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DEPARTMENT OF
PUBLIC WORKS

CITY OF SACRAMENTO
CALIFORNIA

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SACRAMENTO, CA
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OFFICE OF THE DIRECTOR

May 26, 1987

916-449-5283

Budget and Finance Committee
Sacramento, California

MELVIN H. JOHNSON
DIRECTOR
LESLIE M. FRINK
DEPUTY DIRECTOR
REGINALD YOUNG
DEPUTY DIRECTOR

Honorable Members in Session:

SUBJECT: PROPOSED STORM DRAINAGE RATES FOR 1987-88

SUMMARY

This report recommends the adoption of an increase of five percent (5%) in the storm drainage rate. This rate increase is necessary for the following reasons: (1) to maintain levee and canal systems required to prevent major flooding problems, (2) to operate and maintain the pumping stations assumed by the City from the American River Flood Control District, and (3) to purchase equipment which will improve the efficiency and cost effectiveness of flood control operations.

BACKGROUND

The Storm Drainage Fund is an enterprise fund which partially supports the Flood Control and Sewer Division's Administration section, and fully supports the Flood Control and Drainage, Storm Drainage Pumping, and Regional Pumping sections of that division. This fiscal year the Storm Drainage Fund will become the primary fund for the Regional Wastewater Pumping section which was previously funded through the Sewer Fund. This will result in both revenues and expenses being recorded in the organizations where they actually occur and will eliminate the need for transfers between the Storm Drainage and Sewer Funds. The transfer of funding sources has no net effect on the Storm Drainage Fund balance.

The acquisition of the pumping stations formerly owned and operated by the American River Flood Control District required \$563,000 for rehabilitation scheduled in Fiscal Year 1986-87. The total cost of capital improvements for these pumping stations is estimated to be \$6.2 million over the next nine years.

The revenue generated from these rate increases will be utilized in four general areas: operations, maintenance, equipment, and capital improvements. The five percent increase will provide funds to expand ditch maintenance operations to include ditches not previously maintained by the Flood Control and Sewer Division, to purchase additional equipment needed to clean and maintain the drainage network acquired from the American River Flood Control District and to upgrade certain

Proposed Storm Drainage Rates for 1987-88
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heavy equipment such as dump trucks and slope mowers, to fund a construction evaluation team to inspect new storm drains by remote video, and to establish a computer assisted drafting system for advanced mapping and drafting needs.

FINANCIAL

The impact of the proposed rate increase for fiscal year 1987-88 would be \$0.22 per month for the average customer (6-7 room house). This will increase annual revenues by \$424,000 to a total of \$8,899,000.

<u>Type</u>	<u>Current Rate/mo.</u>	<u>Proposed Rate/mo.</u>	<u>Increase/mo.</u>	<u>Percent</u>
Storm Drainage (6-7 room house)	\$4.32	\$4.54	\$0.22	5%

RECOMMENDATION

It is recommended that the Budget and Finance Committee recommend to the Council the adoption of the findings in the attached resolution of findings and the approval of a five percent increase in storm drainage rates as reflected in the attached resolution modifying the City of Sacramento Fee and Charge Report.

Respectfully submitted,

for Reginald Young
Larry L. Comarsh
Manager, Flood Control and Sewer Div.

Recommendation approved:

Approved:

Jack R. Crist

JACK R. CRIST
Deputy City Manager

Melvin H. Johnson

MELVIN H. JOHNSON
Director, Public Works Department

May 26, 1987
ALL DISTRICTS

RESOLUTION No.

Adopted by The Sacramento City Council on date of

RESOLUTION AMENDING THE CITY OF SACRAMENTO
FEE AND CHARGE REPORT TO ESTABLISH STORM DRAINAGE SERVICE
CHARGES AND FEES PURSUANT TO SECTION 36.502 OF THE
SACRAMENTO CITY CODE

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

That the City of Sacramento Fee and Charge Report is hereby amended to include the following storm drainage fees and charges to take effect on July 1, 1987.

I. SINGLE FAMILY RESIDENCE

For each single-family residence:

<u>No. of Rooms</u>		
1 to 3 incl.	\$2-88	\$3.02
4 and 5	-3-66	3.84
6 and 7	-4-32	4.54
8 and 9	-5-10	5.36
10 and 15 incl.	5-82	6.11
Over 15, each additional room	-0-46	0.48

II. MULTIPLE-FAMILY RESIDENCE

For each family dwelling unit in a multiple-family residence, the rates prescribed for a single-family residence (above) herein shall apply.

III. COMMERCIAL RATES

The storm drainage fee for commercial properties shall be ~~\$7-36~~ \$7.73 per 10,000 square feet of surface area computed to the nearest square foot. Where a commercial property contains common facilities, e.g., a shopping center parking lot, the common facilities will be treated as one property and the owner shall be liable for payment of the storm drainage fee for the common facility, notwithstanding the fact that other fees charged the property may be charged to tenants or owners of divided interests. Common areas in planned unit developments or condominium developments shall be treated as commercial property for purposes of this division. The minimum commercial rate shall be \$3.36 per month.

MAYOR

ATTEST:

CITY CLERK

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Adopted by The Sacramento City Council on date of

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ATTEST:

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RESOLUTION No.

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RESOLUTION OF FINDINGS ON INCREASED STORM DRAINAGE FEES

WHEREAS, the Budget and Finance Committee has held a public hearing on storm drainage fees on May 26, 1987, at which staff made a presentation including a report and at which public testimony was heard and said committee recommended adoption of an increased storm drainage fee schedule, and

WHEREAS, the City Council on June 30, 1987, at a regular public council meeting, received the following information:

- (1) A staff report on the proposed increased storm drainage fees;
- (2) Oral presentation by city staff;
- (3) Public testimony from interested parties.

NOW THEREFORE, based on this data and all information part of the public record on this matter, the City Council makes the following finding to comply with Government Code Section 210809(b)8 to establish that the passing of the increased storm drainage fees of even date herewith serves the following purposes:

- (1) The storm drainage fees will provide funds to meet operating expenses.
- (2) The storm drainage fees will permit the generation of necessary cash flow to finance expansion of the system and meet financial reserves needs.
- (3) The storm drainage fees will permit the purchase of necessary equipment for the storm drainage system including, but not limited to, slope mowers, microcomputers, and construction monitoring devises.
- (4) The storm drainage fees are essential as a source of funds for capital projects necessary to maintain flood and drainge protection.

NOW THEREFORE, based on this information and the public words, the Council of the City of Sacramento makes the specific finding contained herein as well as all other matters in the public record as its basis for the resolution establishing the fees passed of even date herewith.

MAYOR

ATTEST:

CITY CLERK