

Central Services
Joan Araujo, Director

Engineering Services
Christopher Cooper, Director

Roads & Transportation
Anitha Balan, Acting Director

Water & Sanitation
Joseph Pope, Director

Watershed Protection
Glenn Shephard, Director

June 6, 2023

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

Subject: **Public Hearing Regarding Approval and Adoption of Fiscal Year 2023/24 Benefit Assessment Program for the Watershed Protection District for the Costs of Flood Control Services, Including the Components Listed as Routine Operations and Maintenance, Flood Damage Repair Reserve, and National Pollutant Discharge Elimination System Municipal Stormwater Permit Implementation; and Authorize the Chair to Sign a Resolution Confirming the Fiscal Year 2023/24 Assessment of Real Property for All Watershed Protection Districts Zones, all Supervisorial Districts.**

Recommendations:

1. Approve and adopt a Resolution following a public hearing approving the FY 2023/24 Benefit Assessment program for the Watershed Protection District, including the components listed herein as Routine Operations and Maintenance, Flood Damage Repair Reserve, and National Pollutant Discharge Elimination System Municipal Stormwater Permit Implementation.
2. Authorize the Chair to sign the Resolution on behalf of the Ventura County Watershed Protection District.

Fiscal/Mandates Impact:

Mandatory:

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 Protection
Impact on Other Department(s): None.
Funding Match Required: None

Summary of Revenue and Total Costs:	<u>FY 2022/23</u>	<u>FY 2023/24</u>
Revenue:		
Total assessments	\$ 12,045,915	\$ 12,070,854
Less Non-District Permittees	\$ <u>1,700,772</u>	\$ <u>1,706,191</u>
Net District Revenue	\$ 10,345,143	\$ 10,364,663
Costs:		
Direct	\$ 9,553,212	\$ 8,700,249
Indirect/Agency Dept	\$ 646,373	\$ 1,546,579
Indirect/County CAP	\$ <u>139,558</u>	\$ <u>117,835</u>
Total Costs	\$ 10,345,143	\$ 10,364,663
Net District Costs	\$ 0	\$ 0
Recovered Indirect Costs	\$ 785,930	\$ 1,664,414

Appropriations and revenue are included in the FY 2023/24 requested budget. Fiscal Year 2022/23 figures are included for comparison only.

Executive Summary:

Your Board annually reviews the Watershed Protection District (District) Benefit Assessment (BA) Program and has resolved through the BA to fund a substantial portion of the costs of routine maintenance of flood control, the National Pollutant Discharge Elimination System (NPDES) Permit compliance to meet requirements pertaining to the Federal Water Pollution Control Act (Clean Water Act) for the municipalities within the District, and a Flood Damage Repair Reserve for District facilities.

The District is asking your Board to consider all materials as delivered to the Clerk of your Board for receipt and filing on May 16, 2023, in the matter of the annual assessments for the District and to consider all public testimony that may be offered at this public hearing. Staff is recommending a vote for approval and adoption of a resolution to establish the BA for FY 2023/24. 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 the 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 on the basis of 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 benefit assessment 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. That 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. The estimated proposed BA is based on February 2023 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 2023/24, 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 2023 parcel data and the time tax bills are generated.

BA rates are established per Basic Assessment Unit (BAU). This 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 2023/24. The chart also compares the BA revenue for FY 2022/23 to the proposed BA revenue for FY 2023/24. The minor changes in revenue are due to changes in the number of BAUs for FY 2023/24 resulting from changes in land use.
- Attachment 2 shows a breakdown of the FY 2023/24 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 compares the FY 2022/23 BA revenue to the projected FY 2023/24 BA revenue.



The BA revenue summary from Attachment 3 is as follows:

Program	Benefit Assessment Revenues	
	<u>FY 2022/23</u>	<u>FY 2023/24</u>
Operations & Maintenance	\$ 7,963,759	\$ 7,979,048
Ventura Countywide Stormwater Quality Management Program	\$ 3,158,975	\$ 3,166,754
Flood Damage Repair		
Reserve	\$ 923,181	\$ 925,052
Total	\$12,045,915	\$12,070,854

Exhibit 1 of this Board Letter is the Report on Benefit Assessment Program for Watershed Protection - Fiscal Year 2022/2023 (Report). The Report shows the amounts levied on the FY 2022/23 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-2022 data.

Estimates for FY 2023/24 reflect adjustments within the burn area of the Thomas, Hill, and Woolsey Fires. As it can be assumed that most of the now-vacant properties will be rebuilt in a similar character to their pre-fire land use, the negative BA revenue impact to Zones 2, 3 and 4 within the unincorporated area and within cities of San Buenaventura and Thousand Oaks will recover over time.

Considering that the purposes for which BA is levied meet Proposition 218's definitions of "capital costs" and/or "maintenance and operations expenses," and because the assessment rates and methodology for the proposed BA for FY 2023/24 remain the same as the rates and methodology for FY 1996/97, your Board may approve the FY 2023/24 BA without triggering the requirements of Proposition 218. Increases in revenues resulting from land use changes are not considered as resulting from increased assessments.

It is recommended that your Board continue the existing BA Program at the same rate and using the same methodology for FY 2023/24, pursuant to the exemption set forth in California Constitution Article XIII D (Section 5). If your Board follows this recommendation, the BA will yield approximately \$12 million in revenue to the District and its partnering agencies in the Ventura Countywide Stormwater Quality Management Program, which will be allocated in accordance with Attachments 1, 2, and 3 of the attached resolution.

Attached to this letter is the resolution for adopting and confirming assessments on real property for FY 2023/24.

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 you may contact Sergio Vargas at (805) 672-2106.

Sincerely,

A handwritten signature in blue ink, appearing to read "Glenn Shephard".

Glenn Shephard, P.E.
Director, Watershed Protection

Attachments:

Resolution with Attachments BA 2023-24
Exhibit 1 – Report on Benefit Assessment Program for Watershed Protection – Fiscal
Year 2022/2023

