



Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: March 21, 2017

TITLE: APPROVAL OF THE FISCAL YEAR 2017/2018 STORM WATER PROTECTION PROGRAM BUDGET FOR COUNTY SERVICE AREA 152

RECOMMENDED ACTION

Recommendations:

1. Approve the County Service Area (CSA) 152 Budget for Fiscal Year (FY) 2017/2018 in the amount \$675,693.
2. Authorize the levy of County Service Area 152 Assessment at \$8.15 per Benefit Assessment Unit (BAU) for FY 2017/2018.

SUMMARY

The County Service Area (CSA) 152 was formed by Riverside County to offset a portion of the costs of the federally mandated National Pollutant Discharge Elimination System (NPDES) program. The County continues to manage the CSA program and applies parcel charges on the property tax bills of parcels which may benefit from the services. For the City to receive funding from the County, the City must prepare a CSA 152 Budget for submission to the County. This report recommends approval of the Fiscal Year (FY) 2017/2018 County Service Area 152 Budget in the amount of \$675,693, based on an assessment of \$8.15 per Benefit Assessment Unit (BAU).

DISCUSSION

The CSA 152 program, as administered by the County, allows for the collection of revenues on the property tax bills to support the NPDES program. The County is the lead agency in administering CSA 152 and the City is a participating agency. In order to continue with the service provided under CSA 152, the City is required to approve the

CSA 152 budget for FY 2017/2018 in a specific amount (Attachment 1); and approve a CSA 152 Assessment per Benefit Assessment Unit (BAU) for FY 2017/2018.

Although costs may exceed the current revenues, Staff is not recommending an increase of the BAU assessment beyond the previously approved amount of \$8.15. Any increase to the BAU would require a mail ballot process under Proposition 218 and the approval of the property owners.

The County CSA 152 Administrative Services Agreement requires the City to adopt an annual CSA 152 Budget. To ensure the funding is secured and the assessment remains on the tax rolls for FY 2017/2018 staff is recommending Council adopt the CSA 152 budget as presented this evening. The County levies CSA 152 on the annual property tax bill on behalf of the City of Moreno Valley.

Failure by the City to enforce the NPDES program can result in penalties of up to \$37,500 per day for noncompliance and/or civil and criminal penalties. This is a federally mandated program administered by the State. **There has been neither State nor Federal monies allocated to local agencies to address these requirements.**

ALTERNATIVES

1. Approve the CSA 152 Budget for FY 2017/2018 in the amount of \$675,693 and authorize the levy of CSA 152 Assessment at \$8.15 per BAU for FY 2017/2018. *Approval of this alternative assures that a portion of the funds necessary to support the various storm water management and maintenance programs for the City will continue to be collected.*
2. Do not approve the CSA 152 Budget for FY 2017/2018 in the amount of \$675,693 and do not authorize the levy of CSA 152 Assessment at \$8.15 per BAU for FY 2017/2018. *This alternative does not provide for the collection of the assessment on the annual tax rolls that are necessary to fund portions of the storm water management and maintenance programs and not authorizing either the budget or levy will interrupt the assessment and revenue collection process.*

FISCAL IMPACT

Adoption of the recommended CSA 152 Budget and authorization of the annual levy will ensure that the City receives its authorized funding from this source. With the implementation of the federally mandated NPDES program, the City may use CSA 152 revenues together with other NPDES related revenues. However, in cases where the revenues do not fully fund program costs, the City's General Fund may be required to make up the shortfall. Approving the CSA 152 Budget will help mitigate the level of impact on the General Fund. **Funds collected from the CSA 152 annual levy are restricted for use only within the Storm Water Management programs.**

Due to the increasing difference between the projected CSA 152 revenue and the NPDES storm water program budgets, it may be necessary in the future to increase the

CSA 152 assessment per BAU, identify and implement other funding sources, and/or continue to use the General Fund to make up program shortfalls.

NOTIFICATION

Publication of agenda.

PREPARATION OF STAFF REPORT

Prepared By:
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Storm Water Program Manager

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Michael Lloyd, P.E.
Engineering Division Manager

Concurred By:
Marshall Eyeran
Chief Financial Officer/City Treasurer

CITY COUNCIL GOALS

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

Public Safety. Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

Public Facilities and Capital Projects. Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

Community Image, Neighborhood Pride and Cleanliness. Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

ATTACHMENTS

1. CSA 152 Budget Detail FY 2017/2018

CITY OF MORENO VALLEY
FISCAL YEAR 2017/2018 CSA 152 - BUDGET DETAIL

| | | FY 2017/18 |
|--|---|---------------------|
| 1. STORM DRAINAGE SYSTEM INSPECTION (36" AND GREATER - 99,710 LF) | | |
| A. | Inspection | \$6,787.69 |
| B. | Document Violations | \$1,508.38 |
| C. | Inspection Preparation Plan | \$6,284.90 |
| D. | Update Facilities Drawings | \$10,055.83 |
| | ***** | |
| | Sub-total = | \$24,636.79 |
| 2. DRAINAGE AREA MANAGEMENT PLAN (DAMP) | | |
| A. | Catch Basin Maintenance | \$190,498.99 |
| B. | Street Sweeping | \$300,938.44 |
| C. | Development of Ordinances/Policies/BMPs | \$15,083.75 |
| D. | Training Program Implementation | \$1,885.47 |
| E. | Inspection of Illegal Connections and Dumping | \$6,284.90 |
| F. | Development of Municipal Facilities Strategy | \$6,284.90 |
| G. | Litter/Trash Characterization | \$6,284.90 |
| | ***** | |
| | Sub-total = | \$527,261.34 |
| 3. PROGRAM ADMINISTRATION & SUPERVISION | | |
| A. | Program Management | \$18,854.69 |
| B. | Consultant's Fee (RCFC&WCD) | \$15,962.38 |
| | ***** | |
| | Sub-total = | \$34,817.07 |
| 4. LEGAL MAILINGS | | |
| A. | Associate Environmental Engineer Cost | \$3,645.24 |
| B. | Clerk's Cost | \$1,445.53 |
| C. | Postage Cost | \$23,881.35 |
| | ***** | |
| | Sub-total = | \$28,972.12 |
| 5. ASSESSOR CHARGE - \$0.25/parcel | | \$14,216.44 |
| 6. COUNTY COMPUTER TIME | | \$5,247.67 |
| 7. CSA 152 ADMINISTRATION FEE (6%) | | \$40,541.58 |
| TOTAL PROJECTED YEARLY COST (1. through 7.) | | \$675,693.00 |

ANNUAL ASSESSMENT

| | |
|---------------------------------------|--------------|
| COST | \$675,693.00 |
| TOTAL BENEFIT ASSESSMENT UNITS | 82,907 |
| ANNUAL ASSESSMENT PER BAU | \$8.15 |