



CITY OF SACRAMENTO

DEPARTMENT OF ENGINEERING
915 I STREET SACRAMENTO, CALIFORNIA 95814
CITY HALL ROOM 207 TELEPHONE (916) 449-5281

CITY MANAGER'S OFFICE
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R. H. PARKER
CITY ENGINEER
J. F. VAROZZA
ASSISTANT CITY ENGINEER

March 10, 1982

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: City-Wide Storm Drainage Fee

SUMMARY:

Attached is a report to the Budget and Finance Committee presenting the status of the feasibility study on a city-wide storm drainage fee and recommends that the City Council direct staff to continue with the design and implementation of a plan to be implemented on July 1, 1982. The Budget and Finance Committee approved staff's recommendation at their March 9, 1982 meeting.

RECOMMENDATION:

It is recommended that the City Council direct staff to continue with the design and implementation of a city-wide storm drainage fee with a goal of implementation for July 1, 1982.

Respectfully submitted,

R. H. PARKER
City Engineer

Recommendation Approved:

Walter J. Slipe, City Manager

APPROVED
BY THE CITY COUNCIL

MAR 16 1982

OFFICE OF THE
CITY CLERK

March 16, 1982
All Districts



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DEPARTMENT OF ENGINEERING

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CITY HALL ROOM 207 TELEPHONE (916) 449-5281

R. H. PARKER
CITY ENGINEER

J. F. VAROZZA
ASSISTANT CITY ENGINEER

February 16, 1982

Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: City-Wide Storm Drainage Fee

SUMMARY:

This report presents the status of the feasibility study on a city-wide storm drainage fee and recommends that the Council direct staff to continue with the design and implementation of a plan to be implemented on July 1, 1982.

BACKGROUND:

In March of 1981 the Water and Sewer Division appeared before Council with a proposed sewer rate increase for F.Y. 1981/82. As part of that report, it was noted that a substantial portion of sewer system costs can be attributed to storm drainage. It was also pointed out that there is a growing inequity in this distribution since about one-third of the City residents are within County Sanitation districts and pay no sewer fees to the City. Since the City provides storm drainage to these areas, the other two-thirds of City residents are subsidizing these areas.

In order to remedy this inequity and provide for the necessary increasing demand for revenue to support the storm drainage operation, it was suggested that a separate city-wide storm drainage fee be designed and implemented as soon as possible.

In response to this suggestion a staff task force was formed to determine the feasibility of a city-wide storm drainage fee. It was determined that such a fee is feasible and necessary.

The next step was to determine how best to compute such a fee to be charged to all City residents and commercial accounts in the most equitable manner possible. (Commercial accounts are defined as all non-residential properties). In order to do this, several elements were assumed:

1. The entire City population should contribute to storm drainage operation and maintenance costs since the entire City population benefits from such an operation.
2. Commercial and residential properties in the developed urban area of the City should be charged according to some function of area.

3. Residential/multiple properties (single family dwellings/duplex, triplex, fourplex and apartment dwellings) can be billed for storm drainage based on the existing method for determining sewer rates (room count), but commercial properties (approximately 7,500) should each be measured from maps for parcel square footage.

With the conditions above, storm drainage fees for residential/multiple properties would be computed on room count and rates for commercial properties would be based on square footage of the parcel. Room count as a basis for computation of storm drainage fees is desirable because it is practical, expedient and equitable. Room count information is already contained in each master record for all residential/multiple accounts in the City. Converting the billing system to charge for storm drainage for residential/multiple properties requires the addition of a rate table which will be applied to existing usage codes.

It is estimated that it will take approximately 530 hours to complete the task of computing commercial parcel square footages. This can be accomplished with existing staff. Once the total square footage is computed, it will be possible to determine the cost per 100 or 1,000 square feet based on the total financial responsibility of all commercial properties.

Data Processing has submitted a timetable of 12 weeks to modify the existing automated utility billing system to incorporate billing for storm drainage.

If the square footage of commercial properties is computed simultaneously with the data processing work, it is feasible to commence billing for storm drainage effective July 1, 1982.

The following attachments are included in this report:

1. Exhibit I shows sanitary sewer rates for 1982/83 if the proposed drainage fee is not enacted.
2. Exhibit II shows a computation of the proposed storm drainage fees and sanitary sewer fees for City residents in City sewer service areas and for City residents in County Sanitation Districts.
3. Exhibit III shows a table similar to that in Exhibit II except the drainage fee has been increased for commercial and decreased for residential to reflect the difference in run-off from commercial property versus residential property.
4. Exhibit IV is a map of the City showing the areas presently within County Sanitation District No. 1 and the ultimate County Sanitation District No. 1 when it is completely supplied with sewer service.

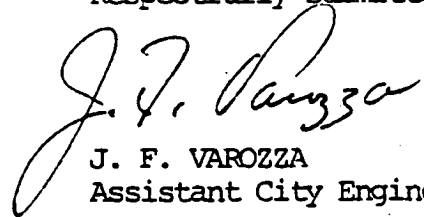
FINANCIAL:

The attached Tables I and II provide potential rate structures for residential/multiple properties using a requirement of \$2,400,000 to be raised from storm drainage fees and \$1,600,000 to be raised from sewer fees. This revenue requirement is based upon the submitted budget data for F.Y. 1982/83.

RECOMMENDATION:

It is recommended that Council direct staff to continue with the design and implementation of a city-wide storm drainage fee with a goal of implementation for July 1, 1982.

Respectfully submitted,



J. F. VAROZZA
Assistant City Engineer

FOR TRANSMITTAL:

Finance Administration and Budget

att.

SEWER RATES FOR 1982/33 IF
NO DRAINAGE FEE IS ENACTED

Present Sewer Fees Raised - 3,150,000

4.0 million needed in 1982/83 which is a 27% increase over 1981/82

SEWER FEES

<u>Room Count</u>	<u>Present Fee Per Month</u>	<u>27% Increased Fee Per Month</u>	<u>Increase</u>
1 to 3 Rooms	1.64	2.08	+ .44 ✓
4 to 5 Rooms	2.07	2.63	+ .56 ✓
6 to 7 Rooms	2.46	3.12	+ .66 ✓
8 to 9 Rooms	2.85	3.62	+ .77 ✓
10 to 15 Rooms	3.28	4.17	+ .89 ✓
16+ (Each Room)	.22	.28	+ .06 ✓

SAMPLE OF PROPOSED STORM DRAINAGE AND SEWER RATES

TOTAL REVENUE TO BE DERIVED = \$2,400,000 Storm Drainage - \$1,600,000 Sewer

TABLE I

(based on split of urban developed property in the City for storm drainage computations and portion of total revenue collected now for sewer.)

STORM DRAINAGE

\$1,305,600	Residential	(54.4%)
1,094,400	Commercial	(45.6%)

SEWER

\$1,040,000	Residential	(65%)
560,000	Commercial	(35%)

—WHAT THIS MEANS FOR THE CITY RESIDENTS IN CITY SEWER SERVICE AREAS—

(1) <u>Room Count</u>	(2) <u>Proposed Storm</u>	+	(3) <u>Proposed Sewer</u>	=	(4) <u>Proposed Total</u>	(5) <u>Present Sewer (inc. storm)</u>	<u>Decrease (col. 5-col. 4)</u>
1-3	.72		.80		1.52	1.64	.12
4-5	.90		1.01		1.91	2.07	.16
6-7	1.08		1.19		2.27	2.46	.19
8-9	1.26		1.38		2.64	2.85	.21
10+	1.44		1.59		3.03	3.28	.25

(all rates shown are per month)

—WHAT THIS MEANS FOR THE CITY RESIDENTS IN COUNTY SANITATION DISTRICTS—

<u>Room Count</u>	<u>Existing Co. Sewer</u>	<u>Proposed City Storm</u>	<u>Proposed Total</u>	<u>Proposed City Sewer/Storm</u>	<u>Difference* (col. 4-col. 5)</u>
1-3	1.50	.72	2.22	1.52	.70
4-5	1.50	.90	2.40	1.91	.49
6-7	1.50	1.08	2.58	2.27	.31
8-9	1.50	1.26	2.76	2.64	.12
10+	1.50	1.44	2.94	3.03	[.09]

(all rates shown are per month)

*This difference is how much more a city resident in a county sanitation district will pay as opposed to what a city resident in a city sewer service area will pay for sewer and storm drainage fees under the proposed plan.

SAMPLE OF PROPOSED STORM DRAINAGE AND SEWER RATES

TOTAL REVENUE TO BE DERIVED = \$2,400,000 Storm Drainage - \$1,600,000 Sewer

TABLE II

(based on split of urban developed property in the City for storm drainage computations and portion of total revenue collected now for sewer.)

STORM DRAINAGE

\$1,056,000	Residential	(44.0%)
1,344,000	Commercial	(56.0%)

SEWER

\$1,040,000	Residential	(65%)
560,000	Commercial	(35%)

—WHAT THIS MEANS FOR THE CITY RESIDENTS IN CITY SEWER SERVICE AREAS—

(1) Room Count	(2) Proposed Storm	+	(3) Proposed Sewer	=	(4) Proposed Total	(5) Present Sewer (inc. storm)	Decrease (col. 5-col. 4)
1-3	.59		.80		1.39	1.64	.25
4-5	.73		1.01		1.74	2.07	.33
6-7	.88		1.19		2.07	2.46	.39
8-9	1.02		1.38		2.40	2.85	.45
10+	1.16		1.59		2.75	3.28	.53

(all rates shown are per month)

—WHAT THIS MEANS FOR THE CITY RESIDENTS IN COUNTY SANITATION DISTRICTS—

Room Count	Existing Co. Sewer	Proposed City Storm	Proposed Total	Proposed City Sewer/Storm	Difference* (col. 4-col. 5)
1-3	1.50	.59	2.09	1.39	.70
4-5	1.50	.73	2.23	1.74	.49
6-7	1.50	.88	2.38	2.07	.31
8-9	1.50	1.02	2.52	2.40	.12
10+	1.50	1.16	2.66	2.75	[-.09]

(all rates shown are per month)

*This difference is how much more a city resident in a county sanitation district will pay as opposed to what a city resident in a city sewer service area will pay for sewer and storm drainage fees under the proposed plan.

