

Central Services
Joan Araujo, Director

Engineering Services
James O'Tousa, Director

Roads & Transportation
Anitha Balan, Director

Water & Sanitation
Joseph Pope, Director

Watershed Protection
Vacant, Director

May 14, 2024

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

Subject: Receive and File Materials Regarding Proposed Fiscal Year (FY) 2024-25 Benefit Assessment (BA) for the Costs of Flood Control Services; and Set Public Hearing for June 4, 2024, 11:00 a.m. to Consider Adopting the FY 2024-25 BA Program, Including the Components Listed as Routine Operations and Maintenance, Flood Damage Repair Reserve, and National Pollutant Discharge Elimination System Municipal Stormwater Permit Implementation for All Watershed Protection District Zones, All Supervisorial Districts.

Recommendations:

1. Receive and file materials for the Fiscal Year (FY) 2024-25 Benefit Assessment (BA) and consider the information submitted in this letter, showing proposed amounts to be levied and comparisons to previous years for costs of flood control services in Zones 1, 2, 3, and 4.
2. Set June 4, 2024, at 11:00 a.m. as the date and time for a public hearing on the FY 2024-25 BA Program for the costs of flood control services.

Fiscal/Mandates Impact:

Mandatory:	Yes
NPDES:	Yes. Section 402(p) of the Clean Water Act and Regional Water Quality Control Board Order No. 2010-0108, National Pollutant Discharge Elimination System (NPDES) Permit No. CAS004002
O&M:	No
Source of Funding:	Benefit Assessment for Flood Control/Watershed
Funding Match Required:	No
Impact on Other Department(s):	None



Summary of Revenue and Total Costs:

	FY 2023-24	FY 2024-25
Revenue:		
Total Assessments	\$ 12,070,854	\$ 12,008,476
Less Non-District Permittees	\$ 1,706,191	\$ 1,697,023
Net District Revenue	\$ 10,364,663	\$ 10,311,453
Costs:		
Direct	\$ 8,700,249	\$ 8,655,584
Indirect – Agency/Dept.	\$ 1,546,579	\$ 1,538,639
Indirect – County CAP	\$ 117,835	\$ 117,230
Total Costs	\$ 10,364,663	\$ 10,311,453
Net District Costs	\$ 0	\$ 0
Recovered Indirect Costs	\$ 1,664,414	\$ 1,655,869

Current Fiscal Year Budget Projections:

Current FY 2023-24 Budget Projections for Watershed Protection District All Zones				
	FY 2024 Adopted Budget	FY 2024 Adjusted Budget	Estimate to Year-End	Estimated Savings/(Deficit)
Appropriations	\$ 82,220,648	\$ 96,895,058	\$ 57,228,800	\$ 39,666,258
Revenue	\$ 60,992,500	\$ 61,017,500	\$ 49,409,900	(\$ 11,607,600)
Net Cost	\$ 21,228,148	\$ 35,877,558	\$ 7,818,900	\$ 28,058,658

Current FY 2023-24 Budget Projections for Stormwater Unincorporated Unit 4091/92/95				
	FY 2024 Adopted Budget	FY 2024 Adjusted Budget	Estimate to Year-End	Estimated Savings/(Deficit)
Appropriations	\$ 3,860,500	\$ 5,225,343	\$ 3,723,100	\$ 1,502,243
Revenue	\$ 3,041,400	\$ 3,041,400	\$ 2,860,900	(\$ 180,500)
Net Cost	\$ 819,100	\$ 2,183,943	\$ 862,200	\$ 1,321,743

Sufficient appropriations and revenue are included in the FY 2024-25 requested budget. Fiscal Year 2023-24 figures are included for comparison only.

Executive Summary:

Your Board annually reviews the Watershed Protection District (District) Benefit Assessment (BA) Program. Through the BA, your Board has resolved to fund a



substantial portion of the costs of routine maintenance of flood control, the National Pollutant Discharge Elimination System (NPDES) Permit compliance, efforts to meet requirements of the Federal Water Pollution Control Act or Clean Water Act for the municipalities within the District, and to fund a Flood Damage Repair Reserve for District facilities.

Today the District is asking your Board to receive and file materials and to return on June 4, 2024, for a public hearing to consider public comments related to the BA for FY 2024-25. If approved, the BA will yield approximately \$12 million in revenue to the District and its partnering agencies in the Ventura Countywide Stormwater Quality Management Program (VCSQMP), comprised of Ventura County (County), its ten cities, and the District.

Discussion:

The District's BA Program for flood control was authorized by the Ventura County Watershed Protection Act (Act), as amended by Chapter 438, Statutes of 1987 and Chapter 365, Statutes of 1988. The Act authorizes the District to levy assessments on real property based on the benefit each parcel will derive from the improvements to be constructed, maintained, operated, extended, or repaired, in lieu of using an ad valorem basis. Pursuant to Government Code section 54715, the benefit each parcel will derive may be determined based on the proportionate stormwater runoff from each parcel. The BA Program also complies with other legal requirements, notably Proposition 218 of 1996, now Articles XIII C and XIII D of the California Constitution.

On June 14, 1988, your Board first adopted a resolution approving the establishment and levy of a BA for the cost of flood control services in Zones 1, 2, 3, and 4. In each subsequent fiscal year, your Board has resolved to continue the BA Program and set assessment rates in each of the four zones. On June 30, 1992, your Board resolved to fund the County's share of the municipal stormwater NPDES Permit compliance using BA funds. Soon thereafter, all ten cities within the County joined in that program as co-permittees under an implementation agreement. It allowed the use of the BA funds to fund municipal stormwater NPDES Permit requirements within their jurisdictional boundaries.

Estimated amounts of the BA are shown in Attachment 1 of the attached proposed resolution (Resolution). The estimated proposed BA is based on February 2024 assessment information. Prior to the mailing of tax bills, there will be slight changes to the assessment roll, which will in turn cause slight changes in the amounts of the BA. Should the BA be approved for FY 2024-25, a final report will summarize amounts by watershed zones. The final report will reflect any changes to the County assessment roll occurring between the February 2024 parcel data and the time tax bills are generated.

BA rates are established per Basic Assessment Unit (BAU), which is developed using a single-family dwelling on 0.2 acres with an imperviousness factor of 0.40 (40%). This is



representative of the most common type of development within the County. To provide a comprehensive overview of the BA, the proposed Resolution includes information in Attachments 1 through 3, detailing the following:

- Attachment 1 lists the total BA rate per BAU for cities and unincorporated areas in the County for the period FY 1996/97 through the proposed rates for FY 2024-25. The chart also compares the BA revenue for FY 2023-24 to the proposed BA revenue for FY 2024-25. The minor changes in revenue are due to changes in the number of BAUs for FY 2024-25, resulting from changes in land use.
- Attachment 2 of the Resolution shows a breakdown of the FY 2024-25 total BA rates per BAU by their component parts. For each city and unincorporated area within each zone, this chart shows the BA rate collected for routine operations and maintenance, the Flood Damage Repair Reserve, and for NPDES Permit compliance.
- Attachment 3 of the Resolution compares the FY 2023-24 BA revenue to the projected FY 2024-25 BA revenue.

The BA revenue summary from Attachment 3 is as follows:

Program	BA Revenues	
	<u>FY 2023-24</u>	<u>FY 2024-25</u>
Operations & Maintenance	\$ 7,979,048	\$ 7,938,630
Ventura Countywide Stormwater Quality Management Program	\$ 3,166,755	\$ 3,150,251
Flood Damage Repair Reserve	\$ 925,051	\$ 919,595
Total	\$12,070,854	\$ 12,008,476

Exhibit 1 is the Report on Benefit Assessment Program for Watershed Protection - Fiscal Year 2023-2024 (Report). The Report shows the amounts levied on the FY 2023-24 tax statements. It provides a comprehensive overview of the program and the calculations required to determine assessments. Tables 2 through 6 of the Report are generated from mid-2023 data.

Estimates for FY 2024-25 reflect adjustments within the burn area of the Thomas, Hill, and Woolsey Fires. It can be assumed that most of the now-vacant properties will be rebuilt in a similar character to their pre-fire land use, so the negative BA revenue impact will recover over time to Zones 2, 3, and 4 within the unincorporated area and within the cities of San Buenaventura and Thousand Oaks.

A public hearing is requested before your Board for June 4, 2024, to receive public testimony concerning the proposed assessments, as required by the 1988 Resolution, to confirm and adopt the assessments for each fiscal year. At the June 4, 2024, meeting, upon consideration of all public testimony, staff will recommend that your Board approve and adopt the proposed Resolution establishing FY 2024-25 BA for the District, including



the components listed as routine operations and maintenance, the Flood Damage Repair Reserve, and the VCSQMP.

It is recommended that your Board continue the existing BA Program at the same rate and using the same methodology for FY 2024-25, pursuant to the exemption set forth in California Constitution Article XIII D (Section 5). The purposes for which the BA is levied meet Proposition 218's definitions of "capital costs" and "maintenance and operations expenses," and the assessment rates and methodology for the proposed BA for FY 2024-25 remain the same as the rates and methodology for FY 1996-97. Therefore, your Board may approve the FY 2024-25 BA without triggering the requirements of Proposition 218. Increases in revenues resulting from land use changes are not considered as resulting from increased assessments.

As calculated, the BA will yield approximately \$12 million in revenue to the District and its partnering agencies in VCSQMP, which will be allocated in accordance with Attachments 1, 2, and 3 of the attached Resolution.

Strategic Plan:

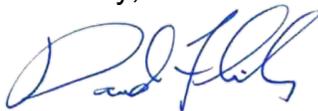
This item contributes to the Board's 2024-2027 strategic priority to provide:

- II. Fiscal responsibility and economic vitality through
 - 1. Maintaining a transparent and balanced budget, while funding essential services and implementing cost-savings measures.

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

If you have any questions regarding this item, please contact the undersigned at (805) 654- 2040 or Sergio Vargas at (805) 672-2106.

Sincerely,



David Fleisch, P.E
Assistant Director

Attachments:

Proposed Resolution with Attachments 1, 2, and 3

Exhibit 1 - Report on Benefit Assessment Program for Watershed Protection –
Fiscal Year 2023-24

