

Central Services
Joan Araujo, Director

Engineering Services
James O'Tousa, Director

Roads & Transportation
Anitha Balan, Director

Water & Sanitation
Joseph Pope, Director

Watershed Protection
Glenn Shephard, Director

September 12, 2023

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

Board of Supervisors
Ventura County Watershed Protection District
800 South Victoria Avenue
Ventura, CA 93009

Subject: Approval of, and Authorization for the Public Works Agency (PWA) Director to Sign on behalf of the County and the Watershed Protection District (District), an Agreement between the County, the District, and the Incorporated Cities in Ventura County for the Implementation and Sharing of Costs for the Ventura Countywide Stormwater Quality Management Program; Authorization for the PWA Director to Extend the Term and Make Limited Amendments to the Agreement. All Supervisorial Districts, All Watershed Protection District Zones.

Recommendations:

1. Approve, and authorize the Public Works Agency Director (PWA Director) or his designees to sign on behalf of the County and the Watershed Protection District (District), an agreement between the County, the District, and the incorporated cities in Ventura County for the implementation and sharing of costs for a Ventura Countywide Stormwater Quality Management Program (Agreement) (Exhibit 1).
2. Authorize the PWA Director, or his designees, to extend the term of the Agreement on behalf of the County and the District, up to two times for a period not to exceed one year each time, provided any extension is consistent with the scope, terms, and conditions of the Agreement, subject to all necessary budgetary approvals by your Board and with review and approval as to form by County Counsel.
3. Authorize the PWA Director, or his designees, to approve on behalf of the County and the District amendments and modifications to the Agreement, provided any amendments or modifications are consistent with the original purpose of the Agreement, do not result in additional costs to the County or the District, subject to review and approval as to form by County Counsel.



Fiscal/Mandates Impact:

Mandatory: No
 Source of Funding: Ventura County Watershed Protection District Benefit Assessment Program; Cities and County (as Co-permittees)
 Funding Match Required: No
 Impact on Other Department(s): None

Ventura County Watershed Protection District

	<u>FY 2023-24</u>	<u>FY 2024-25</u>
Revenue:	\$ 1,579,929	\$ 0
Costs:		
Direct	\$ 2,741,101	\$ 0
Indirect – Agency/Dept.	395,492	0
Indirect – County CAP		0
	<u>23,264</u>	
Total Costs	\$ 3,159,857	0
Net District Costs	\$ 1,579,929	\$ 0
Recovered Indirect Costs	\$ 0	\$ 0

Current FY 2023-24 Budget Projection for Watershed Protection District Zones 1/2/3/4 – Units 4212/22/32/42				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Expenditures	\$2,443,925	\$2,443,925	\$2,443,925	\$ 0
Revenue	\$2,298,600	\$2,298,600	\$2,298,600	\$ 0
Net Cost	\$145,325	\$145,325	\$145,325	\$ 0

Sufficient revenue and appropriations are included in the FY 2023-24 Watershed Protection District's Projected Adopted Budgets. Sufficient revenue and appropriations will be included in the FY2024-2025 through FY 2026-26 Watershed Protection District's Budgets as appropriate.



County of Ventura – Stormwater Program

	<u>FY 2023-24</u>	<u>FY 2024-25</u>
Summary of Revenues & Costs		
Revenue:	\$ 0	\$ 0
Costs:		
Direct	\$ 320,567	\$ 0
Indirect/Agency Dept.	\$ 0	\$ 0
Indirect/County CAP	<u>\$ 0</u>	<u>\$ 0</u>
Total Costs	\$ 320,567	\$ 0
Net County Costs	\$ 320,567	\$ 0
Recovered Indirect Costs	\$ 0	\$ 0

Current FY 2023-24 Budget Projection for County Unincorporated Stormwater Program – Units 4091/92/95(Unincorporated Area Zones 1,2,3 and 4)				
	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Savings/(Deficit)
Appropriations	\$3,860,500	\$3,860,500	\$3,860,500	\$0
Revenue	\$3,041,400	\$3,041,400	\$3,041,400	\$0
Net Cost	\$819,100	\$819,100	\$819,100	\$0

Sufficient appropriations are included in the FY 2023-24 Stormwater-Unincorporated Adopted Budgets for Units 4091,4092 and 4095. Sufficient appropriations will be included in the FY 2024-2025 through FY 2026-2027 Stormwater-Unincorporated Budgets as appropriate.

Executive Summary:

The attached Ventura County Stormwater Permit Implementation and Cost-Sharing Agreement (Exhibit 1) will continue the existing cost sharing agreement between the County of Ventura, the District, and the ten incorporated Cities of Ventura County, with the District responsible to implement the Stormwater Program activities defined in Appendix A of the Agreement. The term of the new Agreement will begin on September 12, 2023, and it will expire one year after the current Permit expires on September 11, 2026, or when the next permit is adopted. Staff requests your Board approve, and authorize the PWA Director, or his designees, to sign on behalf of both the County and the District the Ventura County Stormwater Permit Implementation and Cost-Sharing Agreement (Exhibit 1) with the incorporated cities in Ventura County for the implementation and sharing of costs for the Stormwater Program. Additionally, Staff requests your Board authorize the PWA Director or his designees, on behalf of both the County and the District, to extend the term of the Agreement, up to two times for a period not to exceed one year each time and to approve amendments and modifications to the Agreement provided any amendments or modifications are consistent with the original purpose of the Agreement, and they do not result in additional costs to the County or the District.



Discussion:

On April 14, 1992, your Board approved the concept of a single countywide Stormwater Permit (Permit), regulating the municipal separate storm sewer system discharges of the District, the County, and the ten incorporated cities in Ventura County; then your Board authorized the use of the District's Benefit Assessment Program to collect revenues on behalf of all permittees to finance the Permit's activities and requirements. Subsequently, on June 30, 1992, the District (as the then-Principal Permittee) entered into four separate District-zone-based implementation agreements with the ten Ventura County cities and the unincorporated areas of the county (the then-Co-Permittees). Collectively, these four agreements are known as the Implementation Agreement for the Ventura Countywide Stormwater Quality Management Program (Stormwater Program). This Implementation Agreement identifies the permittees' responsibilities under the Permit and sets forth the methodology for using the District's Benefit Assessment Program to fund the Stormwater Program on their behalf in their respective jurisdictions. In each subsequent fiscal year, your Board resolved to fund the Stormwater Program through the District's Benefit Assessment Program as outlined in the Implementation Agreement.

During the first 16 years of the Permit, the District acted as the Principal Permittee and led implementation of the Stormwater Program's administration, reporting, monitoring, and public outreach on behalf of all Co-Permittees. The District provided all necessary funding on behalf of the 11 Co-Permittees through its designated Benefit Assessment. Due to increasing costs, the Principal Permittee activities eventually exceeded revenues collected via the Benefit Assessment Program, necessitating the use of previous year(s) fund balance carryover. As a result, the District had insufficient remaining funds to fund the Stormwater Program required by the Permit. The District could no longer solely shoulder these fiscal obligations without assistance from the Co-Permittees.

In response, the Co-Permittees' Public Works Directors created a subcommittee to evaluate the original intent of the Board of Supervisors' approval of the Benefit Assessment Program. This group concluded that the District historically provided 50 percent of its annual benefit assessment to fund the Principal Permittee's responsibility to implement and administer the Stormwater Program. On January 27, 2009, your Board amended the Implementation Agreement to include a requirement that Co-Permittees share 50 percent of the costs associated with implementation and administration of the Stormwater Program.

Additional increased costs associated with the Permit adopted in 2010 prompted further effort among the Public Works Directors to equitably share the costs of the Stormwater Program. The result of that effort was the 2010 Implementation Agreement. In 2016, your Board approved the First Amendment to the 2010 Implementation Agreement, extending the term of the 2010 Implementation Agreement so that it expires one year after the next Permit became effective. The next Permit was adopted by the Los Angeles Regional Water Quality Control Board on July 23, 2021, and became effective on September 11,



2021, resulting in the First Amendment's expiration date of September 11, 2022. On May 24, 2022, your Board approved the Second Amendment to the 2010 Implementation Agreement to extend the term one more year to allow time for the Co-Permittees to assess the requirements and responsibilities of the new Permit, reevaluate the cost sharing formula, and adopt a new Implementation Agreement. The Second Amendment will expire on September 11, 2023.

The new Permit does not specify the District as "Principal Permittee" and the other parties as "Co-Permittees." Under the new Permit, the District, the County, and the ten incorporated cities are all called "Permittees." Further, the District is no longer required by the Permit to perform compliance activities on behalf of other Permittees. The original intent of partially funding this effort through the District's Benefit Assessment Program has not changed. All Permittees agree to have the District continue to implement, on behalf of all Permittees, the Stormwater Program's administration, reporting, monitoring, public outreach, and other duties as described in Appendix A of the Agreement under the same cost sharing formula included in the 2010 Implementation Agreement.

Before your Board today is the Ventura County Stormwater Permit Implementation and Cost-Sharing Agreement (Exhibit 1). The Agreement will continue the existing cost sharing agreement with the District responsible to implement the Stormwater Program activities defined in Appendix A of the Agreement. The term of the new Agreement will begin on September 12, 2023, and it will expire one year after the new Permit expires on September 11, 2026, or when the next permit is adopted. Staff requests your Board approve, and authorize the PWA Director or his designees to sign, on behalf of the County and the District, the Ventura County Stormwater Permit Implementation and Cost-Sharing Agreement with the incorporated cities in Ventura County for the implementation and sharing of costs for the Stormwater Program (Exhibit 1).

To ensure that the Stormwater Program continues to be implemented and violations of the new Permit are avoided while a new agreement is being negotiated at the end of the Agreement's term, staff requests your Board authorize the PWA Director or his designees, on behalf of the County and the District, to extend the term of the Agreement, up to two times for a period not to exceed one year each time, provided any extension is consistent with the scope, terms, and conditions of the Agreement, subject to all necessary budgetary approvals by your Board and to review and approval as to form by County Counsel.

Finally, in order to timely respond to non-substantive issues related to the Agreement and the Stormwater Program, staff requests your Board authorize the PWA Director or his designees, on behalf of the County and the District, to approve amendments and modifications to the Agreement provided any such amendments or modifications are consistent with the original purpose of the Agreement, and they do not result in additional costs to the County or the District, subject to review and approval as to form by County Counsel.



This item has been reviewed by the County Executive Office, the Auditor-Controller's Office, and County Counsel.

If you have any questions concerning this item, please contact the undersigned at (805) 654-2073.

Sincerely,



Jeff Pratt, P.E.
Director, Public Works Agency

Attachment:

Exhibit 1 – Ventura County Stormwater Permit Implementation and Cost-Sharing Agreement

