

Legislative Approaches

Multiple bills have been introduced to add "stormwater" to the "sewer, water, and refuse collection balloting exception" within Proposition 218, effectively eliminating the political limitations of fully funding clean water activities. Unfortunately, these efforts have failed to garner the needed legislative political support. Even with such support, a bill would still require a statewide election. It is unlikely that there will be any legislative change in the near future that will improve the ability for local governments to readily raise revenue for clean water activities.

Grants

California has a limited assortment of State grants to provide funding opportunities for local clean water programs. State grants are highly competitive, often require matching local funds, favor capital investment over program costs, tend to narrowly focus scope and services, and

can have significant administrative overhead. While grants include challenges and restrictions, they should be considered as a potential approach.

Exhibit A

Fee Report

2012 Community Clean Water Initiative

Contra Costa County Flood Control and
Water Conservation District for the
Contra Costa Clean Water Program

December 6, 2011



With Budget and Service Cost Analysis by:



DAN CLOAK
ENVIRONMENTAL
CONSULTING

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INTRODUCTION AND EXECUTIVE SUMMARY

The Contra Costa County Flood Control and Water Conservation District (“District”), on behalf of the Contra Costa Clean Water Program (“Program”), has engaged a consulting team led by SCI Consulting Group (“SCI”) to study, make recommendations, and assist in the implementation of a funding approach for water quality and water pollution control improvements required by the applicable 2009 and 2010 Municipal Regional Permits, as well as subsequent permits. This Fee Report provides the analysis, justification and structure for the implementation of a new annual property related fee for water quality and pollution control programs and activities throughout Contra Costa County.

Within this Report, the proposed fee is described as the “Clean Water fee” or “Fee.” The District intends to seek property owner approval of the Clean Water fee pursuant to Article XIII D, section 6 of the California Constitution and Section 12.1 of the Contra Costa County Flood Control and Water Conservation District Act. The proposed Clean Water fee is described as the “2012 Community Clean Water Initiative.”

I. BACKGROUND

The Contra Costa Clean Water Program is composed of twenty-one public agencies including Contra Costa County, all nineteen of its incorporated cities and towns, and the Contra Costa County Flood Control & Water Conservation District (all of the incorporated and unincorporated areas of Contra Costa County). The Program's primary purpose is to implement federal and state mandated regulations specifically targeting the reduction of pollutants in water runoff into and from municipal separate storm sewer systems. (These regulations are widely known as “NPDES” or “National Pollutant Discharge Elimination System” permit requirements. Hence, these partner agencies are individually known as “Permittees” within the context of this Report.)

On August 30, 1992, Governor Pete Wilson signed Assembly Bill No. 2768 (Campbell), which amended the Contra Costa County Flood Control and Water Conservation District Act to permit the formation of water quality and water pollution control areas, also described as stormwater utility areas, based in the incorporated boundary of a city or the unincorporated area of Contra Costa County. Stormwater utility areas including annual fees for services and programs were created for each existing community with the exception of Brentwood and Richmond. (Brentwood and Richmond rely on other revenue sources to fund their implementation of the federal and state stormwater mandates.) The Stormwater Utility Assessments (“SUA”) and calculation methodology used by the municipalities were based upon the impervious surfaces associated with a parcel's land use.

Currently, the SUAs generate approximately \$14 million annually, which is used to fund Program and individual municipal stormwater permit compliance programs and activities.

Existing dedicated financial resources are simply insufficient to pay for present and future Permit requirements. Thus, there is a critical need to increase resources for the Program's twenty-one municipalities to remain in compliance with federal and state mandated regulations and to further improve water quality and to reduce water pollution.

It is anticipated that future permits will incorporate even stricter water quality regulations. Permits are typically issued every five years through the Regional Water Quality Control Board ("RWQCB"). East Contra Costa County is regulated by the Central Valley RWQCB and West, Central and South Contra Costa County are regulated by the San Francisco Bay RWQCB. It should also be noted that non-compliance with current and future permits may result in significant fines and/or third-party lawsuits.

The current applicable Permits added substantial, additional, costly requirements in the areas listed below:

- Significant trash load reduction
- Additional monitoring to be conducted by the Program
- Additional controls and activities to address mercury (in both Permits); and PCBs, copper, PBDEs, legacy pesticides, and selenium in the San Francisco Bay Permit.

In conclusion, the Permittees must implement the clean water and pollution control services and facilities mandated by State and Federal regulations as a condition to discharge water from the storm drainage facilities into receiving water bodies. The storm drainage facilities cannot be lawfully operated except in compliance with the permits.

II. INTRODUCTION TO CLEAN WATER AND POLLUTION CONTROL CHALLENGE

Each year, tons of harmful and dangerous pollutants, bacteria and trash are carried through our neighborhoods, into our local creeks, reservoirs, lakes, and the Delta and the Bay; and as water drains from streets, parking lots, and lawns, pollutants are picked up and enter the drainage system through thousands of catch basins in Contra Costa County; and from there, this polluted water flows through a massive system of pipes, open channels and creeks into the Delta and the Bay. These pollutants include trash such as cigarette butts, plastic, fast-food wrappers, and bottles; toxins such as motor oil, PCBs, antifreeze, fertilizer, and pesticides; microbes such as dangerous bacteria, viruses, sewage and pet waste; and heavy metals such as lead, mercury, arsenic, etc.

III. APPROACH TO FUNDING CHALLENGE

In 2010, the Program, through the District, retained a consultant team led by SCI Consulting Group, which included True North Research, Tramutola, Larry Walker Associates and Dan Cloak Environmental Consulting to investigate additional public financing mechanisms that the

agencies could use to fulfill permit mandates. This project, currently called the “2012 Community Clean Water Initiative” was divided into three phases. In the first phase, the consultant team analyzed current and future water quality costs and operations, and ultimately quantified the financial needs for each Permittee (Tasks #1 and #2). The consultant team studied and reported on all available funding mechanisms that could prove viable for the water quality funding challenge (Task #3). Based on the results of the previous tasks, the consultant team conducted telephone and mail surveys during the first half of 2011 and confirmed Contra Costa County residents’ willingness to invest in improved water quality and water pollution abatement services (Task #4).

Next, Program staff worked closely with the consultant team to develop and communicate a number of funding strategies and cost of service scenarios to the Permittees. Through this process, one of the proposed cost of service scenarios received considerable support and closely matched the service goals of the Program as well as the Permittees. This scenario incorporated an approach that is countywide; based upon watershed groupings and associated rates; and utilized the balloted, property-related fee mechanism, as described in the Task #5 Report.

On September 21, 2011, the Management Committee of the Contra Costa County Clean Water Program voted unanimously to proceed with this “Countywide, Watershed-Based, Three-Tiered Rate, Balloted, Property Related Fee” scenario and to proceed with the second and third phase of the 2012 Community Clean Water Initiative project. The second phase of the project includes the development of this Fee Report as well as an action plan. The third phase of the project is implementation of community information regarding the initiative and property owner noticing and balloting for the proposed clean water programs and proposed Clean Water fee.

IV. PROCESS FOR IMPLEMENTATION OF FEE

The proposed balloted, property-related fee process must comply with the provisions of Article XIIIID of the California Constitution (commonly known as Proposition 218). This Article requires approval in two distinct steps, both of which must be completed successfully for the Clean Water fee to be approved. First, Section 6(a)(2) requires written notice be provided via mail of the proposed Clean Water fee to the record owner of each identified parcel upon which the Clean Water fee is proposed, the amount of the Clean Water fee proposed to be imposed upon each, the basis upon which the amount of the proposed Clean Water fee was calculated, the reason for the Clean Water fee, together with the date, time, and location of a public hearing on the proposed Clean Water fee. This public hearing for the proposed Clean Water fee is scheduled for February 7, 2012 before the Contra Costa County Board of Supervisors. The Program, through the District, is scheduled to mail these notices in mid-December of 2011.

At the public hearing, the Board will consider all protests against the proposed Clean Water fee. If written protests against the proposed Clean Water fee are presented by a majority of owners

of the identified parcels, the Clean Water fee will not be imposed. If the majority protest is not received, the Board may, at its discretion, direct the Program, through the District, to submit the Clean Water fee to a balloting of property owners subject to the proposed Clean Water fee.

Section 6(c) of the Article states that no property-related fee shall be imposed unless and until that fee is submitted and approved by a majority vote of the property owners of the property subject to the fee, which is achieved via mail balloting. If there is not a majority protest at the February 7, 2012 public hearing, the Program, through the District, shall mail ballots to all property owners for which the Clean Water fee would be imposed, at least 45 days prior to the close of balloting. The close of balloting is April 6, 2012.

V. JUSTIFICATION OF USE OF PROPERTY RELATED FEE MECHANISM

Article XIID of the California Constitution specifies that a fee for a “property-related service” may be imposed as an “incident of property ownership.” A property related fee requires normal ownership and use of the real property to satisfy the “incident of property ownership” requirement. Further, the Fee may only be used for a “property-related service” which “means a public service having a direct relationship to property ownership.”

This proposed Clean Water fee is intended to satisfy other requirements of the Article including:

- “Revenues derived from the fee or charge shall not exceed the funds required to provide the property related service.
- Revenues derived from the fee or charge shall not be used for any purpose other than that for which the fee or charge was imposed.
- The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel.
- No fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question. Fees or charges based on potential or future use of a service are not permitted. Standby charges, whether characterized as charges or assessments, shall be classified as assessments and shall not be imposed without compliance with Section
- No fee or charge may be imposed for general governmental services including, but not limited to, police, fire, ambulance or library services, where the service is available to the public at large in substantially the same manner as it is to property owners.”

The revenues from this Clean Water fee will not exceed the costs, as detailed in Section 2 of this report. The revenue will only be used to support clean water and pollution control services and facilities as detailed in Section 1 of this report. The Clean Water fees will be individually calculated for each parcel in proportion to specific relevant attributes such as property use and relative impervious area-

Further, in the 2002 Proposition 218 case, *Howard Jarvis Taxpayers Association v. City of Salinas* (98 Cal.App.4th 1351), the Court of Appeal for the Sixth Appellate District held that a "storm water drainage fee" (including services to "monitor and control pollutants that might enter the storm water before it is discharged into natural bodies of water") was illegally imposed by the City of Salinas. The plaintiff, Howard Jarvis Taxpayers Association ("HJTA") contended that the storm drainage fee imposed by the City of Salinas was a "property-related" fee requiring approval either by the affected property owners or by the voters. The amount of the fee was calculated in proportion to the amount of impervious area on each parcel as a measure of the property's contribution to runoff into the City's stormwater drainage facilities. The Court of Appeal held that the fee was a property related service fee because it funded a public service having a direct relationship to the ownership of developed property. (See also 81 Ops. Cal. Atty. Gen. 104, 106 (1998).) The Court went on to hold that the fee did not fit within the exception for "sewer" or "water" service fees and was therefore invalid because it had not been approved by the property owners or voters.

Subsequent property related fees for clean water and pollution control services and facilities in California have not been successfully challenged in cases where they were approved pursuant to a property owner balloting procedure. Examples of agencies that have successfully implemented property related fees for stormwater management include the City of Burlingame, the City of Palo Alto, the City of Rancho Palos Verde, the City of Santa Clarita, the City of San Clemente and the Marin County Flood Control Flood Control and Water Conservation District. In *Ford Greene v. Marin County Flood Control and Water Conservation District*, the Supreme Court of California upheld the imposition of a balloted, property related fee for storm drainage.

VI. PARALLELS WITH TRADITIONAL USES OF PROPERTY RELATED FEES SUCH SEWER, WATER AND REFUSE COLLECTION

Article XIID indicates that

“Except for fees or charges for sewer, water, and refuse collection services, no property related fee or charge shall be imposed or increased unless and until that fee or charge is submitted and approved by a majority vote of the property owners of the property subject to the fee or charge or, at the option of the agency, by a two-thirds vote of the electorate residing in the affected area. “
(emphasis added)

In other words, fees for sewer, water and refuse collection are clearly property related fees. Moreover, property related fees for sewer, water and refuse collection are commonly used throughout California as the primary funding source for these services. Private refuse collection companies often provide their services exclusively paid for by property related fees.

Providers of sewer, water and refuse collection services deliver their services directly to property in a variety of ways. For example, refuse collectors remove refuse directly from each property. The costs of this refuse collection is paid for by a property related fee. Many costs may be included in the collection of this refuse including the costs of operating the central refuse collection facilities, the costs associated with an outreach program that promotes recycling, the costs of safety training for staff, the costs of testing of refuse for contaminants prior to being sent to a landfill, the costs of illegal dumping mitigation and/or the costs of pursuing individual polluters to the refuse stream. All of these costs are blended together and shared equitably in the fee for this property related service. Although some of these services may not directly “touch” individual properties subjected to the fee, they are direct services. These services are actually used by, or are immediately available to property, and have a direct relationship to property.

Similarly, each property subject the proposed Clean Water fee generates polluted water runoff that would be addressed and mitigated by the clean water and pollution control services and facilities. Moreover, the clean water and pollution control services and facilities to be funded by the proposed Clean Water fee includes the direct removal of trash and other pollutants from the collection and conveyance system directly adjacent to individual properties that generate water runoff; the operations of central storm drainage facilities, community outreach promoting the elimination of pollutants for the storm drainage system as well as testing for and monitoring of potential pollutants. These services are needed for water runoff generated by each property and have a direct relationship to property.

VII. JUSTIFICATION THAT PROPOSED CLEAN WATER AND POLLUTION CONTROL SERVICES AND FACILITIES MAY BE FUNDED BY A PROPERTY RELATED FEE

The proposed Clean Water fee is a property related service fee because it funds a public service having a direct relationship to the ownership of property. The Clean Water fee can fund all activities required by the permits because the lawful operation of the storm drainage facilities is conditional on implementation of all clean water permit and storm drainage facility operational mandates.

VIII. LIMITATIONS OF PROPOSED CLEAN WATER FEE

The proposed Clean Water fee is a critical financial component of each of the Permittees overall funding strategy to provide required clean water and pollution control services and facilities

and comply with federal and state mandates. However, in each case, the Permittees will rely on funding from other sources in addition to the proposed Clean Water fee to satisfy these requirements.

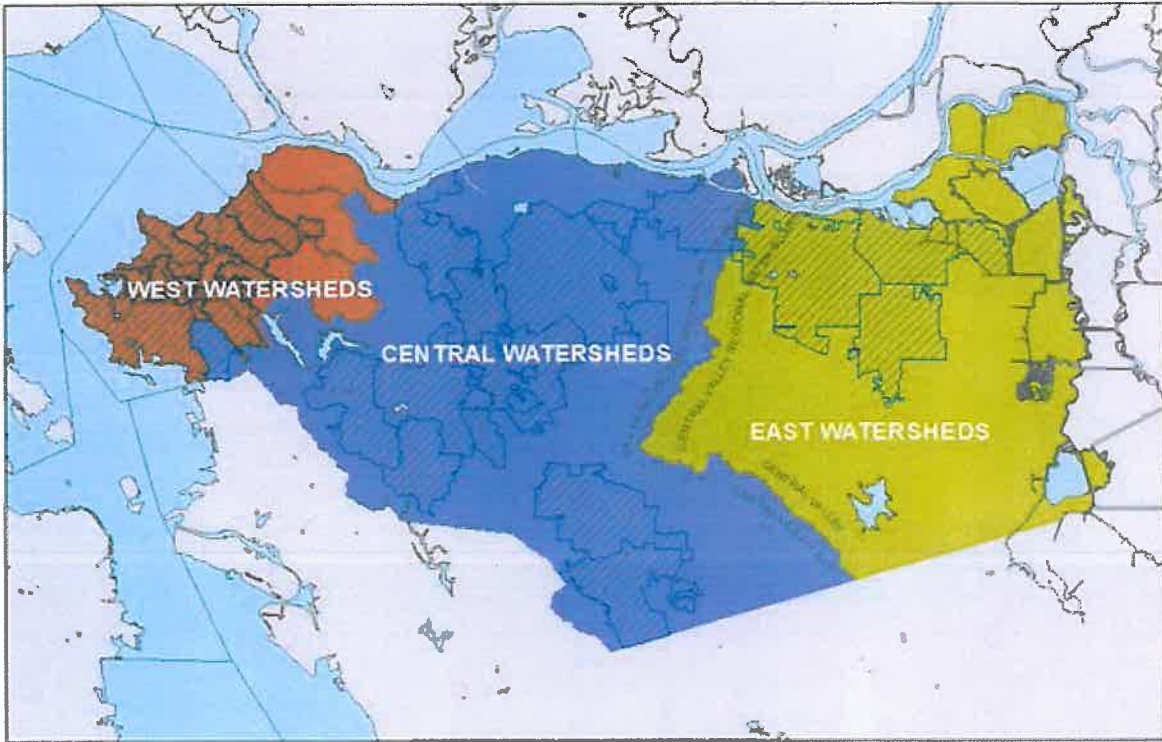
IX. SUMMARY OF ELEMENTS OF PROPOSED 2012 COMMUNITY CLEAN WATER INITIATIVE

The proposed Clean Water fee is a countywide, watershed-based, three-tiered rate, balloted, property-related fee. The proposed Clean Water fee rates for properties are based upon impervious area and individually calculated for each parcel, based upon attributes such as use and size. The base rate for a typical single family home is \$19 per year in the West Watersheds, \$22 per year in the Central Watersheds (which includes El Cerrito and Pittsburg) and \$12 in the East Watersheds. The unincorporated county parcels are subject to a \$19 per year Clean Water fee (See Figure 1, below). Note that these rates are a maximum “ceiling” and that Permittees are obligated to reduce the annual Clean Water fee in future years if it exceeds the reasonable costs of services and improvements provided.

The Clean Water fee includes fiscal accountability and administrative elements, fully described later in this report, including: creation of an Independent Citizens Oversight Committee, mandatory annual audits, a cost-of-living-adjustment mechanism, and an expiration date. There are no exemptions or discounts. The revenue generated by the Clean Water fee will be completely returned to the Permittee where it was collected, less county collection fees and other minor administrative costs (commonly known as “100% return to source”). There is a specified appeals process to allow property owners to challenge the calculated Clean Water fee amount.

Figure 1. Watershed Groups

WEST, CENTRAL & EAST WATERSHEDS



1.0 PERMIT REQUIREMENTS AND SCOPE OF SERVICES

I. INTRODUCTION

The Contra Costa Clean Water Program is comprised of the local “Permittee” agencies of the cities of Antioch, Brentwood, Clayton, Concord, El Cerrito, Hercules, Lafayette, Martinez, Oakley Orinda, Pinole, Pittsburg, Pleasant Hill, Richmond, San Pablo, San Ramon, and Walnut Creek, the towns of Danville and Moraga, Contra Costa County, and the Contra Costa County Flood Control and Water Conservation District. The Permittees are required to submit a permit application (Report of Waste Discharge) to cover their discharge requirements under the NPDES permit to discharge stormwater runoff from storm drains and watercourses within the Contra Costa Permittees’ jurisdictions.

The West, Central and South County Permittees are currently subject to the San Francisco Bay Regional Water Quality Control Board NPDES Permit No. CAS612008, October 14, 2009. The current Permit for East County, including the cities of Antioch, Brentwood and Oakley, as well as the corresponding portions of unincorporated Contra Costa County and the Contra Costa County Flood Control District, is the September 23, 2010 Central Valley Regional Water Quality Control Board Municipal NPDES Permit R5-2010-0102.

Revenue generated from the Clean Water fee defined in this Report will fund the implementation of the mandated clean water and pollution control services and facilities described in the applicable Permits and in the next section. (This list is based upon the 2009 San Francisco Bay permit and the 2010 Central Valley permit. Reference is made to the actual Permit documents for full details on the required clean water and pollution control services and facilities.)

The clean water and pollution control services and facilities to be funded by the proposed Clean Water fee will be summarized in the documents required for the ballot proceeding (including the Notice of Public Hearing, Ballot Guide and Ballot) as:

- Protect local sources of clean drinking water from contamination and pollution
- Remove harmful and dangerous pollutants, toxic chemicals, and potentially infectious bacteria and viruses from our local creeks, reservoirs, lakes, and the Delta and the Bay
- Capture, clean and use rainwater to irrigate local parks and landscaping. This “rainwater harvesting” will also decrease the impacts of potentially polluted stormwater and urban runoff on local creeks, reservoirs, lakes, the Delta and Bay
- Prevent illegal or toxic discharges from industrial and commercial properties
- Keep trash and pollution off our shorelines and out of our local creeks, reservoirs, lakes, and the Delta and the Bay

- Provide other clean water and pollution control services and facilities required by Federal and State regulations

II. PERMIT REQUIREMENTS

National Pollutant Discharge Elimination System Permits have traditionally been re-issued on a five year cycle, and typically become more rigorous with each issue. The San Francisco Bay Permit issued to West, South and Central Contra Costa County Permittees includes the following improvement goals:

- Consolidation of municipal stormwater permits into consistent regional permits.
- Inclusion of more specificity in the permit language and requirements including creation of required stormwater management actions; a specific level of implementation for each action or set of actions and reporting and effectiveness evaluation requirements for each action sufficient to determine compliance.
- Incorporation of the Stormwater Management Plan level of detail and specificity into the Permit. Stormwater Management Plans have always been considered integral to the municipal stormwater NPDES permits, but have not received the level of public review in the adoption process necessary relative to their importance in adequate stormwater pollutant management implementation.
- Implementation and enhancement actions to control specific listed pollutants and pollutants of concern, and to achieve Waste Load Allocations adopted under Total Maximum Daily Loads.
- Implementation of more specific and comprehensive stormwater monitoring, including monitoring for specific listed pollutants.

The 2010 Central Valley Permit issued to East Contra Costa County Permittees includes the following improvement goals:

- Facilitation of the Permittees' ongoing involvement in and collaboration with the Contra Costa Clean Water Program, including the implementation of countywide and regional activities that benefit water quality.
- Providing consistency, where possible, with the Municipal Regional Permit, Order R2-2009-0074, NPDES Permit No. CAS 612008 issued by the San Francisco Bay Water Board to Contra Costa County, the Contra Costa Flood Control and Water Conservation District, and 16 cities in Contra Costa County within the San Francisco Bay Water Board's jurisdiction.

- Incorporation of different or additional requirements, where necessary, to implement the Water Quality Control Plan for the Sacramento and San Joaquin River Basins (Fourth Edition) and other Central Valley Water Board policies, including the Sacramento-San Joaquin Methylmercury TMDL adopted in April 2010.
- Inclusion of more specificity in the permit language and requirements including creation of required stormwater management actions; a specific level of implementation for each action or set of actions and reporting and effectiveness evaluation requirements for each action sufficient to determine compliance.
- Incorporation of the Stormwater Management Plan level of detail and specificity into the Permit. Stormwater Management Plans have always been considered integral to the municipal stormwater NPDES permits, but have not received the level of public review in the adoption process necessary relative to their importance in adequate stormwater pollutant management implementation.
- Implementation and enhancement actions to control specific listed pollutants and pollutants of concern, and achieve Waste Load Allocations adopted under Total Maximum Daily Loads.
- Implementation of more specific and comprehensive stormwater monitoring, including monitoring for specific listed pollutants.

III. PERMIT IMPLEMENTATION

These Permit goals were manifested into the Permit language as specific tasks, services, policies and requirements. Each of the Permittees is individually responsible for adoption and enforcement of requirements, for implementation of assigned control measures or best management practices (“BMP”s) needed to prevent or reduce pollutants in stormwater, and for providing funds for the capital, operation, and maintenance expenditures necessary to implement such control measures/BMPs within its jurisdiction. Each Permittee is also responsible for its share of the costs of the area-wide component of the countywide program to which the Permittee belongs. Enforcement actions concerning non-compliance with the Permit will be pursued against individual Permittees responsible for specific violations of the Permit.

IV. DISCHARGE PROHIBITIONS

Permittees are required, within their respective jurisdictions, to effectively prohibit the discharge of non-stormwater into storm drain systems and watercourses, although certain

NPDES-permitted discharges are exempt from this prohibition. Permittees are required to prevent discharge of rubbish, refuse, bark, sawdust, or other solid wastes into surface waters or at any place where they would contact or where they would be eventually transported to surface waters, including flood plain areas. This includes protecting local sources of clean drinking water from contamination and pollution, removing harmful and dangerous pollutants, toxic chemicals, and potentially infectious bacteria and viruses from our local creeks, reservoirs, lakes, and the Delta and the Bay.

V. RECEIVING WATER LIMITATIONS

Permittees are required to prevent the discharge into surface waters the following conditions that create a condition of nuisance or to adversely affect beneficial uses of waters of the State:

(For the San Francisco Bay Permit)

- Floating, suspended, or deposited macroscopic particulate matter, or foam;
- Bottom deposits or aquatic growths;
- Alteration of temperature, turbidity, or apparent color beyond present natural background levels;
- Visible, floating, suspended, or deposited oil or other products of petroleum origin; and
- Substances present in concentrations or quantities that would cause deleterious effects on aquatic biota, wildlife, or waterfowl, or that render any of these unfit for human consumption.

(For the Central Valley Permit)

- Concentrations of dissolved oxygen to fall below 5.0 mg/l for Delta waters.
- Oils, greases, waxes, or other materials to form a visible film or coating on the water surface or on the stream bottom.
- Oils, greases, waxes, floating material or suspended material to create a nuisance or adversely affect beneficial uses.
- Aesthetically undesirable discoloration.
- Fungi, slimes, or other objectionable growths.
- The 30-day average for turbidity to increase as follows:
 - More than 1 Nephelometric Turbidity Units (NTUs) where natural turbidity is between 0 and 5 NTUs.
 - More than 20 percent where natural turbidity is between 5 and 50 NTUs.
 - More than 10 NTUs where natural turbidity is between 50 and 100 NTUs.
 - More than 10 percent where natural turbidity is greater than 100 NTUs.
- The normal ambient pH to fall below 6.5, exceed 8.5, or change by more than 0.5unit.
- Deposition of material that causes nuisance or adversely affects beneficial uses.

- Taste or odor-producing substances to impart undesirable tastes or odors to fish flesh or other edible products of aquatic origin or to cause nuisance or adversely affect beneficial uses.
- Radionuclides to be present in concentrations that exceed maximum contaminant levels specified in the California Code of Regulations, Title 22; that harm human, plant, animal or aquatic life; or that result in the accumulation of Radionuclides in the food web to an extent that presents a hazard to human, plant, animal, or aquatic life.
- Aquatic communities and populations, including vertebrate, invertebrate, and plant species, to be degraded.
- Toxic pollutants to be present in the water column, sediments, or biota concentrations that produce detrimental physiological responses in human, plant, animal, or aquatic life; or that bioaccumulate in aquatic resources at levels which are harmful to human health.
- In waters designated for contact recreation (REC-1), the fecal coliform concentration based on a minimum of not less than five samples for any 30-day period shall not exceed a geometric mean of 200/100 ml, nor shall more than ten percent of the total number of samples taken during any 30-day period exceed 400/100 ml.
- Violation of any applicable water quality standard for receiving waters adopted by the Central Valley Water Board or the State Water Board pursuant to the CWA and regulations adopted thereunder.
- Upon approval of the Delta Mercury Control Program by US EPA, the methylmercury waste load allocations for the Permittees, by Delta subregion, are:
 - Central Delta 0.75 grams/year;
 - Marsh Creek 0.30 grams/year; and
 - West Delta 3.2 grams/year.
- The final compliance date for the waste load allocations is 2030. Compliance with the methylmercury waste load allocations shall be met as soon as possible, but no later than 2030, unless the Central Valley Water Board modifies the Delta Mercury Control Program implementation schedule and Final Compliance Date.

VI. COMPLIANCE WITH DISCHARGE PROHIBITIONS AND RECEIVING WATER LIMITATIONS

Municipal Operations

Street and Road Maintenance

Permittees are required to coordinate with sewer agencies to determine if disposal to the sanitary sewer is available for wastewater generated from municipal maintenance projects. Permittees are required to report on implementation of and compliance with maintenance Best Management Practices (“BMP”s) in the Annual Report.

Sidewalk/Plaza Maintenance and Pavement Washing

Permittees are required to implement and require others to implement for surface cleaning, which prohibit discharge of polluted wash water/non-stormwater to storm drains. Permittees are required to report on implementation of surface cleaning BMPs in the Annual Report.

Bridge and Structure Maintenance and Graffiti Removal

Permittees are required to implement BMPs for preventing polluted stormwater and non-stormwater discharges from bridge and structural maintenance activities and graffiti removal. Permittees are required to determine proper disposal for wastes from such activities and train employees and contractors to capture the waste and disposal of the waste properly. Permittees are required to report on bridge and structure maintenance and graffiti removal BMPs compliance in the Annual Report.

Stormwater Pump Stations

Permittees are required to develop and implement measures to operate, inspect, and maintain pump stations to eliminate non-stormwater discharges from storm drains. Permittees are required to create an inventory of all pump stations in their jurisdiction, including locations and key characteristics. Permittees are required to inspect and collect data from all pump stations at specified frequencies. Permittees are required to report in the Annual Report and maintain records of inspection, maintenance, and volume of waste removed from pump stations.

Rural Public Works Construction and Maintenance

Permittees are required to implement and require contractors to implement BMPs for erosion and sediment control during and after construction maintenance on rural roads and provide training for maintenance staff. Permittees are required to provide training for maintenance staff on rural road BMPs at specified frequencies. Permittees are required to report on the implementation and compliance with BMPs for rural public works construction and maintenance in the Annual Report. Permittees are required to implement an inspection program to maintain structural integrity and prevent water impacts.

Corporation Yard BMP Implementation

Each corporation yard is required to have a site specific Stormwater Pollution Prevention Plan (SWPPP) that includes all applicable BMPs, as appropriate, including implementation of BMPs to minimize pollutant discharges in stormwater and prohibit non-stormwater discharges from corporation yards; creation of an inspection form; routine inspection of corporation yards; pumping of all vehicle and equipment washing areas to sanitary sewers; use of dry clean-up methods at the yard and collection of any wash water if wet clean-up methods are used; disposal of wash water to sanitary or municipal treatment plant; covering and/or berming of all storage areas containing waste pollutants, and reporting of all corporation yard BMPs and implementation of the SWPPP in the Annual Report.

New Development and Redevelopment

New Development and Redevelopment Performance Standard Implementation

Permittees are required to have adequate legal authority to implement all requirements of new development and redevelopment requirements and have adequate development review and permitting procedures to impose conditions of approval or other enforceable mechanisms to implement these requirements. For projects discharging directly to specific listed water bodies, the conditions of approval must require that post development runoff not exceed predevelopment levels for such pollutants that are listed. Permittees must evaluate potential water quality effects and identify appropriate mitigation measures when conducting environmental reviews, such as CEQA. Permittees must provide training adequate to implement these requirements for staff, including interdepartmental training.

Permittees must provide outreach adequate to implement these requirements including providing education materials to municipal staff, developers, contractors, construction site operators, and owners/builders, early in the planning process and as appropriate. Permittees must revise, as necessary, General Plans to integrate water quality and watershed protection with water supply, flood control, habitat protection, groundwater recharge, and other sustainable development principles and policies and to require implementation. Rain water reuse may be implemented as part of this element. Permittees are required to provide a brief summary of methods of implementation of new development and redevelopment requirements in the Annual Report.

Green Streets Pilot Projects

Permittees are required to require all projects fitting certain category descriptions to implement Low Impact Development (“LID”) source control, site design, and stormwater treatment onsite or at a joint stormwater treatment facility. Permittees are required to cumulatively complete by the end of the permit term a specified number of green street projects that incorporate LID tech. Permittees are required to conduct appropriate monitoring of green street pilot projects to document the water quality benefits achieved. Permittees are required to develop and maintain an electronic database or equivalent tabular format that contains all the relevant information.

Low Impact Development (LID)

Permittees are required to implement certain source control requirements and report on the criteria and procedures employed to determine when harvesting and reuse, infiltration, or evapotranspiration is feasible. Permittees are required to submit a report on their experience with determining infeasibility of harvesting and reuse, infiltration, or evapotranspiration at certain sites. Permittees are required to submit a proposed set of model biotreatment soil media specifications and soil infiltration testing methods to verify a long-term infiltration. Permittees are also required to submit proposed minimum specifications for green roofs.

Required Site Design Measures for Small Projects and Single Family Homes

Permittees must require all development projects that create and/or replace a specified quantity of impervious surface to implement one or more specific stormwater lot-scale BMPs.

Industrial and Commercial Site Controls

Permittees are required to have legal enforcement authority to obtain effective stormwater pollutant control on industrial sites including the ability to require implementation of appropriate BMPs and correction of violations prior to next rain event or wet weather. Permittees are required to develop and implement an inspection plan that includes a list of industrial and commercial facilities requiring inspections, field inspections, and a prioritization of inspection frequency based on pollutant sources. Permittees are required to report a list of facilities in the Annual Report (updated for each year) and list of facilities scheduled for inspection during the current fiscal year in the Annual Report.

Enforcement Response Plan

Permittees are required to develop and implement an enforcement response plan that contains required enforcement actions, and timely correction of violation protocols. Permittees are required to maintain a database of all inspection activities. Permittees are required to report in each Annual Report the number of inspections, violations, summary of frequency and types of violations and inspections.

Staff Training

Permittees are required to provide training for inspectors annually and record inspector trainings in the Annual Report.

Illicit Discharge Detection and Elimination

Legal Authority and Enforcement Response Plan

Permittees are required to have the legal authority to prohibit and control illicit discharges and escalate stricter enforcement to achieve expedient compliance. Permittees are required to develop and implement an enforcement response plan that contains required enforcement actions and timely correction of violations.

Spill and Dumping Response, Complaint Response, and Frequency of Inspections

Permittees are required to have a central contact point and phone number to respond to complaints, spills, and dumping and conduct reactive inspections to resolve illicit connections and discharges; and include in the Annual Report.

Control of Mobile Sources

Permittees are required to develop and implement a program to control pollutants from mobile sources and include in the Annual Report.

Collection System Screening

Permittees are required to perform routine surveys for illicit discharges and illegal dumping and include in the Annual Report.

Tracking and Case Follow Up

Permittees are required to log all incidents and discharges that pose a threat to water quality in a database and report in the Annual Report.

Construction Site Control

Legal Authority and Enforcement Response Plan

Permittees are required to have the legal authority to enforce construction site controls. Permittees are required to develop and implement enforcement response plan that will promote consistent, progressive and timely corrective actions on construction sites.

Best Management Practices

Permittees are required to require all construction sites have appropriate, seasonally and phase-specific, and effective BMPs.

Plan Approval Process

Before approval and issuance of local grading permits, Permittee are required to review erosion control plan or Stormwater Pollution Prevention Plan (SWPPP) to verify compliance with Permittee's grading ordinance and other local requirements.

Inspections

Permittees are required to conduct inspections to determine compliance with local ordinances (grading and stormwater) and determine the effectiveness of BMPs and require timely corrections of all actual and threatened violations of local ordinances observed. Permittees are required to remind all site developers and/or owners disturbing one acre or more of soil to prepare for the upcoming wet season by September 1st of each year. Permittees are required to conduct monthly inspections during the wet season (i.e., October - April) and record in the Annual Report.

Staff Training

Permittees are required to provide training or access to training for conducting construction stormwater inspections at least every other year. Training topics should include proper BMP selection, implementation and maintenance, permit and local requirements. Permittees are required to report on the staff training in the Annual Report.

Public Information and Outreach

Storm Drain Inlet Marking

Permittees are required to mark and maintain at least 80 percent of municipally-maintained storm drain inlets with an appropriate stormwater pollution prevention message, such as “No dumping, drains to Bay” or equivalent. For newly approved, privately maintained streets, Permittees shall require inlet marking by the project developer upon construction and maintenance of markings through the development maintenance entity. Permittees are required to report on the storm drain inlet marking in the Annual Report.

Advertising Campaigns

Permittees are required to participate in or contribute to advertising campaigns on trash/litter in waterways and pesticides with the goal of significantly increasing overall awareness of stormwater runoff pollution prevention messages. Permittees are required to report on the advertising campaigns in the Annual Report.

Media Relations - Use of Free Media

Permittees are required to participate in or contribute to a media relations campaign, and maximize the use of free media/media coverage with the objective of significantly increasing the overall awareness of stormwater pollution prevention messages and associated behavioral changes. Permittees are required to conduct a minimum of six pitches (e.g., press releases, public service announcements, and/or other means) per year at the county-wide program, regional, and/or local levels. Permittees are required to report details of the media relations campaign in the Annual Report.

Stormwater Point of Contact

Permittees are required to create and maintain a point of contact, (e.g., phone number or website) to provide the public with information on watershed characteristics and stormwater pollution prevention alternatives.

Public Outreach Events

Permittees are required to participate in and/or host events such as fairs, shows, workshops, (e.g., community events, street fairs, and farmers’ markets), to reach a broad spectrum of the community with both general and specific stormwater runoff pollution prevention messages. Each Permittee is required to annually participate and/or host the number of events according to its population. Permittees are required to report details of the public outreach events campaign in the Annual Report.

Watershed Stewardship Collaborative Efforts

Permittees are required to support watershed stewardship collaborative efforts of community groups. Permittees are required to report details of the watershed stewardship collaborative efforts in the Annual Report.

Citizen Involvement Events

Permittees are required to support citizen involvement events, such as creek/shore clean-ups, adopt-an-inlet/creek/beach programs, and volunteer monitoring. Each Permittee is required to annually sponsor and/or host a specified number of citizen involvement events and report details of the citizen involvement events in the Annual Report.

School-Age Children Outreach

Permittees are required to individually or collectively implement outreach activities designed to increase awareness of stormwater and/or watershed messages in school-age children, and report details of the school-age children outreach in the Annual Report.

Outreach to Municipal Officials

Permittees are required to conduct outreach to municipal officials to significantly increase overall awareness of stormwater and/or watershed messages among regional municipal officials, and report details of the outreach to municipal officials in the Annual Report.

Water Quality Monitoring

Permittees are required to implement an array of water quality monitoring compliance strategies and report on these strategies.

Pesticides Toxicity Control

Adopt an Integrated Pest Management Policy (“IPM”) or Ordinance

Permittees are required to adopt an IPM policy or ordinance that minimizes reliance on pesticides and uses IPM in municipal operations on municipal property, and submit a copy of IPM ordinance or policy in the Annual Report.

Implement IPM Policy or Ordinance

Permittees are required to ensure implementation of IPM policy or ordinance and report on implementation by showing trends in quantities and types of pesticide used.

Train Municipal Employees

Permittees are required to train municipal employees who apply or use pesticides in IPM practices and the Permittee's IPM policy. Permittees are required to report the percentage of municipal employees who are trained in IPM within the last three years and are required to submit training materials upon request.

Require Contractors to Implement IPM

Permittees are required to hire IPM-certified contractors or require contracts with applicators that include IPM implementation. Permittees are required to submit documentation to confirm compliance with contract specification for IPM in the Annual Report.

Track and Participate in Relevant Regulatory Processes

Permittees are required to participate in regulatory processes including United States Environmental Protection Agency pesticide evaluation and registration, DPR pesticide evaluation, assist DPR and County Agricultural Commissioners and provide comment letters.

Interface with County Agricultural Commissioners

Permittees are required to maintain regular communications with County Agricultural Commissioners and report in the Annual Report improper pesticide usage reported to county Agricultural Commissioners and follow-up actions to correct violations.

Evaluate Implementation of Source Control Actions Relating to Pesticides

Permittees are required to evaluate the effectiveness of the control measures implemented through monitoring data regarding pest management and identify improvements to existing control measures, and attain targets with an implementation time if needed; and report details of the pest management in the Annual Report.

Public Outreach and Contractor Outreach

Permittees are required to conduct outreach to consumers at point of purchase, to residents who use or contract for structural or landscape pest control, and to Pest Control Operators; and report on activities in the Annual Report.

Trash Load Reduction

Short-Term Trash Load Reduction

Permittees are required to submit a short-term plan that includes an implementation schedule to reduce trash loads by 40% by July 1, 2014 by establishing a baseline trash load, establishing trash BMPs, and installing trash capture devices. Permittees are required to determine baseline trash load and tracking methodologies, submit a progress report on the process for determining the baseline trash level, and summary of approach being used, and install and maintain a mandatory minimum number of full trash capture devices.

Trash Hot Spot Selection and Cleanup

Permittees are required to clean-up selected hot spots at least once per year, select and submit trash hot spots to the RWQCB and include an initial assessment of each hot spot including clean-up, photo-documentation, and identifying the dominant types of trash removed. Permittees are required to quantify the volume of material removed from each trash hot clean-up and identify and photo-document the dominant types of trash.

Long-Term Trash Load Reduction

Permittees are required to submit a long-term trash load reduction plan, including an implementation schedule. The plan is required to include control measures, BMPs, and trash reduction ordinances to attain a 70% trash load reduction from its storm drainage systems by 2017, 100% by 2022 for the San Francisco Bay Permit, as well as 70% trash load reduction from its storm drainage system by 2018, and 100% by 2023 for the Central Valley Permit.

Reporting

In each Annual Report, Permittees are required to report on trash load reduction actions including assessments of hot spots and load reduction compared to baseline.

Mercury Controls (Requirements for Central Valley Permit Vary)

Permittees are required to promote, facilitate, and/or participate in collection and recycling of mercury containing devices and equipment at the consumer level (e.g., thermometers, thermostats, switches, bulbs), and report detail in the Annual Report.

Monitor Methylmercury

Permittees are required to monitor for methylmercury.

Pilot Projects to Investigate and Abate Mercury Sources to Storm Drains

Permittees are required to identify a specified number of pilot drainages in the Bay Area with high PCBs, conduct reconnaissance in pilot drainages, test sediments in storm drains and conveyances to characterize mercury concentrations, evaluate monitoring data and determine if a mercury sediment abatement program would reduce loading significantly, and report on mercury-related aspects of work and loads abated.

Conduct Pilot Projects to Evaluate and Enhance Municipal Sediment Removal and Management Practices

In the pilot drainages, Permittees are required to evaluate ways to enhance existing municipal sediment removal /management practices such as municipal street sweeping, curb clearing parking restrictions, and inlet / catch basin cleaning,

Conduct Pilot Projects to Evaluate On-Site Stormwater Treatment via Retrofit

Permittees are required to identify a specific number of locations with opportunities to install on-site treatment systems (e.g., detention basins, bioretention units, sand filters, infiltration basins, treatment wetlands) and assess the best treatment options for those locations.

Diversion of Dry Weather and First Flush Flows to Publicly Owned Treatment Works ("POTW")

Permittees are required to assess the feasibility of diverting flows to sanitary sewers to be treated by the local POTWs. Permittees are required to work with local POTWs on a watershed, program, or regional level on the feasibility and cost sharing agreements. Permittees are

required to implement flow diversion to sanitary sewer at the pilot pump stations, and monitor and measure PCB and mercury load reductions. Permittees are required to report details in the Annual Report.

Fate and Transport Study of Mercury in Urban Runoff

Permittees are required to conduct or cause to be conducted studies aimed at better understanding the fate, transport and biological uptake of mercury discharged in urban runoff to the Bay and tidal areas.

Development of a Risk Reduction Program Implemented Throughout the Region

Permittees are required to develop and implement or participate in effective programs to reduce mercury-related risks to humans and quantify resulting risk reductions.

Develop Allocation Sharing Scheme with Caltrans

Permittees are required to develop equitable mercury allocation-sharing scheme in consultation with Caltrans to address their facilities in the Program area.

Mercury and Methylmercury Control within Central Valley Permit

Permittees subject to the Central Valley permit are required to perform tasks including mercury collection and recycling; methylmercury monitoring; development of pilot projects to evaluate and enhance municipal sediment removal; methylmercury exposure reduction public education; outreach and participation; methylmercury control studies; and reporting.

Polychlorinated Biphenyls (PCBs) Controls (San Francisco Bay Permit only)

Implement Project throughout Region to Incorporate PCBs and PCB-Containing Equipment Identification into Existing Industrial Inspections

Permittees are required to develop training materials and train municipal inspectors to identify, in the course of their existing inspections, PCBs or PCB-containing equipment. Permittees are required to incorporate such PCB identification into industrial inspection programs. Where inspectors identify during inspections PCBs or PCB-containing equipment, the Permittees are required to document incidents in inspection reports and refer to appropriate regulatory agencies (e.g., county health departments, and the Department of Toxic Substances Control)

Conduct Pilot Projects to Evaluate Managing PCB-Containing Materials and Wastes During Building Demolition and Renovation

Permittees are required to develop a Sampling and Analysis Plan (SAP) to evaluate PCBs at construction sites that involve demolition activities, implement SAP at a minimum of 10 sites distributed throughout combined Permittee's jurisdictions, develop/select BMPs to reduce/prevent PCB discharges during demolition/remodeling, and develop model ordinances or policies, train and deploy inspectors and pilot test BMPs at a specified number of sites.

Pilot Projects to Investigate and Abate On-Land Locations with Elevated PCBs

Permittees are required to identify a specified number of pilot drainages in Bay Area with high PCBs, and interview municipal staff and review municipal databases, other agency files, and other available information to identify potential PCB source areas and areas where PCB-contaminated sediment accumulates, including within stormwater conveyances. Permittees are required to conduct reconnaissance surveys of the drainage and information concerning past or current use of PCBs to further identify potential source areas and determine whether runoff from such locations is likely to convey soils/sediments with PCBs to municipal storm drainage systems. Permittees are required to validate existence of elevated PCB concentrations through surface soil/sediment sampling and analysis where visual inspections and/or other information suggest potential source areas within each drainage. Where data confirm elevated PCB/Hg levels, Permittees are required to identify areas for expedited abatement on the basis of loading potential including factors such as PCB concentration, mass of sediment, and mobilization potential and/or human health protection thresholds, such as California Human Health Screening; and conduct an abatement program for portions of drainages under their jurisdiction in conjunction with Water Board and other appropriate agencies. Permittees are required to report on the identified suspect drainage area, of abatement program effectiveness and estimates of loads reduced in the Annual Report.

Pilot Projects to Evaluate and Enhance Municipal Sediment Removal and Management Practices

In the pilot drainages, Permittees are required to evaluate ways to enhance existing municipal sediment removal/management practices such as municipal street sweeping, curb clearing parking restrictions, inlet / catch basin cleaning, creek and storm drains. Based upon existing information, Permittees are required to evaluate the cost-effectiveness of high-efficiency street sweepers to reduce pollutant loads and develop recommendations for follow-up studies. Beginning July 1, 2011, Permittees are required to implement pilot studies in pilot drainages of the most potentially effective measure(s) based upon the above two evaluations.

Conduct Pilot Projects to Evaluate On-Site Stormwater Treatment via Retrofit

Permittees are required to identify a specified number of locations with opportunities to install on-site treatment systems (e.g., detention basins, bioretention units, sand filters, infiltration basins, treatment wetlands) and assess the best treatment options for those locations to address PCBs. Details of these pilot projects should be reported in the Annual Report.

Diversion of Dry Weather and First Flush Flows to Publicly Owned Treatment Works ("POTW")

Permittees are required to conduct a feasibility study on diverting flows to sanitary sewers to be treated by the local POTWs. Permittees are required to select a specified number of pump stations for diversion and alternates, construct diversion facilities at these locations, including design, permitting, and capital/construction. Permittees are required to monitor diversion and measure PCBs and mercury load reductions and include details in the annual Report.

Permittees are required to develop and implement a monitoring program as required in order to quantify PCBs loads and loads reduced through source control, treatment and other management measures implemented as part of the pilot studies.

Fate and Transport Study of PCBs in Urban Runoff

Permittees are required to conduct or cause to be conducted studies aimed at better understanding of the fate, transport and biological uptake of PCBs discharged in urban runoff.

Development of a Risk Reduction Program Implemented Throughout the Region

Permittees are required to develop and implement or participate in effective programs to reduce PCB-related risks to humans and quantify the resulting risk reductions from these activities.

Copper Controls (San Francisco Bay Permit only)

Manage Waste Generated from Cleaning and Treating of Copper Architectural Features, Including Copper Roofs, during Construction and Post-Construction

Permittees are required to ensure they have local ordinance authority to prohibit discharge of wastewater to storm drains generated from the installation, cleaning, treating, and washing of copper architectural features, including copper roofs, to storm drains. Permittees are required to develop BMPs to manage waste during and post construction, require use of BMPs when issuing building permits, educate installers and operators on appropriate BMPs, enforce against non-compliance, evaluate effectiveness of these measures and propose new measures and report in the Annual Report.

Manage Discharges from Pools, Spas, and Fountains that Contain Copper-Based Chemicals

Permittees are required to prohibit discharges to storm drains from pools, spas, fountains that contain copper-based chemicals.

Vehicle Brake Pads

Permittee are required to engage in efforts to reduce the copper discharged from auto brake pads by participating in the Brake Pad Partnership.

Industrial Sources

Permittees are required to identify facilities likely to use copper or have sources of copper (e.g., plating facilities, metal finishers, auto dismantlers) and include them in their inspections. Permittees are required to educate industrial inspectors on industrial facilities likely to use copper or have sources of copper and proper BMPs for them. As part of the inspection, Permittees are required to ensure that proper BMPs are in place, including consideration of roof runoff that might accumulate copper deposits from ventilation systems.

Studies to Reduce Copper Pollutant Impact Uncertainties

Permittees are required to conduct or cause to be conducted technical studies to investigate possible copper sediment toxicity and studies to investigate sub-lethal effects on salmonids.

Polybrominated Diphenyl Ethers (PBDE), Legacy Pesticides and Selenium (San Francisco Bay Permit only)

Control Program for PBDEs, Legacy Pesticides, and Selenium

Permittees are required to work with other stormwater management agencies to implement a plan to identify, assess and manage controllable sources of PBDEs, legacy pesticides, and selenium found in urban runoff, if any. The PBDEs/Legacy Pesticide/Selenium Plan are required to characterize the representative distribution of PBDEs, pesticides and selenium in the urban areas of the Bay region.

Exempted and Conditionally Exempted Discharges

Exempted Non-Stormwater Discharges

In carrying out Discharge Prohibition A.1, certain unpolluted non-stormwater discharges listed in the permit are exempted from the prohibition against non-stormwater discharges.

Conditionally Exempted Non-Stormwater Discharges

Proposed new discharges of uncontaminated groundwater at flows of specified amounts or more and all new discharges of potentially contaminated groundwater are required to be reported to the Water Board so they can be subject to NPDES permitting requirements. Proposed new discharges of uncontaminated groundwater at flows of less than specified amounts are required to be encouraged to discharge to a landscape area or bioretention unit that is large enough to accommodate the volume. Permittees that are water purveyors are required to implement applicable permit provisions (i.e., BMPs, notification requirements, and monitoring and reporting requirements) for planned and unplanned discharges from potable water distribution systems. Permittees are required to implement or require fire fighting personnel to implement specified BMPs and procedures outlined in this provision for emergency discharges (i.e., firefighting, floods, unauthorized hydrant openings, natural or man-made disasters). Permittees are required to discourage through outreach efforts individual residential car washing. Permittees are required to encourage individuals that wash their own cars to direct car wash waters to landscaped areas, use as little detergent as necessary. Permittees are required to prohibit swimming pool, hot tub, spa, and fountain water discharges containing chlorine residua, copper, algacide, filter backwash or other pollutants. Permittees are required to require that new or rebuilt swimming pools, hot tubs, spas and fountains within their jurisdictions have a connection to the sanitary sewer to facilitate draining events. Permittees are required to improve their public outreach and education efforts to ensure implementation of required BMPs for commercial, municipal, and residential facilities (i.e.,

pools, hot tubs, spas and fountains). Permittees are required to implement the Illicit Discharge plans for polluted pool, hot tub, spa or fountain discharges into the storm drain. Permittees are required to promote measures that minimize runoff and pollutant loading from excess irrigation and report implementation in the Annual Report.

Annual Reports

Permittees are required to annually submit an Annual Report to the RWQCB recording water quality management efforts, with details as stipulated above.

VII. EXPIRATION DATES AND FUTURE PERMITS

The San Francisco Bay Permit expires on November 30, 2014 and the Central Valley Permit expires on September 1, 2015. Future permits will replace these permits and this Clean Water fee may be used to fund new Permit requirements. Revenue from this Clean Water fee may be used to fund services and/or improvements that facilitate efficient implementation of future permit requirements. For example, both current Permits stipulate long term trash reduction requirements that extend more than five years beyond the expiration dates of the permits.

VIII. POTENTIAL FINES AND THIRD PARTY LAWSUITS

Non-compliance with Permit requirements exposes the Permittees to fines from the RWQCB as well as to potential third-party lawsuits. All Permittees must demonstrate full compliance or be subject to regulatory actions including:

- Administrative Civil Liability - \$10,000 per day of violation and/or \$10.00 per gallon of discharge
- Cease and Desist Orders for either public or private development projects
- Third Party lawsuits alleging non-compliance and recommending regulatory actions be taken against the entity until violations have been corrected or negative impacts eliminated

2.0 COSTS AND BUDGET

I. EXISTING COSTS

Costs of existing Permittee program activities were obtained directly from each Permittee during late 2010 and early 2011. The consultant team met with each Permittee, obtained and reviewed local budget spreadsheets, conducted structured interviews with the Permittee staff, and discussed methods of implementing local activities mandated by the Permit. This work is documented in the Task #1/Task #2 Report.

II. ADDITIONAL COSTS FOR FULL COMPLIANCE WITH CURRENT PERMITS

Costs associated with compliance with the current Permits were developed, task by task, by comparing each Permittee's costs with programs where staffing levels and costs fulfilled the Permit requirements. These datum staffing levels and costs were then scaled to each Permittee according to Permittee-specific attributes such as population, number of catchbasins maintained, retail/wholesale commercial acres, and trash hot spots. This work is documented in the Task #1/Task #2 Report.

Because of current fiscal difficulties, most municipalities are deferring some required maintenance on infrastructure. Some permit-mandated activities, such as staff training, routine surveillance and inspections, and outreach, are also being minimized. While these budget-balancing reductions will not necessarily compromise Permit compliance in the short term, in the long term, they could erode local program effectiveness. Therefore, the estimate incorporates minimum staffing levels that, in municipal staff's view, constitute full implementation of the Permit's intent over the longer term.

III. COSTS ASSOCIATED WITH FUTURE PERMITS INCLUDING LONG TERM TRASH REDUCTION

An additional cost factor has been added to finance future capital expenditures. Special consideration is directed to the current Permit requirements of a 70% trash load reduction from its storm drainage system by 2017, and 100% by 2022 for the San Francisco Bay Permit, as well as a 70% trash load reduction from its storm drainage system by 2018, and 100% by 2023 for the Central Valley Permit. It is anticipated that these requirements, along with other future Permit requirements including other Total Maximum Daily Load ("TMDL"), will have substantial costs. These costs were not included in the Task #1/Task #2 analyses, and as a result, have been added to the budget table.

IV. WATERSHEDS

The Permittees are organized into groups of watersheds. Watershed groups provide for an efficient and uniform approach to regional challenges, and education, as well as specific projects and improvements. Both the West and Central Watersheds are subject to the San Francisco Bay Permit and the East Watersheds are subject to the Central Valley Permit. Unincorporated Contra Costa County and the Contra Costa County Flood Control District are subject to both Permits according to geographical boundary.

West Watersheds

- Hercules
- Pinole
- Richmond
- San Pablo
- Unincorporated West Contra Costa County Communities

Central Watersheds

- Clayton
- Concord
- Danville
- El Cerrito
- Lafayette
- Martinez
- Moraga
- Orinda
- Pittsburg
- Pleasant Hill
- San Ramon
- Walnut Creek
- Unincorporated Central Contra Costa County Communities

East Watersheds

- Antioch
- Brentwood
- Oakley
- Unincorporated East Contra Costa County Communities

V. BUDGET

Detailed Budgets have been developed for each Permittee including program and local costs and revenue data, for both current and future costs. Detailed budget are included in the Task#1/Task #2 Report. Table 1 summarizes all costs by watershed.

Table 1. Detailed Local Costs by Watersheds Group

Watersheds	Local Program Administration and Outreach	Municipal Operations, Illicit Discharge, Pesticide Toxicity	Industrial and Commercial Site Controls	New Development Controls	Construction Site Controls	Trash Controls - Hot Spots	Trash - Planning & Fill Trash Capture	Estimated Dedicated Capital Costs including Long Term Trash Capture	Total
Central	\$3,865,039	\$3,737,827	\$419,479	\$130,236	\$156,588	\$50,439	\$1,779,129	\$5,958,238	\$16,096,975
East	\$1,351,079	\$2,013,725	\$88,798	\$35,307	\$66,625	\$17,460	\$364,419	\$2,266,325	\$6,203,738
West	\$1,333,206	\$1,084,718	\$87,736	\$42,732	\$45,405	\$11,640	\$332,593	\$3,746,329	\$6,684,359
Unincorporated County	\$1,236,566	\$1,121,265	\$172,078	\$11,033	\$14,853	\$21,339	\$833,867	\$2,797,250	\$6,208,251

Note that a cost component entitled “Estimated Dedicated Capital Costs including Long Term Trash Capture” has been included. This cost component represents costs associated with capital and other costs for compliance with special requirements primarily driven by Trash, Mercury and PCBs and other pollutants in the San Francisco Bay Permit, and Trash and Mercury in the Central Valley Permit. This component was not within the scope of the Task #1/Task#2 analysis but is critical cost for Permittees, and hence is included in this table. Actual costs for compliance with these and other special requirements have been conservatively estimated as up to 50% of annual costs, based on analysis of these costs for similar programs.

Budget Table 2 illustrates the “Total Additional Revenue Needed” as a subtraction of the dedicated SUA fee from the sum of the total program costs and total local costs for each watershed. This amount is compared with the revenue generated from the proposed Clean Water fee. For each watershed, the Clean Water fee revenue does not exceed the costs of services, and this shortfall will be funded from other sources. (This analysis was performed on the Permittee level and is displayed here, summarized by watershed.)

Table 2. Costs vs. Revenues by Watersheds Group

Watersheds	Total Current					Measured Single Family			Shortfall to be Funded from Other Sources (d-g)
	Total Program Costs (a)	Total Local Costs (b)	Total Costs (a+b)	Stormwater Utility Fee Revenue (c)	Total Additional Revenue Needed (d=a+b-c)	Clean Water Fee Rate (e)	Equivalent Units (f)	Fee Revenue (g=e*f)	
Central	\$2,375,908	\$16,096,975	\$18,472,883	\$8,598,123	\$9,874,760	\$22	232,072	\$5,105,592	\$4,769,168
East	\$761,125	\$6,203,738	\$6,964,863	\$1,682,322	\$5,282,541	\$12	76,020	\$912,236	\$4,370,305
West	\$737,344	\$6,684,359	\$7,421,703	\$1,068,931	\$6,352,772	\$19	65,370	\$1,242,028	\$5,110,743
Unincorporated County	\$729,206	\$6,208,251	\$6,937,457	\$2,842,506	\$4,094,951	\$19	78,857	\$1,498,291	\$2,596,660

3.0 ADMINISTRATION OF CLEAN WATER FEE

I. INTRODUCTION

The intent of the Clean Water fee is to fund water quality improvements required by the applicable San Francisco Bay and Central Valley Municipal Regional Permits, and subsequent Permits, as applicable. This Clean Water fee is intended to be focused in its use to fund water quality improvements while providing flexibility to respond to potential requirements and/or strategy modifications. Accordingly, specific administrative elements are incorporated into the Clean Water fee, as listed below.

II. ADMINISTRATIVE ELEMENTS

Annual Fee Report

In each subsequent year in which the Clean Water fee may be levied, an updated annual Fee Report, including a proposed budget and Clean Water fee rate, shall be prepared. The updated annual Fee Report shall serve as the basis for the continuation of the Clean Water fee and for any proposed cost-of-living adjustment. The updated annual Fee Report shall be presented to the Board each year.

Fiscal Controls Including Clean Water fee Expiration

All revenues from the proposed Clean Water fee will be spent only to fund the Services. One hundred percent of all Clean Water fee revenues collected will be used in the city, town or unincorporated area from which the revenues were collected. The Clean Water fee will expire after ten years.

Cost-of-Living Adjustment Mechanism

If approved by property owners, the Clean Water fee shall be imposed annually. The Clean Water fee may be adjusted in future years by an amount equal to the annual change in the Consumer Price Index for All Urban Consumers in the San Francisco Bay Area, not to exceed 2% (two percent) per year without a further vote or balloting process. Under no circumstances, can the cost of living adjustment be put in place without the proposed modification of the Clean Water fee being described in the annual Fee Report and placed on the agenda of this Board's regular meeting with an opportunity for public input and discussion.

Mandatory Annual Audits

An annual review shall be performed by the County Auditor to ensure accountability and proper disbursement of the proceeds in accordance with the objectives stated herein.

Independent Citizens' Oversight Committee

The District shall create an Independent Citizens' Oversight Committee ("Committee") to review the Annual Audit, the annual Fee Report and other records of how revenue generated by this Clean Water fee has been spent in order to ensure that such revenues have been spent only for the Services. The

Committee will be comprised of seven members of the public who own property subject to the Clean Water fee and will be comprised of citizens representing the broad perspective of Contra Costa County. The Committee will not have independent legal capacity. The Committee shall be deemed to be subject to the Ralph M. Brown Act (Gov. Code, § 54951 et seq.) and shall comply with all requirements of the Act. The District shall provide necessary administrative support to the Committee as shall be consistent with the Committee's purposes. To carry out its stated purposes, the Committee shall perform the following duties:

(a) Inform the Public: The Committee shall inform the public and the Board concerning the expenditure of Clean Water fee revenues.

(b) Review Expenditures: The Committee shall review expenditure reports and relevant documents produced by the District to ensure that Clean Water fee revenue was expended only for the Services; and

(c) Annual Committee Report and Presentation: The Committee shall present to the Board, in public session, at a regularly scheduled meeting, an Annual Committee Report.

Allocation of Revenues

All Clean Water fee revenues received by the District will be returned to the city, town or unincorporated County area from which they were collected.

Terms of Use of Revenues

All Clean Water fee revenues received by the District will be used to pay the costs of the Services.

Appeals

If a property owner disagrees with the calculation of his or her Clean Water fee, based on the property type, parcel area or impervious area assigned to the property, then the property owner may appeal the Clean Water fee calculation as follows:

A. The property owner must provide documentation to District staff, including, but not limited to:

- (1) The name, phone number and mailing address of the property owner.
- (2) The Assessor's Parcel Number of the property subject to the Clean Water fee review.
- (3) The reason why the property owners think the Clean Water fee should be revised.

B. District staff or its designee will contact the property owner if additional information is required.

C. After District staff or its designee has determined that sufficient documentation and information has been provided by the property owner, District staff or its designee will review the documentation and determine whether the Clean Water fee amount will be revised. Such determination will be made within four weeks from the date sufficient documentation was provided by the property owner.

D. If District staff determines that the Clean Water fee amount should be revised, District staff will revise the Clean Water fee amount.

E. If District staff determines that the Clean Water fee amount should not be revised, the property owner may appeal the determination to the District Chief Engineer. The District Chief Engineer will make his or her decision within four weeks of the appeal. Such decision will be final.

F. Any appeal under this section is limited to correction of a Clean Water fee during the current fiscal year and no more than the previous past two fiscal years.

Special Account. The District shall deposit into a special account(s) all Clean Water fee revenues collected by the County and shall appropriate and expend such funds only for the purposes authorized by this resolution.

Terms of Clean Water fee Imposition. The Clean Water fee shall be imposed for a term not to exceed 10 years from fiscal year 2012-13 through, and including fiscal year 2021-22.

4.0 FEE METHODOLOGY

I. INTRODUCTION TO SINGLE FAMILY EQUIVALENT FEE UNITS

Article XIID of the California Constitution requires that the proposed Clean Water fee support a “property-related service” as “a public service having a direct relationship to property ownership.” The clean water services to be funded by the proposed Clean Water fee directly relate to property ownership, and are individually calculated in proportion to specific, relevant attributes of each property. The Clean Water fee methodology is based on the proportional cost of service received by each property, in relation to a benchmark single family home, expressed on the basis of a Single Family Equivalent (“SFE”) or Fee Unit. For the purposes of this Fee Report, all properties are designated a Clean Water fee rate that is proportional to a SFE, which is each property's relative cost of service in relation to a single family home on the median sized residential parcel. The “benchmark” property is the most common parcel type in the County, which is a single family detached dwelling of the median size and impervious area representing one Single Family Equivalent (SFE).

II. PERVIOUS VERSUS IMPERVIOUS AREAS

The primary attribute which correlates with the Clean Water fee is impervious area. The amount of impervious area represents two primary contributions to site water runoff: 1.) Hydrologic principles assert that the conversion of a natural, pervious surface to an impervious surface affects surface water runoff rates and volumes. Water on an impervious surface is unable to infiltrate into the natural ground and travels across the surface at a greater rate. 2.) The use of, and activities associated with, improved, typically impervious land, contributes to the generation of pollutants that are carried in water runoff.

The relative impervious area of a parcel varies depending on the land use and size of the parcel. The California Attorney General and Courts in *Howard Jarvis Taxpayers Association v. City of Salinas* and *Howard Jarvis Taxpayers Association v. City of Roseville* and have clearly established a nexus between imperviousness and property related fees for storm drainage services, programs and improvements, including clean water and pollution control services and facilities.

The methodology for the proposed Clean Water fee relies upon imperviousness factors that have been calculated for each parcel in Contra Costa County. SCI has performed extensive analysis on parcels throughout the Contra Costa County to confirm this methodology and to calculate appropriate imperviousness factors.

III. IMPERVIOUS AREAS ASSOCIATED WITH LAND USES AND SIZES

Parcels of similar use and size contribute similar impacts to water quality and, as such, will receive similar water quality management services from the Clean Water fee. Two parcels of

differing size and use will have differing impacts and require differing types of services. The differing impacts, or types of service, can be correlated by the amount of impervious area on each parcel. By quantifying the impervious area of one parcel land use in proportion to other parcel land uses, a quantitative relationship can be established.

For example, parcels of a unique land use, such as duplexes, share common activities, typical impervious areas and similar parcel sizes. Conditions such as these allow the land use to be considered generally consistent on a per parcel basis. Other parcel use types, such as parking lots, share common activities and relative percent impervious area, while the parcel size can vary greatly. In these cases, the service can be provided on a per area basis. SCI performed an extensive study of impervious areas by property type for over 3,800 randomly selected parcels throughout the County. The extensive nature of this study ensures that the parcel impervious area findings are accurate for each property type.

IV. EXPLANATION OF SUPPORTING IMPERVIOUS ANALYSIS

As noted above, to establish the appropriate Clean Water fee for each parcel, an analysis of parcel imperviousness was performed to quantitatively measure the proportionality of services received. A statistical analysis was employed that randomly sampled the entire County to determine common imperviousness characteristics.

The analysis was performed using a database of the County's current parcel records that included over 368,000 parcels. Each parcel record includes information specific to it such as land use, parcel size, building size, and number of units. From the data base, a data set was created from a random selection of parcels grouped by land use. For each parcel randomly selected, the impervious area was measured, primarily based upon aerial photographic imagery. The measured impervious area was then compared to the measured total parcel area to establish the relative imperviousness. The relative imperviousness for each land use type was analyzed, to establish the relative median value and standard deviation. When establishing the land use groups, the median parcel size, median impervious area and median relative (percent) impervious was used.

The median value was utilized for distributions to address statistical outliers. In the case of relative imperviousness and parcel sizes, a skewed distribution is inherent to its characteristics. Additionally it can be expected that some errors and inaccuracies of the parcel size or land classification can occur in records and/or measurements. The analyzed data sets were relatively large, and the data was audited to reduce errors. The outliers with extreme or erroneous results, such as those with over 100% imperviousness, were eliminated.

The sample set size collected was large enough to provide a 95% certainty of a margin of error less than 5% with for residential properties and less than 10% for most other land use types. In significant residential property types, a lower margin of error was achieved because the large number of parcel type within the County. In many cases the size of the sample set exceeded

over 100 parcels for a particular land use. In all, over 3,800 parcels were evaluated to establish land use group characteristics such as median parcel size, median impervious area and median percent impervious. The following table provides the findings of the statistical analysis.

Table 3. Statistical Analysis Results

Land Use Description	Total Parcels in County	Samples Analyzed	Margin of Error	Median Parcel Size [sqft]	Median Impervious Area [sqft]	Median Percent Impervious [%]
Single Family Residences						
Parcels less than 5,000 sqft	40,825	386	5.0%	4,356	2,274	55%
Parcels between 5,000 sqft - 21,780 sqft	205,301	504	4.4%	9,583	4,349	45%
Parcels greater than 21,780 sqft	21,767	577	4.0%	33,106	7,912	22%
Multifamily Buildings (Duplex, Triplex, Quad, etc.)	5,353	350	5.1%	5,200	3,477	61%
Condominium Unit	50,366	221	6.6%	1,242	1,965	n/a
Improved Agriculture Land	432	96	8.8%	1,436,609	8,035	1%
Apartment Buildings	1,884	287	5.3%	11,900	9,592	78%
Parking and Storage	1,512	247	5.7%	11,326	25,672	87%
Commercial	5,833	498	4.2%	21,780	17,252	85%
Office	2,556	243	6.0%	19,602	13,595	78%
Institutional	791	91	9.7%	87,076	52,397	56%
Industrial	167	60	10.2%	1,886,366	1,313,709	55%
General Service Use (Paved Trails, Accessories, etc.)	1,407	125	8.4%	n/a	n/a	16%
Low Density Use (Golf Courses, Cemeteries, etc.)	1,104	257	5.4%	n/a	n/a	3%

The standard Clean Water fee rate is based upon the most common parcel type, which is a single family residence with a parcel size between 5,000sqft and 21,780sqft. Properties of this land use type and parcel size range have similar cost of service from the Clean Water fee because they generate similar quantities of water runoff and justify a similar allocation of costs for the proposed clean water services and improvements. This Single Family Residence is

established as the benchmark for services received, referred to as the Single Family Equivalent (SFE). All other land use types are prescribed a Clean Water fee rate that is proportional to the SFE Formulas developed to calculate the Clean Water fee Rate for each parcel land use. These formulas are expressed below, demonstrating how the Clean Water fee rate is calculated for each parcel relative to the Single Family Equivalent of 1.0 for a benchmark single family home parcel.

The Single Family Residence, Benchmark Parcel Size Range:

$$SFR = 1 \text{ SFE/Parcel}$$

$$FeeRate_{SFR} = 1 \text{ SFE/Parcel}$$

The Clean Water fee rate formulas for parcel land use groups calculated on a per parcel basis:

$$FeeRate_p = k_p * SFR$$

$$FeeRate_p = \frac{\text{med. Imp. } A_p}{\text{med. Imp. } A_{SFR}} * SFR$$

The Clean Water fee rate formulas for parcel land use groups calculated on a per acre basis:

$$FeeRate_a = k_a * SFR$$

$$FeeRate_a = \frac{1 \text{ Parcel}}{\text{med. } A_{SFR}} * \frac{\text{med. \%Imp.}_a}{\text{med. \%Imp.}_{SFR}} * SFR$$

Symbology:

SFR = Single Family Residence

SFE = Single Family Equivalent

p = subscript for Parcel Use Type Group calculated on a per parcel basis

a = subscript for Parcel Use Type Group calculated on a per acre basis

FeeRate_x = Fee Rate of Use Type Group a or p

k_x = proportional factor for Use Type Group a or p

med. Imp. A_x = Median Impervious Area

med. %Imp._x = Median Percent Impervious

V. SCHEDULE OF SINGLE FAMILY EQUIVALENT FEE UNITS

The following table summarizes the Clean Water fee rates assigned to the parcel land use groups using the Clean Water fee rate formulas and statistical analysis results provided in table,

below. Individual parcel Clean Water fees will be calculated based on SFEs multiplied by the watershed group rate of \$19.00 per year for West Watershed \$22.00 per year for Central Watersheds and \$12.00 per year for East Watersheds. Clean Water fees for parcels in unincorporated Contra Costa County will be calculated as SFEs multiplied by \$19.00 per year.

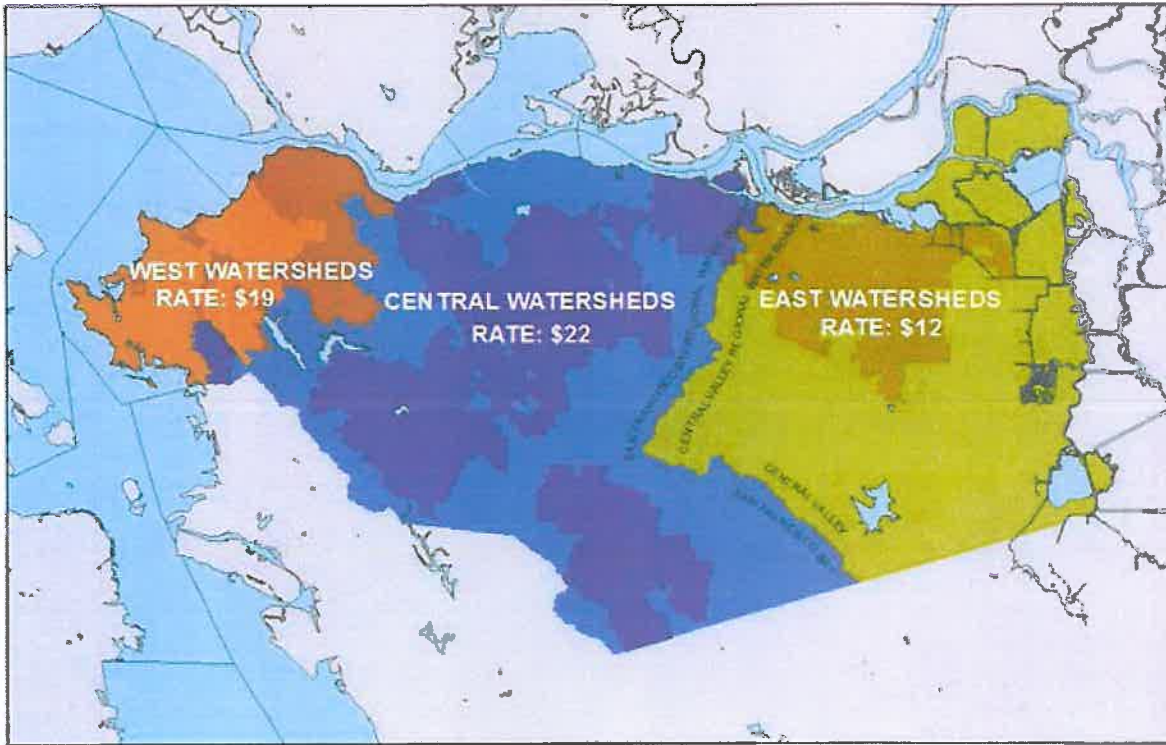
Table 4. Single Family Equivalent Schedule

Land Use Description	SFE Fee Rate	Units
Single Family Residences		
Parcels less than 5,000 sqft	0.5	per parcel
Parcels between 5,000 sqft - 21,780 sqft	1.0	per parcel
Parcels greater than 21,780 sqft	1.8	per parcel
Multifamily Buildings (Duplex, Triplex, Quad, etc.)	0.8	per parcel
Condominium Unit	0.5	per parcel
Improved Agriculture Land	1.8	per parcel
Apartment Buildings	7.9	per acre
Parking and Storage	8.8	per acre
Commercial	8.6	per acre
Office	7.9	per acre
Institutional	5.6	per acre
Industrial	5.5	per acre
General Service Use (Paved Trails, Accessories, etc.)	1.6	per acre
Low Density Use (Golf Courses, Cemeteries, etc.)	0.3	per acre

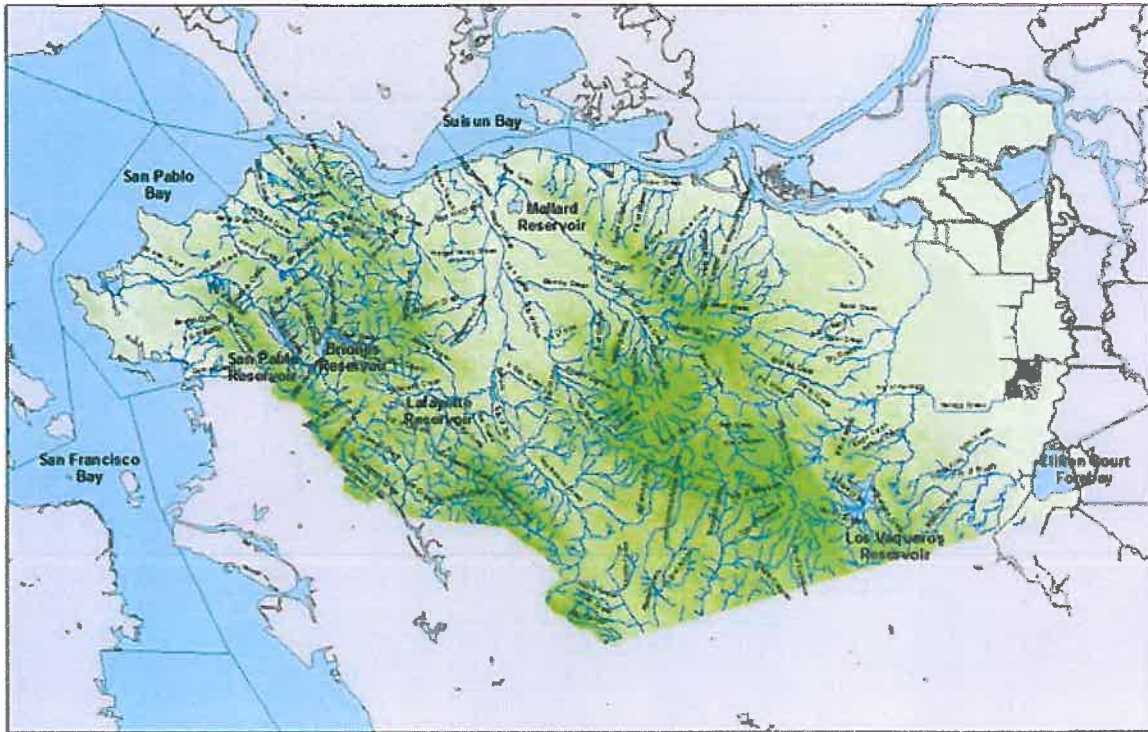
5.0 SUPPORTING DIAGRAMS AND ADDITIONAL DATA

MAPS AND DIAGRAM

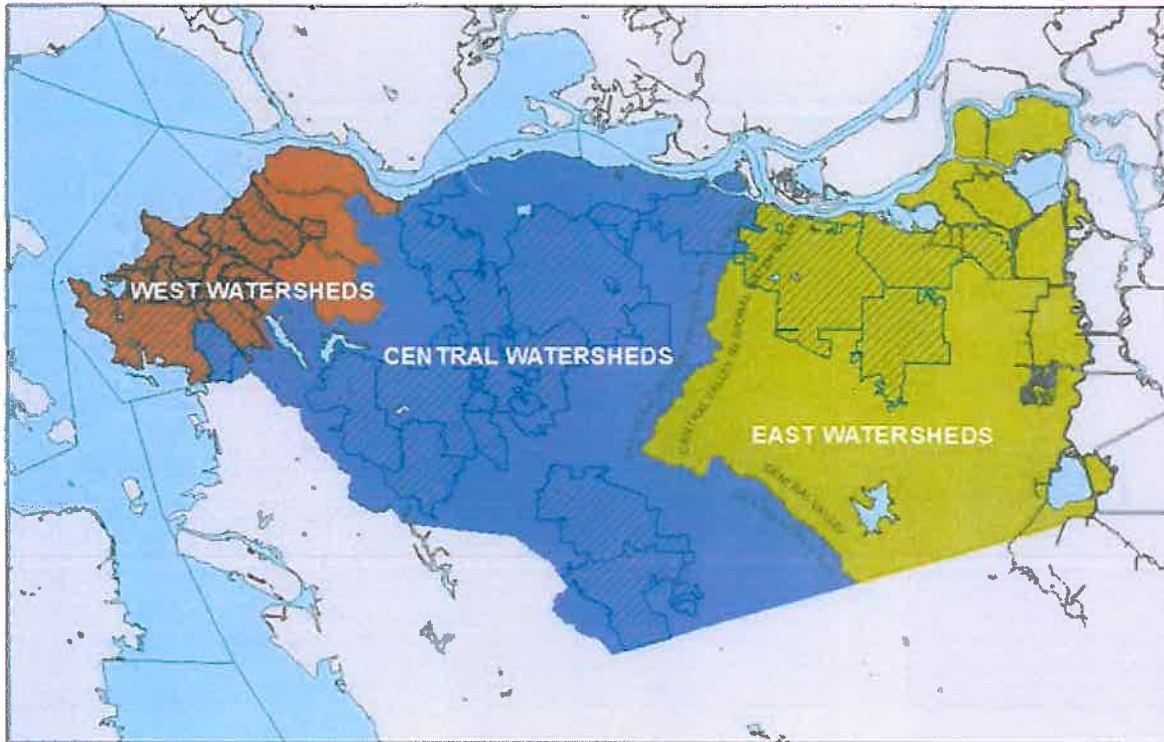
WATERSHEDS AND RATE ZONES



WATER BODIES AND CREEKS



WEST, CENTRAL & EAST WATERSHEDS



I. DATA USED TO CALCULATE IMPERVIOUS AREA

The data collected and used for the Impervious Analysis is assembled in the Impervious Analysis Data Report by SCI Consulting Group and is incorporated herein by reference.

II. CLEAN WATER FEE PARCEL DATA

The specific Clean Water fee data set is too large to include in a tabular form within this Fee Report and is incorporated herein by reference. An electronic version of the data has been submitted to the Clean Water Program.

Balloting Results & Final Perspectives

2012 Community Clean Water Initiative

Contra Costa County Flood Control and
Water Conservation District for the
Contra Costa Clean Water Program

October 3, 2012

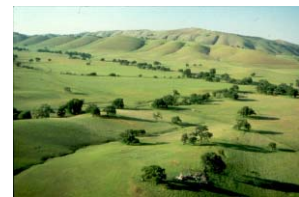


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INTRODUCTION AND EXECUTIVE SUMMARY

In early 2012, the Contra Costa Clean Water Program (“Program”) submitted the “2012 Community Clean Water Initiative” to Contra Costa County property owners as a county-wide, property-related fee. This initiative was the culmination of over six years of planning and analysis to implement an annual, comprehensive funding source for water quality improvements required by the applicable 2009 and 2010 Municipal Regional Permits. The Contra Costa Clean Water Program engaged a consulting team led by SCI Consulting Group to study, make recommendations, and assist in the implementation of a proposed funding mechanism. The funding initiative project was performed as a series of eight Tasks. Within this report, the 2012 Community Clean Water Initiative results are presented.

I. BACKGROUND

Under the Federal Clean Water Act, municipalities throughout the nation are issued National Pollution Discharge Elimination System (“NPDES”) permits to regulate and reduce polluted discharges from entering the drainage systems and into local water bodies. The Contra Costa Clean Water Program is composed of twenty-one public agencies including Contra Costa County, all nineteen of its incorporated cities and towns, and the Contra Costa County Flood Control & Water Conservation District (collectively referred to as “Permittees”). The Program's primary purpose is to implement federal and state mandated NPDES permit regulations specifically targeting the reduction of pollutants in water runoff into and from municipal separate storm sewer systems.

Currently the County and most of its nineteen municipalities have annual fees for services and programs for water quality and water pollution control known as the Stormwater Utility Assessments (SUAs). These assessments were formed under the Contra Costa County Flood Control and Water Conservation District Act. (Brentwood and Richmond do not have an SUA and rely on other revenue sources to fund their implementation of the federal and state stormwater mandates.)

The SUAs generate approximately \$14 million annually, which is used to fund Program activities and individual municipal stormwater permit compliance programs and activities. However, existing dedicated financial resources are insufficient to fund increasingly strict Permit requirements. Thus, the 2012 Community Clean Water Initiative was needed to increase resources for the Permittees to remain in compliance with federal and state mandated regulations and to further improve water quality and to reduce water pollution.

II. APPROACH TO FUNDING CHALLENGE

The Program retained SCI Consulting Group, True North Research, Larry Walker Associates, Tramutola and Dan Cloak Environmental Consulting, to explore public financing mechanisms to help meet clean water permit mandates. The project was conducted in three phases. Beginning in 2010, Phase I was initiated which analyzed current and future water quality costs and operations to determine financial needs of each Permittee; studied available funding mechanisms; conducted phone and mail surveys of voters; and developed funding strategies to meet service goals of the Permittees.

III. SURVEY ANALYSIS

Two surveys of property owners were performed in 2011 utilizing both phone and mail survey methods, respectively. The surveys were designed to produce statistically reliable evaluations of voters' and property owners' interest in supporting a local revenue measure at the time the survey was performed. The surveys provided guidance on the communities' priorities and understanding of clean water issues, and desired services and projects. The surveys also included test arguments in favor of and against the proposed revenue measure, which gauges how information affects support levels. The phone survey collected 900 responses and the mail survey collected 5,055 responses. Both surveys found marginal support for a proposed clean water measure at a rate of around \$20 per year, varying significantly by watershed.

IV. DISCUSSION OF PROPERTY-RELATED FEES

Article XIID of the California Constitution specifies that a fee for a "property-related service" may be imposed as an "incident of property ownership." A property-related fee requires normal ownership and use of the real property to satisfy the "incident of property ownership" requirement. Further, the fee may only be used for a "property-related service" which means "a public service having a direct relationship to property ownership." The application of the property-related fee for stormwater and water runoff control is an appropriate use of the mechanism.

In fact, the property-related fee has been upheld by California courts as appropriate for stormwater/clean water funding in two significant cases: *Howard Jarvis Taxpayers Association v. City of Salinas* and *Forde Green v. Marin County Flood Control and Water Conservation District*, and has been used successfully in recent years by the cities of Burlingame, Palo Alto, Rancho Palos Verde, San Clemente, Santa Clarita and Solano Beach, and probably others. Los Angeles County will conduct the same fee process for clean water in the spring of 2013. (The cities of Carmel and Stockton, and others, conducted the required protest hearings, but failed to receive a majority vote from property owners, and accordingly, were not legally authorized to impose a Clean Water fee.)

As required by Proposition 218 and supporting legislation regarding property-related fees, all ballots were given 1 vote per parcel subject to the fee (i.e. with impervious area). This was explained on page 7 of the Official Ballot Guide included with every ballot. Additionally, public agency parcels were subject to the fee and were issued ballots accordingly in the same manner as other parcels (all ballots were equal weight).

V. SELECTION OF APPROACH

On September 21, 2011, the Management Committee of the Contra Costa Clean Water Program voted unanimously to proceed with a “Countywide, Watershed-Based, Three-Tiered Rate, Balloted, Property-Related Fee” scenario and to proceed with Phases II and III of the “2012 Community Clean Water Initiative” project. The effective collaboration of the cities, towns, Flood Control District and County through this process allowed the success of a large scale implementation. (Local leaders exhibited a uniquely cooperative, regional perspective which should be commended, and will likely serve as a model for other agencies in the future). Phase II involved the development of the Fee Report and Action Plan for implementation. Phase III included the implementation of community information regarding the initiative, and property owner noticing and balloting for the proposed Clean Water Program Fee.

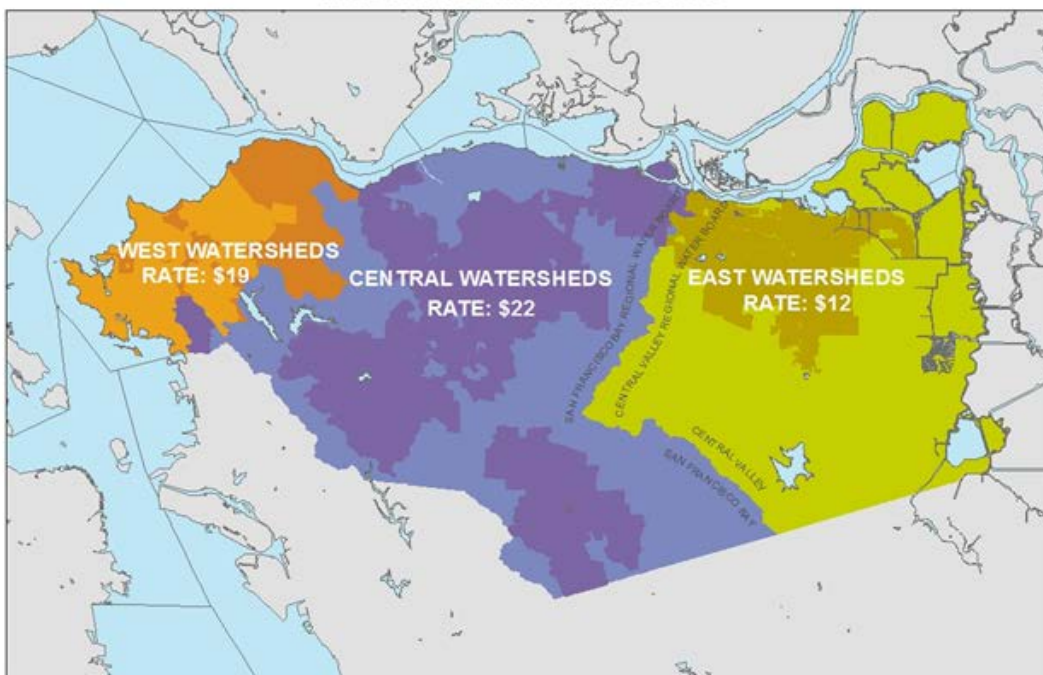
VI. THE 2012 COMMUNITY CLEAN WATER INITIATIVE

Property-related fee rates for properties were based upon impervious area and were individually calculated for each parcel, based upon attributes such as use and size, using formulas derived from an exhaustive analysis of parcels within the County. The County was divided into three primary watersheds: West, Central and East Watersheds. The base rate for a typical single family home was \$19 per year in the West Watersheds, \$22 per year in the Central Watersheds (which includes El Cerrito and Pittsburg) and \$12 in the East Watersheds. The unincorporated county parcels were subject to a \$19 per year fee (See Figure 1).

The Initiative included fiscal accountability and administrative elements, such as the creation of an Independent Citizens Oversight Committee; mandatory annual audits; a capped, cost-of-living-adjustment mechanism; and, a ten-year expiration date. There were no exemptions or discounts. The revenue generated by the fee was to be completely returned to the municipality where it was collected (“100% return to source”).

The structure of the 2012 Community Clean Water Initiative property-related fee is substantively comparable to the other similar fees upheld by the courts. Therefore, there is not a primary legal uncertainty with this well-validated process. Nonetheless, the fees, procedures and supporting documents received review by both the Permittees and County Counsel.

Figure 1. Watersheds and Rate Zones



VII. PROCESS FOR IMPLEMENTATION OF PROPERTY-RELATED FEE

The balloted 2012 Community Clean Water Initiative, property-related fee process complied with the provisions of Article XIID of the California Constitution (commonly known as Proposition 218). The property-related fee can be described as a three step process:

1. Notice of Public Hearing – Mailed to all property owners on December 14, 2011
2. Public Hearing for public comments – Conducted on February 7, 2012
3. Balloting Period – February 22 thru April 6, 2012

NOTICE OF PUBLIC HEARING

The Initiative first provided written notice of the Public Hearing via first class mail on December 14, 2011. The mailed notices went to the record owner of each identified parcel subject to the fee and included the amount of the Fee; the basis upon which the proposed fee was calculated; and, the reason for the fee, together with the date, time, and location of a public hearing on the proposed Fee as required by Section 6(a)(2).

PUBLIC HEARING

At the public hearing, held on February 7th, 2012, the Board heard and considered all protests against the measure. There were fewer than 400 written protests submitted, representing less than 1% of notices mailed. Hence, a 50% majority protest was not established, and the Board directed the Program to move forward with the balloting.

BALLOTING OF PROPERTY-RELATED FEE

On February 22nd, 2012 the Program mailed ballots to all property owners subject to the fee. The mailed ballots were sent first class mail and included a voter information guide, postage paid return envelope and a property-related fee ballot. The balloting closed on April 6th, 2012 at 5:00pm, over 45 days following the mailing of the ballots.

The number of ballots in support of the fee did not exceed the number of ballots opposed to the fee; and therefore, the fee was not approved by the property owners. Without a majority vote in support, the Board was not legally authorized to impose the proposed property-related fee.

VIII. COMMUNITY OUTREACH

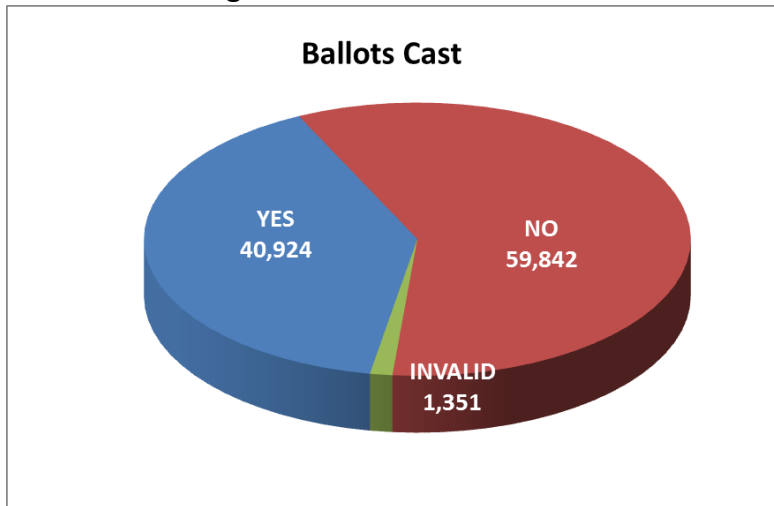
Accompanying the 2012 Community Clean Water Initiative was a Public Outreach Plan prepared and managed by Tramutola LLC. The outreach was strictly non-advocacy, information-only material with the goal to inform the public on such topics as the Initiative, Clean Water regulations, Program responsibility, local water bodies, and water quality. The outreach included two mailers, an informational website, and engagement of local cities and local advocacy groups.

The two mailers provided information about the measure and clean water. The mailers were sent to all property owners subject to the fee, the same as the Notice of Public Hearing. The website provided similar information as well as a Frequently Asked Questions section. The website was continually updated to meet voters' and agencies' requests for clarification or additional information. An effort to connect with, and inform, local environmental groups was unfortunately not particularly successful. The Contra Costa Council and League of Women Voters endorsed the initiative. Efforts were made to inform local print media and respond to their requests for information. These responses were informational and described the need for additional funding for clean water services, as well as the appropriateness of the use of a balloted property-related fee. However, the major local print media largely did not include this information in their reporting or opinion pieces.

IX. BALLOTING RESULTS

Returned ballots for the 2012 Community Clean Water Initiative reached close to a 30% return rate. The overall ballot return rate represents a strong property owner participation rate for a special mail balloting.

Figure 2. Overall Ballots Cast



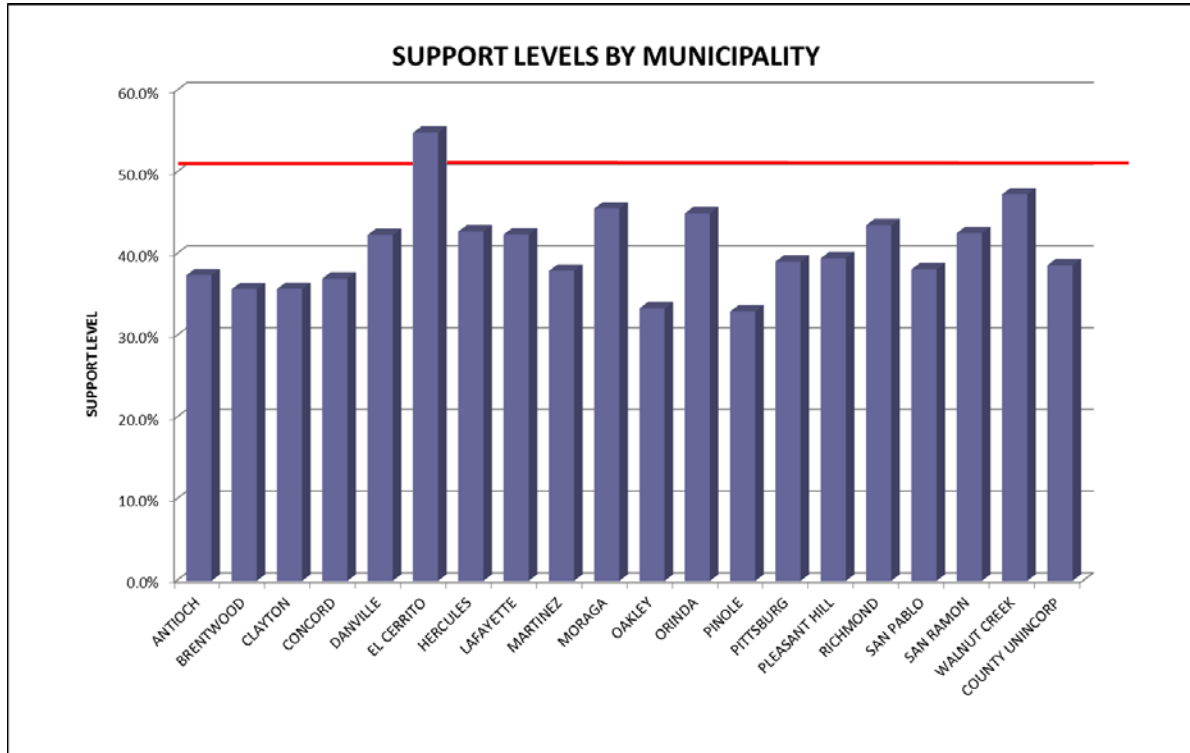
The overall support levels for the 2012 Community Clean Water Initiative were 40.6% in support and 59.4% in opposition. The level of positive support did not meet the required 50% threshold for a property-related fee balloting. Figure 3, below, presents the results for each of the nineteen municipalities and Contra Costa County (i.e., unincorporated areas). Among all the municipalities, the support level did not exceed the required threshold except in the City of El Cerrito.

Figure 3. Support Levels by Municipality

MUNICIPALITY	BALLOTS COUNTED	YES	NO	INVALID	SUPPORT LEVEL
ANTIOCH	7,212	2,698	4,514	92	37.4%
BRENTWOOD	4,492	1,604	2,888	52	35.7%
CLAYTON	1,374	491	883	24	35.7%
CONCORD	10,994	4,069	6,925	154	37.0%
DANVILLE	5,443	2,305	3,138	59	42.3%
EL CERRITO	3,182	1,746	1,436	43	54.9%
HERCULES	2,032	869	1,163	29	42.8%
LAFAYETTE	3,177	1,347	1,830	55	42.4%
MARTINEZ	4,224	1,603	2,621	58	37.9%
MORAGA	2,126	969	1,157	24	45.6%
OAKLEY	2,437	813	1,624	28	33.4%
ORINDA	2,536	1,141	1,395	31	45.0%
PINOLE	2,001	660	1,341	18	33.0%
PITTSBURG	3,764	1,471	2,293	46	39.1%
PLEASANT HILL	3,959	1,564	2,395	44	39.5%
RICHMOND	7,578	3,298	4,280	136	43.5%
SAN PABLO	1,460	557	903	19	38.2%
SAN RAMON	6,214	2,645	3,569	55	42.6%
WALNUT CREEK	9,353	4,425	4,928	147	47.3%
COUNTY UNINCORP	17,210	6,649	10,561	237	38.6%
OVER ALL	100,768	40,924	59,844	1,351	40.6%

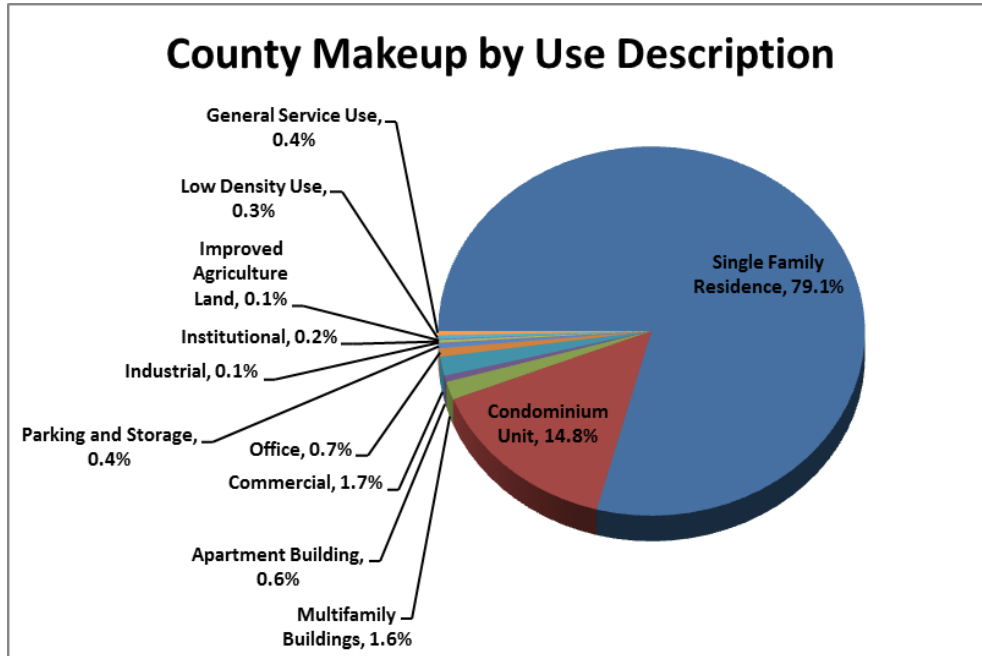
The above results are represented graphically in Figure 4.

Figure 4. Support Levels by Municipality (Bar Chart)



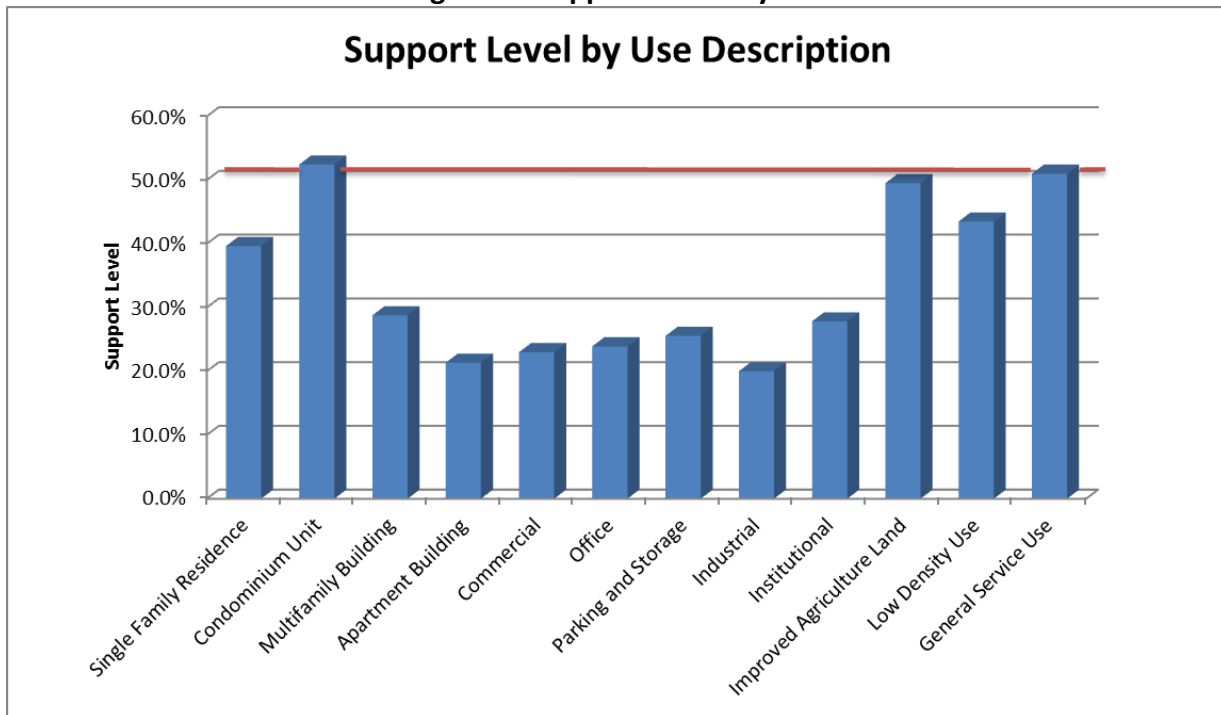
A breakout of balloted parcels by property use within Contra Costa County shows residential property use as the largest group (see Figure 5). Residential property use is comprised of single family homes, condominiums, and mobile homes on an individual lot. This group accounted for over 93% of the returned ballots. All other balloted property use groups are on the order of magnitude of 2% or less, for a total contribution of about 6% of the total ballots mailed.

Figure 5. County Makeup by Property Use

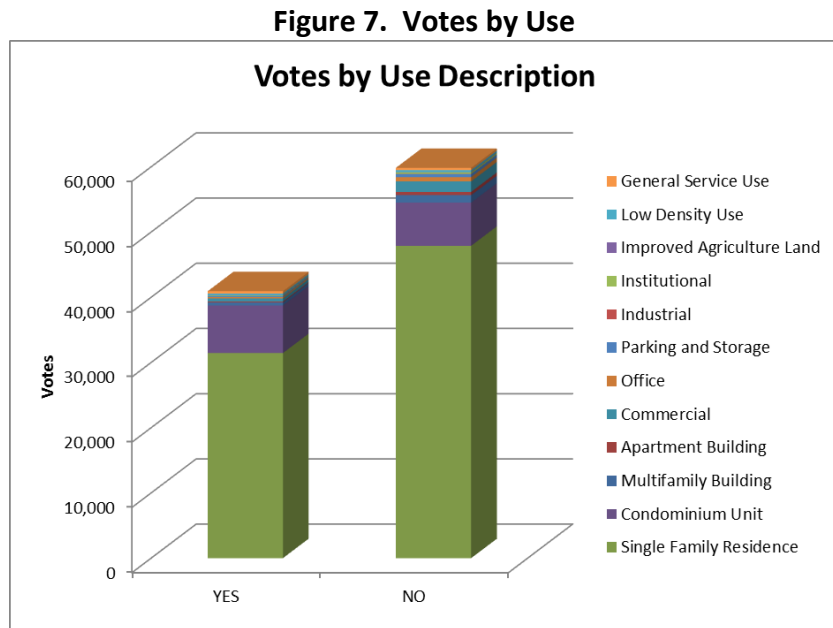


The only property uses that exceeded the required 50% support threshold are condominiums and general service use (e.g., paved trails or accessory use parcels). The lowest support levels by property use include commercial and business related properties (see Figure 6).

Figure 6. Support Levels by Use



To place these property use groups in context with their overall contribution of votes, the bar chart in Figure 7 demonstrates that the residential uses are the greatest vote contributors.

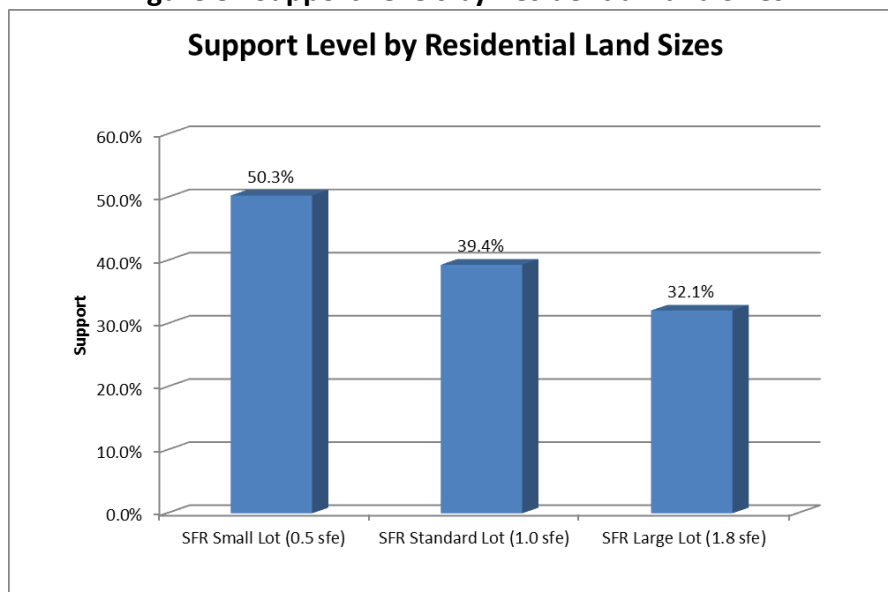


Residential properties were divided into three groups, based upon size, and their fee was calculated accordingly.

Parcels less than 5,000 sqft	= 50% of Rate
Parcels between 5,000 sqft and 21,780 sqft	= Standard Rate
Parcels greater than 21,780 sqft	= 180% of Rate

Separating the residential uses into their support levels illustrates how small residential parcels supported the measure at 50.3% while support of the larger residential parcels was much lower (see Figure 8). Somewhat surprisingly, smaller properties, with smaller homes, were more supportive.

Figure 8. Support Levels by Residential Land Sizes



X. FINAL PERSPECTIVES OF RESULTS

The Contra Costa Clean Water Program worked closely in coordination with the consultant team and its Permittees to best formulate a funding mechanism plan to meet the communities' interests and funding needs for water quality improvements. The process ultimately produced the 2012 Community Clean Water Initiative property-related fee as the most appropriate means to provide a fair and legal process for local property owners to decide their desired level of water quality. The results of the 2012 Community Clean Water Initiative demonstrated weak support for the fee.

Extensive effort went into the implementation of the community outreach to help strengthen support through awareness and education. The support level for the fee may have been bolstered by increased or additional efforts within some of the following areas.

- Increased long-term education and outreach effort beginning well before the Initiative.
- Added public educational outreach specific to the property-related fee mechanism and the appropriateness of the process to Clean Water services. *(However, it can be argued that this effort dilutes the principle message of improved water quality)*
- Improved clarity of specific water quality capital improvement projects and services, and focus areas. *(i.e. more compelling descriptions of how the fee funds would be spent)*
- More extensive engagement of local stakeholder groups, such as environmental organizations and homeowners groups, through informational presentations.
- Stronger partnerships and coordination with resource and permit agencies such as the Contra Costa Water District, Regional Water Quality Control Board, Environmental Protection Agency, etc.

- More engagement of local media prior to the Initiative to better educate concerning the importance of the Water Quality and the need for the Initiative. *(Similarly, it can be well-argued that the opinion of local media would not have changed, and these efforts would only have given them additional time and preparation)*
- Better engagement and “buy-in” of local municipalities and city/town leaders to improve local outreach.
- Better definition of specific water quality issues and locations with data demonstrating pollution levels.

While further implementation of these outreach efforts likely would have strengthened support levels for the fee, it is unclear whether they would have been enough to overcome the larger external influences.

A primary influence on voter support levels during this effort was the local print media. During the balloting period there was active opposition by the major local newspaper. This newspaper was fundamentally critical of the initiative, and consistently opposes many local taxes, assessments and fees proposed by any local agency. It published eleven major opinion columns and at least ten Letters to the Editor that were critical of the Initiative and government services – and none that were neutral or supportive. The paper was particularly critical of the required Proposition 218 property-related fee process. (Ironically, this process was designed by the conservative Howard Jarvis Taxpayers Association, and has been used in other jurisdictions without similar criticism from local media.) The opinion pieces provided negative perspectives and questions about the initiative. Unfortunately the newspapers’ focused on the Proposition 218 process, distracting property owners from focusing on the fundamental issues of water quality and pollution prevention.

An inherent “softness” of support for stormwater quality issues exists. Stormwater runoff is generally accepted as an important element to a healthy environment and high quality of life. However, when water quality is contrasted with other municipal services or community priorities such as education and fire protection, support for water quality is often less. Also, despite significant outreach, many local property owners still do not understand, or are skeptical of, the environmental importance of water runoff quality.

Underlying opinions and sentiment exists in every local and regional community. Within Contra Costa County, property owners are generally frustrated with local government spending, with particular concern about underfunded public employee pension programs. This negative opinion is not directed exclusively at water quality, but includes opposition to any additional fees or taxes.

California State Law contains multiple tax, assessment and fee mechanisms. While a parcel tax election is a widely known method for generating revenue, these water quality services were better suited for funding by a property-related fee. Although the property-related fee is a commonly used mechanism for funding water quality services, there is some unfamiliarity with

the processes of the property-related fee mechanism. This vulnerability of the Proposition 218 process to criticism was exploited by local media and opponents.

Considering the significant opposition to the 2012 Community Clean Water Initiative, extensive efforts would be needed to overcome the negative and often misconstrued information, as well as, the current pessimistic voter sentiment. Contra Costa County's current political climate is overwhelmingly critical of government spending and additional taxes. The community remains relatively uninformed, and skeptical, over clean water and pollution prevention issues. Even with a much larger community outreach effort, success of a clean water measure would likely not be achieved at this time particularly if the local newspaper remains unsupportive.



Date: November 16, 2022

To: Management Committee
From: Mitch Avalon, Program Consultant
Subject: MRP 3.0 Five-Year Budget

Recommendation:

Accept the staff report on the MRP 3.0 Five-Year Budget and provide staff with any comments and/or direction.

Background:

Staff has prepared an approximate five-year budget for the entire MRP 3.0 permit term, which can be used to estimate future fiscal year budgets and estimate the remaining reserve fund balance in FY 27/28. Several assumptions were made in preparing the budget. From a staffing perspective, it is assumed the Program Manager position will be filled by next fiscal year, FY 23/24, and the other vacant planner position(s) filled by FY 24/25, with corresponding levels of staff augmentation to cover the positions until they are filled. All vacant positions are expected to be filled by FY 24/25.

The estimated five-year budget uses the same format that is used each year for the Program budget. Line items have been added for work products or activities that are not part of the current fiscal year but will occur in later fiscal years. Items that carry over from year to year include a 3% inflation factor, and notes in the last column describe any assumptions made. The five-year budget is a very rough estimate of costs to come, but does provide a basis for planning purposes. The estimated amount over the \$3.5 million threshold is approximately \$600,000 for the next fiscal year, \$200,000 for the year after that and \$500,000 each for the last two years of the permit term. There are four budget items that either have a zero budget allocated to them or have the potential of having a significantly increased budget: AGOL, C12.c control measure plan implementation, alternative compliance, and implementation of a stormwater funding option.

- **AGOL.** The estimated cost for AGOL in FY 23/24 is \$150,000 for systemwide improvements; project level improvements are budgeted as separate budget items. This estimate will be refined once the RFQ is completed and systemwide improvements and project scale improvements are better defined.
- **C.12.c.** The C.12.c Old Industrial Area PCBs Control Measure Plan must be completed by March 2023. Once the plan is finalized, we will have a better idea

what the costs will be to meet PCBs load reduction requirements. There are currently zero dollars allocated for this item over the next four years, but there will definitely need to be a funding allocation of some amount.

- **Alternative Compliance.** Alternative compliance has two budget line items, one for \$25,000 each of the next four years and another for \$50,000, plus an inflation factor, each of the next four years. We won't know how much will be needed until development of the Alternative Compliance System is further along.
- **Stormwater Funding.** The Management Committee will also be considering whether to embark on a funding measure to increase revenue for the Program and permittees. There is currently zero dollars allocated to this budget line item over the next four years, however if the Committee chooses to implement some sort of funding measure, then an allocation will have to be made.

Some sort of assumption must be made for these budget line items for the five-year budget to be useful. Assuming there is a \$200,000 per year budget allocation for these four items, collectively, then the estimated amount over the \$3.5 million threshold for the next four years would increase to a total of \$2.6 million (\$800,000 plus \$400,000 plus \$700,000 plus \$700,000, in round numbers). Based on the current fiscal year budget and the estimated five-year budget, it appears the amount over the budget threshold at the end of the permit term will be about \$3.6 million, approximately \$1 million this fiscal year and \$2.6 million the next four years. This will leave about \$600,000 remaining in the reserve as the Program faces the prospect of MRP 4.0 (\$4.2 million minus \$3.6 million).

Fiscal Impact:

No impact at this juncture in the process.

Attachment:

Five-Year Budget

CCCWP 5-Year Budget Outlook 2022-2027

Description/Expenditure	Adjusted FY 2022/23 August 17, 2022 (Approved)	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27
Administrative/Personnel (See Admin Worksheet)	\$2,064,798	\$1,872,304	\$1,558,817	\$1,631,258	\$1,707,321
Staff Salaries and Benefits + County Overhead	\$1,304,120	\$1,369,326	\$1,437,792	\$1,509,682	\$1,585,166
Staff Augmentation (Watershed Resources Consulting for 6 months)	\$109,200	\$0	\$0	\$0	\$0
On-Call Staff Augmentation (as needed) (LWA, GC, H&A)	\$138,000	\$100,000	\$100,000	\$100,000	\$100,000
Staff Augmentation (LWA for 6 months plus transition)	\$223,000	\$112,000	\$0	\$0	\$0
Staff Augmentation (Geosyntec)	\$270,478	\$270,478	\$0	\$0	\$0
Staff Training and Conferences	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Non-Program County Staff Labor	\$10,000	\$10,500	\$11,025	\$11,576	\$12,155
General Supplies & Equipment	\$7,788	\$7,817	\$7,846	\$7,877	\$7,908
Misc. Office Equipment/Supplies not covered by County Overhead	\$5,640	\$5,640	\$5,640	\$5,640	\$5,640
Zoom annual fee	\$960	\$989	\$1,018	\$1,049	\$1,080
Groupsite Annual Fee	\$1,188	\$1,188	\$1,188	\$1,188	\$1,188
Association/Memberships/License Fees	\$33,554	\$34,261	\$34,988	\$35,738	\$36,510
ESRI (AGOL Annual License Fee)	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
California Stormwater Quality Association (CASQA)	\$23,554	\$24,261	\$24,988	\$25,738	\$26,510
Legal Services	\$95,000	\$61,800	\$63,654	\$65,564	\$67,531
County Counsel and Contract Administration	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255
MRP 3.0 Appeal (Richards, Watson & Gershon)	\$35,000	\$0	\$0	\$0	\$0
On-Call Legal Services (Richards, Watson & Gershon)	\$30,000	\$30,900	\$31,827	\$32,782	\$33,765
Alternative Compliance Legal Review (Richards, Watson & Gershon/County Counsel)	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
Regional Projects/Regional Cooperation	\$230,000	\$236,300	\$242,789	\$249,473	\$256,357
BAMSC	\$30,000	\$30,900	\$31,827	\$32,782	\$33,765
SFEI - RMP	\$180,000	\$185,400	\$190,962	\$196,691	\$202,592
SFEI - CECs	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
General Consultant Services/Projects (See Consultant Services/Projects Worksheet)	\$342,000	\$425,960	\$255,039	\$259,240	\$263,567
5-Year MRP 3.0 Budget (LWA/GC)	\$10,000	\$0	\$0	\$0	\$0
Financing Plan Strategy for MRP 4.0 (LWA/GC)	\$20,000	\$0	\$0	\$0	\$0
Implementation of Financing Plan Strategy for MRP 4.0 (TBD)	\$0	\$0	\$0	\$0	\$0
MRP 3.0 Compliance Checklist (LWA/GC)	\$10,000	\$0	\$0	\$0	\$0
Grant Tracking & Application (LWA/GC)	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
Alternative Compliance Administrator Set Up (LWA/GC)	\$55,000	\$25,000	\$25,000	\$25,000	\$25,000
Project Management, Technical Review, Regulatory Compliance, etc. (LWA/GC)	\$97,000	\$99,910	\$102,907	\$105,995	\$109,174
GIS/AGOL Major Upgrades (TBD)	\$0	\$150,000	\$0	\$0	\$0
GIS/AGOL Maintenance, Minor Upgrades (Psomas)	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
GIS/AGOL Support Staff (LWA)	\$35,000	\$36,050	\$37,132	\$38,245	\$39,393
Brochures (TBD)	\$25,000	\$25,000	\$0	\$0	\$0
Municipal Operations (C.2) - Training/Workshop (See MOC Worksheet)	\$3,100				
New Development/Redevelopment (C.3) (See Development Committee Worksheet)	\$436,000	\$270,060	\$183,776	\$178,839	\$184,054
Hydromodification Management Modeling, CCCHM and/or BAHM (TBD)	\$100,000	\$25,000	\$10,000	\$0	\$0
Hydrograph Management Compliance Options Report (H&A)	\$10,000	\$0	\$0	\$0	\$0
Hydromodification Management Maps (Psomas)	\$15,000	\$15,000	\$0	\$0	\$0

	Hydromodification Management Calculator (TBD)	\$41,000	\$0	\$0	\$0	\$0
	Green Infrastructure Design Guidelines (H&A)	\$40,000	\$41,200	\$0	\$0	\$0
	Peak Flow Control Calculator (TBD)	\$52,000	\$0	\$0	\$0	\$0
	Update Stormwater C.3 Guidebook (H&A)	\$36,000	\$20,000	\$0	\$0	\$0
	Update CCCWP Website (Dev Committee Pages) (SGA)	\$0	\$5,000	\$5,000	\$5,000	\$5,000
	BAHM Regional Update (EOA/Clear Creek)	\$25,000	\$0	\$0	\$0	\$0
	Alternative Compliance Program Implementation (2 Pilot Projects)(LWA/GC)	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275
	Frequently Asked Questions	\$5,000	\$0	\$0	\$0	\$0
	Annual C.3 Training/Workshop (H&A)	\$12,000	\$12,360	\$12,731	\$13,113	\$13,506
	General Technical Services Support (H&A)(LWA/GC)	\$50,000	\$100,000	\$103,000	\$106,090	\$109,273
Industrial/Commercial Controls (C.4) - Training/Workshop (See MOC Worksheet)(LWA)		\$3,100	\$3,100	\$3,100	\$3,100	\$3,100
Illicit Discharge/Detection and Elimination (C.5) (See MOC Worksheet)		\$0	\$0	\$0	\$0	\$0
Construction Controls (C.6) (See Development Committee worksheet)		\$0	\$9,000	\$3,000	\$9,400	\$3,000
	Biennial Construction Training (LWA-Training only)	\$6,000	\$6,000	\$0	\$6,400	
	PCBs C.6 inspection enhancements	\$0	\$3,000	\$3,000	\$3,000	\$3,000
Public Information/Participation (C.7) (See PIP Committee Worksheet)		\$159,300	\$234,995	\$185,505	\$186,030	\$211,571
	School-Aged Children Outreach (SGA)	\$9,000	\$20,000	\$20,000	\$20,000	\$20,000
	Watershed Stewardship Green Business Program	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
	Public Outreach through Bringing Back the Natives Garden Tour (Kathy Kramer-Sponsor)	\$16,500	\$16,995	\$17,505	\$18,030	\$18,571
	Used Oil/Student Outreach /Youth Programs (Matt Bolender)	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
	Outreach Campaign, Public Education, Citizen Involvement (SGA)(Caltrans)	\$70,800	\$70,000	\$70,000	\$70,000	\$70,000
	Public Outreach through Website Maintenance and Hosting (WebSight Design)	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
	Public Outreach through Website Maintenance and Hosting (SGA)	\$0	\$50,000	\$0	\$0	\$0
	General Youth/Public Outreach; Media Management (SGA)	\$35,000	\$50,000	\$50,000	\$50,000	\$50,000
	Outreach Contingency	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
	Effectiveness Assessment of outreach programs (due 9/30/2027)	\$0	\$0	\$0	\$0	\$25,000
Water Quality Monitoring (C.8) (See Monitoring Committee Worksheet)		\$605,000	\$562,730	\$612,984	\$714,570	\$641,743
	LID Monitoring Plan (KEI)(LWA/GC)	\$60,000	\$4,120	\$4,244	\$4,371	\$4,502
	LID Monitoring TAG	\$0	\$7,210	\$7,426	\$7,649	\$7,879
	LID Monitoring	\$0	\$164,800	\$169,744	\$174,836	\$180,081
	Trash Monitoring Plan (LWA/GC)(KEI)	\$70,000	\$4,120	\$4,244	\$4,371	\$4,502
	Trash Monitoring TAG	\$0	\$6,180	\$6,365	\$6,556	\$6,753
	Trash (Outfall) Monitoring (KEI)(LWA)	\$185,000	\$140,750	\$140,750	\$140,750	\$140,750
	Pollutants of Concern Monitoring (KEI)(LWA/GC)	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275
	Pesticides and Toxicity Monitoring (KEI)(LWA/GC)	\$70,000	\$36,050	\$37,132	\$38,245	\$39,393
	Urban Creeks Monitoring Report (POC, Pesticides and Toxicity, Trash, LID) (KEI)(LWA/GC)	\$90,000	\$72,100	\$127,308	\$207,618	\$135,061
	Creek Status Monitoring Follow-Up	\$20,000	\$0	\$0	\$0	\$0
	POC Receiving Water Monitoring Plan	\$30,000	\$0	\$0	\$10,927	\$0
	POC Receiving Water Monitoring	\$0	\$30,000	\$30,900	\$31,827	\$32,782
	Bioassessment Final Report	\$0	\$15,000	\$0	\$0	\$0
	Monitoring Management Support	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
	All Monitoring Contingency	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255
Pesticide Toxicity Control (C.9) (See MOC Worksheet)		\$81,023	\$86,216	\$88,788	\$91,436	\$94,165
	Our Water Our World Local Outreach and Training (Plant Harmony)	\$69,500	\$71,585	\$73,733	\$75,945	\$78,223
	Our Water Our World Outreach Materials (Paid to CASQA)	\$5,080	\$8,010	\$8,250	\$8,498	\$8,753
	Pesticide Regulatory Coordination Program (Paid to CASQA)	\$5,943	\$6,121	\$6,305	\$6,494	\$6,689
	Outreach to Pest Control Professionals	\$500	\$500	\$500	\$500	\$500
Trash Load Reduction (C.10) (See MOC Worksheet)		\$60,000	\$30,000	\$55,600	\$21,218	\$21,855

Trash Load Reduction Plan (LWA)	\$10,000	\$0	\$0	\$0	\$0
Trash Reduction and Impracticability Report (LWA)	\$50,000	\$0	\$0	\$0	\$0
Direct Discharge Report	\$0	\$10,000	\$0	\$0	\$0
Mapping (general PLDAs, trash maps, locations)	\$0	\$0	\$35,000	\$0	\$0
Trash Reduction and Demonstration of Trash Reduction Outcomes	\$0	\$20,000	\$20,600	\$21,218	\$21,855
Mercury Controls (C.11) (requirements addressed under C.12)	\$0	\$0	\$0	\$0	\$0
PCBs Controls (C.12) (See Monitoring Committee Worksheet)	\$460,914	\$221,361	\$196,175	\$289,479	\$219,377
Old Industrial Area PCBs Control Measure Plan (LWA/GC)	\$40,000	\$4,120	\$4,244	\$4,371	\$4,502
Old Industrial Area PCBs Treatment Project (first project to implement the Plan) (TBD)	\$200,000	\$0	\$0	\$0	\$0
Annual Progress Report on Controlling PCBs (LWA/GC)	\$30,000	\$20,600	\$21,218	\$54,636	\$22,510
Report total loads reduced and update Load Reduction Assessment Methodology (due 9/30/2026)	\$0	\$0	\$0	\$54,636	\$11,255
Source Property Investigation (KEI) (LWA/GC)	\$140,000	\$144,200	\$148,526	\$152,982	\$157,571
Implement Caltrans Bridge/Overpass Specification and report loads reduced	\$0	\$15,450	\$0	\$0	\$0
PCBs in Electrical Utilities (LWA/GC)	\$10,000	\$15,450	\$0	\$0	\$0
Guidance for MRP 3.0 Building Demolition Requirements (LWA/GC)	\$20,000	\$0	\$0	\$0	\$0
Provide Fish Risk Flyers/Signs	\$5,305	\$5,464	\$5,628	\$5,797	\$5,971
Distribute Fish Risk Flyers (KEI)	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941
Annual Fish Risk Status Report (KEI)	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628
Exempted and Conditionally Exempted Discharges (C.15) (See PIP Committee Worksheet)	\$15,000	\$15,000	\$15,000	\$15,000	\$35,000
Firefighting Discharges (LWA/GC)	\$15,000	\$15,000	\$15,000	\$15,000	\$35,000
Unsheltered Homeless Discharges (C.17) (See MOC Worksheet)	\$120,000	\$0	\$20,000	\$0	\$0
Homeless Mapping (TBD)	\$20,000	\$0	\$10,000	\$0	\$0
BMP Report (TBD)	\$50,000	\$0	\$0	\$0	\$0
Implementation Plan (TBD)	\$50,000	\$0	\$10,000	\$0	\$0
East Contra Costa County Projects (C.19) (See Monitoring Committee Worksheet)	\$105,000	\$51,500	\$47,432	\$54,009	\$49,693
Methylmercury Monitoring for Delta TMDL (LWA/GC)	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
Marsh Creek Dissolved Oxygen (BOD) Monitoring (LWA/GC)	\$30,000	\$0	\$0	\$0	\$0
Annual Mercury Monitoring Plan (LWA/GC)	\$25,000	\$10,300	\$10,300	\$10,300	\$10,300
Pyrethroid Control Program Baseline Monitoring Report (LWA/GC)	\$5,000	\$0	\$0	\$0	\$0
Pyrethroid Control Program Annual Report	\$0	\$10,300	\$5,305	\$5,464	\$5,628
Pyrethroid Control Program UCMR	\$0	\$10,300	\$10,609	\$16,391	\$11,255
East County TMDL Control Measure Plan (LWA/GC)	\$25,000	\$0	\$0	\$0	\$0
Cost Reporting (C.20) (see PIP Committee Worksheet)	\$20,000	\$0	\$15,000	\$0	\$0
Cost Reporting Framework (LWA/GC)	\$20,000	\$0	\$15,000	\$0	\$0
Asset Management (C.21) (see Development Committee Worksheet)	\$30,000	\$30,900	\$31,827	\$35,000	\$0
Asset Management Framework (TBD - H&A)	\$30,000	\$30,900	\$31,827	\$0	\$0
Climate Change Adaptation Report	\$0	\$0	\$0	\$35,000	\$0
Annual Report (C.22)	\$0	\$43,100	\$43,100	\$43,100	\$43,100
Program Annual Report	\$0	\$40,000	\$40,000	\$40,000	\$40,000
Permittee forms		\$3,100	\$3,100	\$3,100	\$3,100
Report of Waste Discharge (C.25)	\$0	\$0	\$0	\$0	\$30,000
GROUP PROGRAM BUDGET SUBTOTAL	\$4,871,577	\$4,196,404	\$3,664,420	\$3,890,330	\$3,875,852
2% CONTINGENCY	\$97,432	\$83,928	\$73,288	\$77,807	\$77,517
TOTAL GROUP ACTIVITIES BUDGET	\$4,969,008	\$4,280,332	\$3,737,709	\$3,968,137	\$3,953,369
CONTINGENCY EXPENSE	\$0	\$0	\$0	\$0	\$0
SALARY CREDIT (PM)(12 Months)	\$0	\$0	\$0	\$0	\$0
SALARY SAVINGS (SWMPS 12 months)	(\$266,763)	\$0	\$0	\$0	\$0

SALARY SAVINGS (WMPS 12 months)	(\$213,058)	(\$223,211)	\$0	\$0	\$0
<i>SUBTOTAL</i>	<i>(\$479,821)</i>	<i>(\$223,211)</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<i>NET SUBTOTAL GROUP PROGRAM BUDGET</i>	<i>\$4,489,187</i>	<i>\$4,057,121</i>	<i>\$3,737,709</i>	<i>\$3,968,137</i>	<i>\$3,953,369</i>
SUA FUNDING CAP	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000
NET TOTAL GROUP PROGRAM BUDGET	\$4,489,187	\$4,057,121	\$3,737,709	\$3,968,137	\$3,953,369
<i>SUA FUNDING GAP</i>	<i>(\$989,187)</i>	<i>(\$557,121)</i>	<i>(\$237,709)</i>	<i>(\$468,137)</i>	<i>(\$453,369)</i>



Date: November 16, 2022

To: Management Committee

From: Karin Graves, Acting Program Manager

Subject: Mitch Avalon's Retirement and Service Continuity Plan

Recommendation:

Consider report from staff on how the Program will continue to provide services after Mitch's retirement and provide staff with any direction or comments. This report was presented to the Administrative Committee on November 1, 2022 and staff received no additional input or comments.

Background:

In August 2019 Mitch Avalon (Watershed Resources Consulting) began providing consulting services for the Contra Costa Clean Water Program (CCCWP). He, along with Karin Graves (Senior Watershed Management Planning Specialist (SWMPS)), performed the duties of the then Program Manager who was on leave. In January 2021 Karin was named the Acting Program Manager, and since that time Mitch has continued to assist the CCCWP in the SWMPS role. About 10 months ago he let staff know that he was planning to retire in December 2022. Staff began planning for his transition at that time and in July 2022 completed a strategic staffing plan which named Liz Yin and Hilary Pierce of Larry Walker and Associates (LWA) to provide staff augmentation for the SWMPS duties when Mitch retires.

In October 2022 the Program Manager resigned, and the Public Works Department has started working on the hiring process to permanently fill the position. Staff expect to fill the position before the beginning of Fiscal Year 2023-2024 (FY 23-24).

Service Continuity Plan:

While the SWMPS position is a 40 hour a week position, Mitch works an average of 25 - 30 hours a week. To provide more consistent coverage, Liz will serve as the primary augmented staff, and Hilary will be cross trained and provide backup

support to Liz as needed. This model is utilized with Lisa Welsh and Lisa Austin's oversight of the Monitoring Committee and has proved to be an efficient and comprehensive way to provide staff support. In mid-October 2022, Mitch and Karin started working with Liz and Hilary to transition his workload over to them, and to create shadowing opportunities. Liz and Hilary will begin assisting with Administrative and Management Committee meetings in November 2022 and take over running those committees in January 2023. They are expected to work a combined average of 24 hours a week starting in January 2023.

Mitch will begin the FY 23-24 budget tasks in November and December which include review of the budget timeline, policy, and assumptions. While Karin historically oversaw Mitch's budget tasks, starting in January 2023 she will take over the drafting, presenting and finalization of the budget.

Mitch is planning to complete writing Phase I and Phase II of the Stormwater Funding Options Report, with Karin providing input. The report is also being peer reviewed by the CCCWP legal consultant, and LWA and Geosyntec consultants. If Phase II of the options report is not completed by December 2022, Mitch is planning to finish the report in early 2023 to ensure a seamless process. Implementation of funding strategies identified will be overseen by the Program Manager or Acting Program Manager after that point.

Karin will continue to supervise staff and consultant contracts, act as the main point of contact to the Water Board for MRP 3.0 implementation and assume coordination with the City-County Engineering Advisory Committee and the Public Managers Association.

Fiscal Impact:

None currently. The FY 22-23 budget was amended in August 2022 to include \$223,000 to cover the transition period plus 6 months of staff augmentation of the SWMPS duties by LWA. There will be cost savings realized during the time the SWMPS position remains vacant (while Karin is the Acting Program Manager).