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CITY OF SACRAMENTO

DEPARTMENT OF PUBLIC WORKS

DIVISION OF WATER AND SEWERS

LARRY L. COMARSH
Division Manager

June 4, 1986

Budget & Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: PROPOSED STORM DRAINAGE RATES FOR 1986-1987

SUMMARY

This report recommends the adoption of a substantial increase in storm drainage rates. This rate increase is necessary: (1) to build and repair levee systems to prevent major flooding problems; (2) to operate and to make capital improvements to the American River Flood Control District's pumping stations; and (3) to provide funds to begin to address over \$21.7 million of capital improvements throughout the City. Due to the magnitude of these three requests this rate increase is not intended to be a one time infusion, rather it is an ongoing commitment to reduce flood and drainage system problems.

BACKGROUND

The Storm Drainage Fund is an enterprise fund which supports the organizations of Stormwater Drainage and Stormwater Pumping and Treatment. It is also responsible for its share of the administrative costs of the Water and Sewer Division. Last year the Storm Drainage Fund was temporarily relieved of any financial responsibility for the administrative functions. This year it is proposed that the Storm Drainage fund contribute the appropriate share of these costs.

Continuing investigations over a period of years have led to development of a list of drainage projects that would eliminate numerous persistent drainage problems throughout the City. The scope of these projects range from improvement of roadside ditches or culverts to major drainage ditch improvements and improvement of pumping stations to reduce flooding potential.

In addition, certain problem areas resulting from the February storms were recently discussed in a report to the Transportation and Community Development Committee.

The proposed capital improvement budget addresses areas of major flooding potential such as the reconstruction of the Beach Lake and American River levees as well as improvements to the levee system on Arcade Creek at Hagginwood Park.

Also reflected in the rate increase is a proposal to assume ownership and operational responsibility for storm drainage pumping stations currently owned and operated by the American River Flood Control District. This proposal includes capital improvements in 1986-87 of \$563,000 and \$6.2 million over the next ten years.

The bulk of the rate increase is attributable to addressing of attached list (Attachment 1) of drainage projects throughout the City totaling \$21.7 million. This listing is a rough estimate of costs with a brief explanation of each project. More precise descriptions and cost estimates will be presented to Council in the near future. It is presented today to inform the Committee of the need to accumulate reserves to begin to address these problems.

The Sacramento Valley is vulnerable to flood and drainage problems. This rate increase will provide funding to begin to address a consistent level of flood and drainage control for all citizens throughout the City.

FINANCIAL

The cost of the various programs mentioned above would require an additional \$2.16 a month or a doubling of the rates, for the typical homeowner. This would effect the rates for the typical service (single family residence, 6-7 rooms) as itemized below:

<u>Program</u>	<u>Cost Increase</u>	<u>Monthly Average Rate Increase</u>
Continuing Operations	\$ 500,000	\$ 0.25
Beach Lake Reconstruction	\$ 500,000	\$ 0.25
A.R.F.C.D. Pumping Station Net	\$ 644,000	\$ 0.32
Arcade Creek	\$ 350,000	\$ 0.18
American River Levee	<u>\$1,000,000</u>	<u>\$ 0.50</u>
	\$2,994,000	\$ 1.50

The additional increase of \$0.66 to \$2.16/per month generates \$1.2 million annually. This will permit reserves to accumulate to begin addressing the capital improvement needs on Attachment 1. It is necessary to fund reserves because in past years the Drainage Fund has relied on proceeds from the 1965 Flood and Drainage Fund to pay for capital improvement projects. Fiscal year 1986-87 is the last year these proceeds will be available. Therefore, storm drainage rates will be the sole source of funding the numerous capital projects.

The following table lists the various residential rate increases:

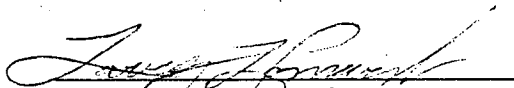
<u>Number of Rooms</u>	<u>Current Rate</u>	<u>Proposed Rate</u>
1 to 3	\$ 1.44	\$ 2.88
4 and 5	1.83	3.66
6 and 7	2.16	4.32
8 and 9	2.55	5.10
10 to 15	2.91	5.82
Over 15, per room	0.23	0.46

Although the above table reflects a 100% increase in rates, this corresponds to a \$2.16/month average rate payer increase. Considering the possible damages from flood and drainage problems the average total bill can be viewed as one form of low cost flood insurance.

RECOMMENDATION

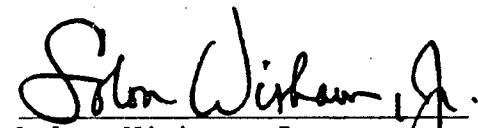
It is recommended that the Budget and Finance Committee approve a one-hundred percent increase in the Drainage Service rates as reflected in the attached Exhibit A and forward them to the full City Council with a recommendation for approval.

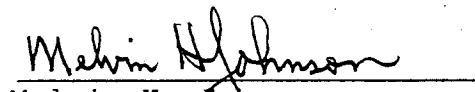
Respectfully submitted,


Larry L. Comarsh
Water and Sewer Division
Manager

Recommendation Approved:

Approved:


Solon Wisham, Jr.
Assistant City Manager


Melvin H. Johnson
Director, Public Works

June 4, 1986
All Districts

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

RESOLUTION ESTABLISHING RATES,
CHARGES AND FEES FOR SEWER SERVICES
PURSUANT TO SECTION 36.502 OF THE
SACRAMENTO CITY CODE

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

That the rates, charges, and fees shown on Exhibit A, attached hereto and incorporated herein by reference, are hereby established for sewer services pursuant to Section 36.502 of the Sacramento City Code. This resolution shall take effect on July 1, 1986.

MAYOR

ATTEST:

CITY CLERK

A. Single-family residence - for each single-family residence:

<u>No. of Rooms</u>	<u>Rates</u>
1 to 3 incl.	\$ 2.88
4 and 5	3.66
6 and 7	4.32
8 and 9	5.10
10 and 15 incl.	5.82
Over 15, each additional room	0.46

B. 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.

C. Commercial rates:

The storm drainage fee for commercial properties shall be \$7.36 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 \$3.20 per month.

A. Single-family residence - for each single-family residence:

<u>No. of Rooms</u>	<u>Rates</u>	
1 to 3 incl.	\$ 1.44	\$ 2.88
4 and 5	1.83	3.66
6 and 7	2.16	4.32
8 and 9	2.55	5.10
10 and 15 incl.	2.91	5.82
Over 15, each additional room	0.23	0.46

B. 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.

C. Commercial rates:

The storm drainage fee for commercial properties shall be ~~\$3.68~~ \$7.36 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 ~~\$1.50~~ \$3.20 per month.

Attachment 1

<u>LOCATION</u>	<u>PROPOSED WORK</u>	<u>TOTAL ESTIMATED COST</u>
Various	Concrete lining of existing channels; miscellaneous problem areas throughout City	\$ 5,000,000
Del Paso & W.P.R.R.	Reconstruct Sump 83	250,000
Various	Reconstruct gutter drains (3,000 @ \$1,000)	3,000,000
Tributary to ARFC Sump 3 from South	Construct lined channel north Edgewater Road to ARFC Sump 3	440,000
Globe Ave.	Place 42" drain to replace existing ditch	250,000
Hagginwood Creek bet. Kathleen & S.P.R.R.	Construct lined channel	750,000
Vic. Arcade Blvd. & Altos Ave.	Reconstruct ARFC Sump 9 and approach channel	1,400,000
Hagginwood Cr. west of Altos Ave.	Widen and pave existing channel	200,000
Magpie Creek Diversion	Reconstruct existing channel	5,000,000
Meadowview Road & Tamoshanter Way	Reconstruct Sump 33 to increase capacity	400,000
Hwy. 160 south to ARFC Sump 3 east of Canterbury	Construction crossing of 160 Fwy & improve downstream channel	300,000
Ditch bet. Kiefer & Folsom	Concrete line existing ditch	50,000
Ice House Ditch Bet. Grove & 160 Fwy.	Concrete line existing ditch and expand cap as needed.	180,000

<u>LOCATION</u>	<u>PROPOSED WORK</u>	<u>TOTAL ESTIMATED COST</u>
Eleanor Ave. vic. Norwood	Replace inadequate drain- age system	\$ 550,000
Arcade Blvd. west of Norwood	Replace inadequate drain- age system	300,000
Fairfield St. north of Las Palmos	Replace inadequate drain- age system	170,000
Bowles Ave. east of S.N.R.R.	Construct closed conduit drainage system	110,000
Colfax St. vic. Lampassas	Construction closed conduit drainage system	100,000
Edgewater to Norwood vic. of	Various open channel & closed conduit improvements	440,000
Sonoma bet. Clay & Callecita	Replace inadequate drain- age system	100,000
Juliesse Ave. Hagginwood to Academy Way	Replace inadequate drain- age system	150,000
El Monte Ave. bet. Del Paso Blvd. & Arden Way	Construct closed conduit	300,000
Oakmont, Calvados, Arden, Oxford & south to Hwy. 160	Construct closed conduit	400,000
Lexington, Dixie- anne, Clay & El Camino	Construct closed conduit & open channel	200,000
Empress and Dixieanne	Construct closed conduit	50,000
Dixieanne & Beaumont	Construct closed conduit	75,000
Globe Avenue	Construct closed conduit	50,000
Arcade Creek various locations east of Marysville Blvd.	Construct paved bottom, access ramps, erosion protection	500,000

<u>LOCATION</u>	<u>PROPOSED WORK</u>	<u>TOTAL ESTIMATED COST</u>
Winterhaven east of Northgate Blvd.	Construct closed conduit	\$ 60,000
Area bounded by 14th Ave., Power Inn Rd., & East Rail Road Ave.	Construct closed conduit	250,000
Ramona Avenue	Construct Closed Conduit	300,000
Carlson, Shepard & Camelia	Reconstruct existing system	160,000
East Del Paso Heights	Misc. minor drainage construction	<u>250,000</u>
	Total:	\$21,735,000