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COUNTY OF SACRAMENTO  
PUBLIC WORKS AGENCY - WARREN HARADA, ADMINISTRATOR

# Department of Water Resources

Including service to the Cities of Citrus Heights and Elk Grove

Keith DeVore, Director

**APPROVED**  
BOARD OF DIRECTORS  
O.R.D. No. WAO-2509  
AUG 05 2003

August 5, 2003  
Timed Item: 11:00 am

By Cindy H. Turner  
Clerk of the Board

**TO:** Board of Directors  
Sacramento County Water Agency

**FROM:** Department of Water Resources

**SUBJECT:** Vineyard Spring Comprehensive Plan: Report Back on Supplemental Drainage Fee Study and Adoption of Chapter 2.80, Title 2 of the Sacramento County Water Agency Code

**CONTACT:** George Booth (916) 874-6484

### Overview

Approval of this item will establish the Vineyard Springs Comprehensive Plan (VSCP) Supplemental Drainage Fee. This item also addresses concerns raised by your Board regarding acreages and potential cash-flow shortfalls in the fee plan and public and industry outreach during development of the plan.

### Recommendations

It is recommended that your board adopt the attached ordinance adding Chapter 2.80, Title 2 of the Sacramento County Water Agency Code relating to the Vineyard Springs Supplemental Drainage Fee.

### Measures/Evaluation

Measures/evaluations are not applicable to this item.

### Fiscal Impact

Approval of this item will have no impact on other County funds. The VSCP supplemental drainage fee is \$13,833 per acre and will fund drainage facilities not included in the Zone 11A drainage fee program. The supplemental drainage funds will be accounted for separately from Zone 11A funds within the Water Agency.

**BACKGROUND:**

The updated VSCP Drainage Fee Study for a supplemental drainage fee was approved by your Board on July 15, 2003 (WA-2506) and the ordinance required for implementation of the fee was introduced. At that time your Board waived full reading of the ordinance and continued the item to August 5, 2003 for adoption of the ordinance.

**DISCUSSION:**

Adoption of the attached ordinance will add Chapter 2.80, Title 2 of the Sacramento County Water Agency Code to implement the VSCP Supplemental Drainage Fee. Action on the ordinance requires two separate hearings, separated by at least 5 days. The ordinance is presented today for adoption by your Board.

Staff was also directed to provide additional information based on several concerns raised by your Board regarding the fee plan. Those concerns are addressed below.

**Acreages**

Your Board was concerned with the difference in acreage figures used to calculate the Zone 11A and the supplemental fees within the plan area. In the fee plan, a figure of 1445 acres was used as the basis for determining the Zone 11A fees while a figure of 1003 acres was used for the supplemental fee. While the plan area actually includes 1445 acres of watershed, 442 acres of the plan area had already developed or obtained entitlements prior to the establishment of the VSCP and are not subject to the supplemental fee. Thus, the supplemental drainage fee was calculated over the remaining 1003 acres. However, the entire 1445 acres in the plan area is subject to payment of Zone 11A fees and therefore the entire area was included in the Zone 11A portion of the fee calculations.

The difference between the two acreage figures, 442 acres, is due to acreage within the plan area that had already developed or has entitlements. That is, they have paid the Zone 11A fees, but are not subject to paying the VSCP supplemental drainage fee. Zone 11A is a regional fee program intended to fund a specific range of drainage facilities, while the supplemental drainage fee is very specific to the plan area and intended to fund distinctly different drainage facilities not included in Zone 11A. While both fees are included in the drainage fee study, they are unrelated to each other and the difference between the two fee areas is really not relevant. Each fee is calculated over the area to which it will be applied and which will be served by the facilities that are funded by that fee.

**Outreach**

Concerns were raised by your Board regarding the lack of public and industry outreach specifically regarding the development of the VSCP Supplemental Drainage Fee. As a result, the Department of Water Resources presented the updated supplemental drainage fee in conjunction with two separate meetings that were arranged by the Infrastructure Finance Section. The first meeting was with the Building Industry Association on July 17, 2003, and the second was held with developers and engineers in the plan area on July 22, 2003. There

were no negative comments received regarding the supplemental drainage fee at either meeting. As a follow-up to the meetings staff also mailed a letter on July 24, 2003 to an extensive list of developers, engineers and the Vineyard Springs subcommittee members. The letter informed parties of the nature of the fee plan, the prior hearing on July 15, 2003 and of today's hearing.

**Cash-flow**

Additional concerns were raised by your Board regarding funding of the drainage facilities over the development life of the plan area. As a whole there is adequate revenue generated in the plan area based on current cost estimates to fund the overall supplemental drainage facilities. However, Appendix A of the Drainage Fee Study indicates potential funding gaps in Phases 3 and 4 for the supplemental fee. It also shows a significant surplus in supplemental fee revenue in Phases 1 and 2 with the final plan costs being covered in Phase 5.

These possible cash-flow problems would be mitigated through the proposed supplemental drainage fee ordinance which provides for credit agreements and for a ten-year amortization schedule for reimbursements. The ability to amortize reimbursements in early phases of the plan over a ten year period will allow for the positive cash-flow to be extended out over a longer period of time spanning multiple phases. This will preserve the ability to maintain positive cash-flow through the later phases of the plan development. This will also help to equalize the costs of constructing the facilities among the various developments in the plan area and minimize the chance of any particular development being overly burdened by having to carry excessive drainage facility costs in later phases.

Adequate cash flow will also be maintained by regular monitoring of actual costs of the drainage facilities, particularly right-of-way costs. Any significant fluctuations from original estimates for construction and acquisition costs will result in revisions to the fee. Any such revisions will be brought back to your Board for approval.

Respectfully submitted,



Keith DeVore, Director  
Department of Water Resources

APPROVED:

Terry Schutten  
County Executive

By:



Acting Administrator  
Public Works Agency

**Sacramento County Agenda and Record Processing Application  
Approval List**

**Approval List for Agenda Item 99887  
07/29/2003 Approved**

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Warren Harada

WAO NO. 2509

**AN ORDINANCE ADDING CHAPTER 2.80, TITLE 2  
OF THE SACRAMENTO COUNTY WATER AGENCY CODE RELATING  
TO THE SUPPLEMENTAL DRAINAGE FEE IN THE  
VINEYARD SPRINGS COMPREHENSIVE PLAN AREA**

The Board of Directors of the Sacramento County Water Agency ordains as follows:

SECTION 1. Chapter 2.80, Title 2, of the Sacramento County Water Agency Code is hereby added to read as follows:

**2.80.005 FINDINGS OF FACT.**

(a) The Sacramento County Board of Supervisors adopted the Vineyard Springs Comprehensive Plan ("VSCP") Public Facilities Financing Plan on June 7, 2000, and estimated \$20.5 million in drainage facilities required for the VSCP area. Many of these facilities are funded by Zone 11A of the Sacramento County Water Agency, however a Supplemental Drainage Fee is required to fund various appurtenances that are not provided for in the current Zone 11A fee structure.

(b) The Board hereby finds that the development and construction within the VSCP Area will result in coverage of land with impervious surfaces, including, but not limited to, pavements, building roofs, driveways and parking areas. The reduction in the pervious land area and more efficient drainage due to construction of storm drains and channel improvements will result in a reduction of the infiltration of storm rainfall, causing an increase in the flow rate of storm water runoff, an increase in the volume of storm water runoff for certain storm events, and storm water quality degradation.

(c) The Board hereby finds that the development described in the VSCP will require construction of the drainage facilities described in the VSCP Public Facilities Financing Plan and the VSCP Drainage Fee Study, both adopted by the Board.

**2.80.010 PURPOSE.**

(a) The Sacramento County General Plan requires that areas chosen for urban expansion shall be capable of being provided within a reasonable period of time with an adequate level of public facilities, including drainage facilities.

(b) The General Plan further requires the preparation of a plan that identifies a mechanism for financing those facilities necessary to serve urban development in areas designated for urban expansion. The general plan also contains additional policies for providing adequate drainage facilities.

(c) The purpose of this Chapter is to implement the General Plan requirements set forth in subdivisions (a) and (b) of this section and to use the authority in Article XI, Section 7 of the California Constitution by imposing development fees to fund the estimated cost of certain drainage facilities and services the need for which is directly or indirectly generated by the type and level of development proposed in the Vineyard

Springs Public Facilities Financing Plan (hereinafter in some instances referred to as "Vineyard Springs PFFP") area.

(d) It is also the purpose of this Chapter to require that adequate provision is made for developer financed drainage facilities within the Vineyard Springs PFFP area prior to approval of certain plans and permits within said area.

#### **2.80.020 DEFINITIONS.**

(a) "Acreage" means the gross acreage of any property within the Vineyard Springs PFFP area minus the acreage of major drainage channels, which cannot be developed.

(b) "Administrator" means the Administrator of the Sacramento County Public Works Agency.

(c) "Agency" means the Sacramento County Water Agency.

(d) "Agency Engineer" means the Director of the Sacramento County Water Resources Department.

(e) "Board" means the Board of Directors of the Sacramento County Water Agency.

(f) "Building Permit" means the permit issued or required for the construction or improvement of new or additional square footage for any structure pursuant to and as defined by the Sacramento County Building Code.

(g) "Costs" means amounts spent, or authorized to be spent, in connection with the planning, financing, acquisition and development of a facility including, without limitation, the cost of land, construction, engineering, administration, and consulting fees.

(h) "County" means the County of Sacramento.

(i) "Improvement Plan" means a plan for private or public improvements which are to be accepted for maintenance by the Agency or the County, and which is prepared in accordance with the requirements of the latest edition of the County of Sacramento Standard Construction Specifications and the County of Sacramento Improvement Standards.

(j) "Supplemental Drainage Fee" means the fee required by this Chapter to be a condition on changes of land use zones and to be collected upon approval of building permits within the Vineyard Springs PFFP area.

(k) "Vineyard Springs Public Facilities Financing Plan" means the plan, including any amendments thereto, adopted by resolution by the Sacramento County Board of Supervisors for the financing of designated facilities to serve the Vineyard Springs PFFP area, including, but not limited to, a designation of those facilities to be constructed with the development fees collected pursuant to this Chapter, the schedule for commencement of construction, the estimated cost of constructing the facilities, and the total number of acres within the Vineyard Springs PFFP area.

(l) "Vineyard Springs Public Facilities Financing Plan Area" means all property located within the geographic area comprising the Vineyard Springs PFFP area. This area is bounded on the west by Bradshaw Road, on the south by Calvine Road, on the east by Excelsior Road, and on the north by Gerber Road. A legal description of this property is on file with the Clerk of the Board of Supervisors and is by this reference incorporated herein.

(m) "Vineyard Springs Drainage Fee Study" means the study, including any amendments thereto, adopted by the Board for the financing of designated drainage facilities to serve the Vineyard Springs PFFP area, including, but not limited to a designation of those facilities to be constructed with the development fees collected pursuant to this Chapter, the approximate schedule for commencement of construction, the estimated cost of constructing the facilities and the total number of acres affected within the Vineyard Springs PFFP area.

(n) "Vineyard Springs Comprehensive Plan Drainage Master Plan" means the Final Drainage Master Plan report dated June 22, 1999, including any amendments thereto, and included by reference in the Vineyard Springs PFFP.

(o) "Vineyard Springs Supplemental Drainage Fund" means that special interest-bearing trust fund established pursuant to Section 2.80.030.

(p) "Estimated Cost" means the cost of constructing a facility based upon the unit costs for each construction item plus a fixed percentage of 20% for inspection, materials testing, design and construction survey, engineering and administration set forth in the Vineyard Springs Drainage Fee.

(q) "Drainage Facilities" means those public facilities designated in the Vineyard Springs Public Facilities Financing Plan.

(r) "Improvement Plan" means the site plan of property proposed for development showing all required improvements that must be approved by the Public Works Agency pursuant to Chapter 12.03 of the Sacramento County Code prior to the issuance of a building permit for the property.

(s) "Planning Director" means the Director of the Sacramento County Department of Planning and Community Development.

#### **2.80.030 ESTABLISHMENT AND ADMINISTRATION OF VINEYARD SPRINGS SUPPLEMENTAL DRAINAGE MITIGATION FUND.**

(a) There is hereby created by the Agency a special interest-bearing fund entitled the Vineyard Springs Supplemental Drainage Fund. All drainage development fees collected pursuant to this Chapter shall be placed in said fund and shall be expended solely to pay the costs of drainage facilities located within the Vineyard Springs PFFP Area, and downstream on Upper Laguna Creek from Bradshaw Road to Waterman Road as identified in the Vineyard Springs PFFP.

(b) The Vineyard Springs Supplemental Drainage Fund shall be a financial component of Zone 11A of the Sacramento County Water Agency.

(c) Any fund or funds required to be established and maintained herein may be established and maintained in the accounting records either as an account or fund, and may, for the purpose of such accounting records, any audits thereof and any reports or statements with respect thereto, may be treated either as an account or fund; but all such records with respect to such fund shall be at all times maintained in accordance with sound accounting practice.

#### **2.80.040 PAYMENT OF SUPPLEMENTAL DRAINAGE DEVELOPMENT FEE.**

All fees required by this Chapter shall be paid prior to or concurrently with the (1) issuance of a building permit or (2) approval of improvement plans by the Agency, whichever occurs first.

**2.80.050 PAYMENT OF DEVELOPMENT FEES.**

(a) The fees imposed pursuant to this Chapter shall be paid by the property owner to the Agency in an amount calculated pursuant to section 2.80.080. The fees shall be calculated at the time of approval of improvement plans and shall be paid upon approval of improvement plans. For projects that are subject to building permits, but not improvement plan approval, the fees shall be both calculated and paid upon issuance of the building permits.

(b) For property for which the development fees established by this Chapter were previously paid pursuant to this Section or pursuant to an interim fee agreement adopted by the Board at the time of improvement plan approval, said development fees already collected shall not be refunded for the purpose of later payment at time of building permit approval. Adjustments to said fees pursuant to the terms of such interim fee agreements shall be provided.

**2.80.060 ADOPTION AND COMPLIANCE WITH SCHEDULE OF VINEYARD SPRINGS PUBLIC FACILITIES FINANCING PLAN.**

(a) The Board of Directors shall by resolution adopt the Vineyard Springs Drainage Fee Study.

(b) With the exception of facilities approved by the Agency Engineer for construction by a property owner pursuant to section 2.80.110, all facilities shall be constructed in accordance with the schedule established in the Vineyard Springs Drainage Fee Study adopted by the Board.

(c) Within one hundred and eighty (180) days after the last day of the fiscal year, the Agency shall make available to the public the information required by Government Code section 66006.

(d) The Board shall review the Vineyard Springs Drainage Fee Study at least every five years, or more often if it deems it appropriate, and make any finding required by Government Code section 66001. The Board may amend the fee by resolution at its discretion.

**2.80.070 ESTABLISHMENT OF SUPPLEMENTAL DRAINAGE FEES.**

A separate development fee is hereby established for supplemental drainage facilities within the Vineyard Springs Comprehensive Plan Area. The foregoing drainage fees shall apply uniformly throughout the Vineyard Springs PFFP area.

**2.80.080 CALCULATION OF DEVELOPMENT FEES.**

(a) The development fees set forth in sections 2.80.040 shall be calculated on a pro-rated basis at \$13,883 per acre.

(b) Unless otherwise set forth in this Chapter, the fee shall be recalculated each year based on the method described in Chapter 2.50 of this Title.

**2.80.090 ALTERNATIVE METHOD AND COMPLIANCE WITH OTHER LAWS.**

(a) This Chapter is intended to establish a supplemental method for funding the



cost of certain facilities and services the need for which will be generated by the level and type of development proposed in the Vineyard Springs PFFP area. The provisions of this Chapter shall not be construed to limit the power of the Board to impose any other fees or exactions or to continue to impose existing ones, on development within the Vineyard Springs PFFP area, but shall be in addition to any other requirements which the Board is authorized to impose, or has previously imposed, as a condition of approving plans, rezonings or other entitlements within the Vineyard Springs PFFP area pursuant to state and local laws. In particular, individual property owners shall remain obligated to fund, construct, and/or dedicate the improvements, public facilities and other exactions required by, but not limited to: (a) the Sacramento County Department of Public Works Improvement Standards; (b) the Quimby Act (Government Code section 66477 et seq.) and implementing ordinances (Chapter 22.40 of the Sacramento County Code); (c) school impact fees (Government Code sections 65970 et seq.) and implementing ordinances (Chapter 16.50 of the Sacramento County Code); and other drainage fees imposed by this code.

#### **2.80.100 CREDIT OF FEES.**

A property owner may be entitled to a credit against any fees or charges due pursuant to this Chapter if the following conditions are met: (1) the property owner has constructed drainage facilities or performed environmental mitigation which was required as part of the Vineyard Springs Supplemental Drainage Fee Study; and (2) such facilities were designed to serve a watershed area of thirty acres or greater; and (3) such facilities were required by the Agency in connection with development or new construction within the VSCP Area; and (4) such facilities were constructed pursuant to improvement plans approved by the Agency Engineer.

The credit allowed pursuant to this section shall be allowed against the fees required to be paid as described in Section 2.80.040 hereof. No credit allowed pursuant to this section shall be transferred.

#### **2.80.110 AMOUNT OF CREDITS.**

The amount of credits authorized for the construction of drainage facilities shall be computed for each category of work as follows:

(1) Land Acquisition: Credits will be issued based upon the appraised value (as determined by Sacramento County Department of General Services Real Estate Division) of the property to be acquired.

(2) Removal of Material: In cases where excavated material is transported on or across a paved roadway, credits for channel and basin excavation will be issued at the unit price shown in the feed/credit schedule, as adjusted per Section 2.80.130.

(3) Wetland Mitigation: Credits will be issued based upon actual costs of mitigation, subject to approvals by the appropriate regulatory agencies.

(4) Giant Garter Snake Mitigation: Credits will be issued based upon actual costs of mitigation, subject to approvals by the appropriate regulatory agencies.

#### **2.80.120 PROCEDURE FOR CREDITS.**

(a) Any person desiring credits for the construction of drainage facilities shall, prior to approval of improvement plans for the drainage facilities, execute an agreement

with the Agency authorizing tentative credits ("credit agreement"). The Board of Directors must approve credit agreements in an amount in excess of \$100,000. The Agency Engineer may approve credit agreements in an amount of \$100,000 or less.

(b) Tentative credits may be allocated prior to execution of the Credit Agreement, in order to subtract credits from fees at the time fees are due.

(c) For Credit Agreements based on acquisition of real estate, credits may be issued upon transfer of title to the Agency or the City of Elk Grove.

(d) For Credit Agreements based on endangered species mitigation, credits may be issued upon approval of improvement plans, payment of the mitigation fee or upon transfer of title.

(e) For Credit Agreements for construction of drainage facilities, upon final field acceptance of drainage facilities, the as-built quantities shall be determined and the credits shall be corrected as necessary. The person receiving tentative credits shall agree that, if tentative credits allocated exceed the final credits, the excess amount shall be reimbursed to the Agency within 60 days of notice of such amount.

(f) The person receiving tentative credits shall agree that if the facilities are not accepted by the Agency, all tentative credits allocated shall be reimbursed to the Agency within 60 days of notice of non-acceptance of the drainage facilities.

(g) Apportionment of Credits. Except as set forth in this section, credits shall only be applied against fees and charges due as a result of development or new construction on the parcel(s) served by the trunk drainage facilities for which the credits are given. Credits may not be assigned to other parcels after the credit agreement is signed.

(h) Credits may only be apportioned to other parcels, within the text of a credit agreement, if the Agency Engineer determines:

- (1) Title to the parcels are held by the individual(s) or firm(s) who are signatory on the credit agreement;
- (2) Specific proportioning per parcel is described in the credit agreement;
- (3) The parcel(s) or parcels to which such credits are to be apportioned must be served by the drainage facilities for which credits are authorized;
- (4) Each property owner is signatory on the credit agreement.

(i) When credits are apportioned, the credit amounts shall be based on the rates in effect on the date improvement plans are approved for the parcel to which credits have been apportioned.

(j) Assignment of credit agreements. Credit balances may be assigned to a future buyer of undeveloped land by use of an Assignment of Drainage Credits Agreement. Credits run with the land, so assignment of the drainage credit agreement is necessary whenever undeveloped land is subdivided and sold. This Agreement shall include the following: Date of the agreement; Legal names of assignee and assignor; the parcel number and specific dollar amount of the credits that are being assigned; and indemnification of the County by the assignor.

### **2.80.130 ANNUAL FEE AND CREDIT SCHEDULE ADJUSTMENT.**

This fee and the unit prices for credits, as indicated in Section 2.80.110, shall be adjusted annually per Sections 2.50.080 and 2.55.060 of this Title.

#### 2.80.140 PROCEDURE FOR REIMBURSEMENT.

In order to facilitate further development of the drainage shed and the Vineyard Springs Plan Area, the developer(s) may have to move forward with the various components of this fee plan in exchange for a credit agreement. Reimbursement will be made per the following and may only be accelerated upon completion of the project as defined in the Drainage Master Plan. When a project is accepted and a Reimbursement Agreement is signed, the payments shall be made as follows, notwithstanding any provisions or Board approved agreements to the contrary:

- (a) Reimbursement Agreements in an amount less than or equal to \$100,000 will be paid by the Agency within 120-days of the signed Reimbursement Agreement;
- (b) Reimbursement Agreements in an amount greater than \$100,000 will be paid in equal annual amounts, over 10-years, fully amortized with interest;
- (c) When the remaining reimbursement balance is \$100,000 or less it may be paid in full by the Agency.
- (d) If the Agency Engineer deems that there is not the financial capability to make the payments as described above the payments will be deferred with interest rolled on to the balance and there shall be no penalty.

#### 2.80.150 PROCEDURE FOR REIMBURSEMENT.

Excess credits shall only be reimbursed pursuant to the terms of a reimbursement agreement executed by the Agency and the person entitled to such credits.

SECTION 2. This ordinance was introduced and the title thereof read at the regular meeting of the Board of Directors on July 15, 2003 and on July 15, 2003 further reading was waived by the unanimous vote of the Directors present.

This ordinance shall take effect and be in full force on and after thirty (30) days from the date of its passage, and before the expiration of fifteen (15) days from the date of its passage it shall be published once with the names of the members of the Board of Directors voting for and against the same, said publication to be made in a newspaper of general circulation published in the County of Sacramento.

On a motion by Director Nottoli, seconded by Director Collin, the foregoing ordinance was passed and adopted by the

Board of Supervisors of the County of Sacramento, State of California, this 5th day of  
August, 2003, by the following vote:

AYES:	Director,	Dickinson, Johnson, Niello, Nottoli, Collin
NOES:	Director,	None
ABSENT:	Director,	None



*Gene Collin*  
Chairperson of the Board of Director  
of Sacramento County Water Agency

ATTEST: *Cindy H. Turner*  
Clerk of the  
Board of Directors

In accordance with Section 25185 of the Government Code  
of the State of California a copy of this document has been  
delivered to the Chairman on

AUG 0 5 2003  
*Kay J. Johnson*  
Deputy Clerk, Board of Directors

**FILED**

**AUG 0 5 2003**

**BOARD OF DIRECTORS**

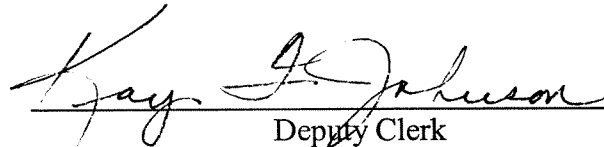
By *Cindy H. Turner*  
Clerk of the Board

**AFFIDAVIT OF POSTING**

I, Kay Johnson, am now and at all times mentioned herein have been, employed by the County of Sacramento and assigned to the Office of the Clerk of the Board of Supervisors. August 6, 2003, I posted a true and correct copy of **ORDINANCE NO. WAO-2509** in the lobby of the County Administration Building at 700 H Street, Sacramento, CA 95814.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 6, 2003, in the City of Sacramento, County of Sacramento,  
State of California.

  
\_\_\_\_\_  
Deputy Clerk


#26 (8/5/03)

**#69**

**COUNTY OF SACRAMENTO  
Inter-Department Correspondence**

July 16, 2003

**TO:** Department of Water Resources

**FROM:**  Cindy H. Turner, Clerk  
Board of Supervisors

**SUBJECT: Item #69, July 15, 2003 Agenda  
VINEYARD SPRINGS COMPREHENSIVE PLAN SUPPLEMENTAL  
DRAINAGE FEE AND ORDINANCE**

The Board of Supervisors, at a regular meeting held on Tuesday, July 15, 2003, adopted Resolution No. 2003-0848 approving the Vineyard Springs Comprehensive Plan Drainage Fee Study.

The Board further introduced an ordinance adding Chapter 2.80, Title 2 of the Sacramento County Water Agency Code Relating to the Supplemental Drainage Fee in the Vineyard Springs Comprehensive Plan Area; waived full reading of the ordinance and continued to August 5, 2003, at 11:00 A.M. for adoption.

CHT:kj