

RECLAMATION DISTRICT NO. 1000

SECOND SUPPLEMENTAL TECHNICAL MEMORANDUM

TO: Kevin King, General Manager - Reclamation District No. 1000

FROM: Greg Ghironzi, Senior Consultant

CC: Sara Mares, Director

SUBJECT: Potential Stormwater and Flood Protection Service Rates

DATE: April 19, 2022

PURPOSE

This Second Supplemental Technical Memorandum (Memo) further modifies the March 23, 2022, Supplemental Technical Memorandum. This Memo provides revised calculations reflecting the deletion of the Flood Protection (levee maintenance) service and slightly modifies the Single Family Residential Customer Class to recognize gross acreage over 10 acres.

This memo contains the revised tables and associated attachments. Please refer to the original Technical Memorandum dated February 28, 2022, for complete information.

ADDITIONAL PROPERTY OWNER ANALYSIS

- Attachment A. Sorted by Total Potential New Fee aggregated by Owner
- Attachment B. Sorted by Total Dollar Increase between the Existing Assessment and the Potential New Fee aggregated by Owner
- Attachment C. Sorted by Total Dollar Decrease between the Existing Assessment and the Potential New Fee aggregated by Owner
- Attachment D. Sorted by the Percentage Increase of Potential New Fee aggregated by Owner
- Attachment E. Sorted by the Percentage Decrease of Potential New Fee aggregated by Owner
- Attachment F. Listing of Large SFR parcels and their potential additional charge

CUSTOMER CLASSES

Land Use Codes (“LUC”s) are assigned to property by the both the County of Sacramento and the County of Sutter Assessor’s Offices and describe the current utilization of a parcel. There are 628 unique LUCs assigned to property within the District’s boundary. These LUCs are grouped and assigned into the Customer Classes and the associated parcel counts are shown in the table below.

Customer Class	Parcel Count	% of Parcels
SFR	27,224	77.38%
MFR	3,504	9.96%
Vacant	1,725	4.90%
Common Area	412	1.17%
Public & Utilities	368	1.05%
Exempt	344	0.98%
Miscellaneous	339	0.96%
Park	314	0.89%
Retail /Commercial	252	0.72%
Office	232	0.66%
Industrial	231	0.66%
Agriculture	186	0.53%
Church & Welfare	21	0.06%
Personal Care & Health	13	0.04%
Golf	9	0.03%
Airport	8	0.02%
Recreational	2	0.01%
Total	35,184	100.00%

STORMWATER SERVICES

The rationale to allocate proportional costs for Stormwater services remains the same, however the Single Family Residential Customer Class was modified to recognize parcels over 10 acres. The ISC for the SFR Customer Class used the average gross acreage of all SFR parcels (0.1742) to establish the dwelling unit density of six (6) dwelling units per acre which corresponds to an ISC of 0.52.

Customer Class	ISC
Agriculture	0.04
Airport	0.30
Cemetery	0.10
Church & Welfare	0.80
Common Area	0.30
Exempt	0.00
Golf	0.10
Industrial	0.86
MFR	0.76
Miscellaneous	0.10
Office	0.80
Park	0.10
Personal Care & Health	0.80
Public & Utilities	0.44
Recreational	0.80
Retail /Commercial	0.86
SFR	0.52
Vacant	0.10

There are 3,870 parcels which receive stormwater service from other jurisdictions, or who do not drain into the capture and discharge system and therefore are not charged this portion of the proposed fee.

NBS has allocated the cost to provide the flood protection service proportionately according to the NIA of each parcel protected. Due to the collapse of the Single Family Residential Customer Classes, the ISC changed and therefore the total NIA changed resulting in a lower cost per NIA. The formula below shows the calculation.

Total Cost of Stormwater Services / Total NIA Served (Acres) = \$ per NIA (Acre) for the Stormwater Service

\$3,300,00 / 10,038.73 NIA Acres Served = \$328.7267 per NIA Acre for the Stormwater Service

No determination has been made establishing a minimum charge per parcel. This is relevant for all Non Residential parcels with a relatively small NIA resulting in sub dollar charges.

POTENTIAL RATES

The basis of the rates is shown above and have been modeled to understand the effects on the parcels in the District for each service. The draft rates for each service and the average of the combined rates are shown in the following Sections.

STORMWATER SERVICES

Parcels are assigned to residential and non-residential Customer Classes. The residential land uses were assigned to the single family or multi-family Customer Classes based upon the respective county's land use codes. For each of the Residential Customer Classes, the Gross Parcel Area is averaged for all parcels within the Customer Class, the appropriate ISC is applied and a rate per parcel, or unit is determined. The following table provides the previous and revised potential annual rates per Customer Class type.

Customer Class	Description	Prev. Rate	New Rate	Diff.	Per
MFR	Multi Family	\$9.62	\$9.30	(0.32)	DU ¹
SFR1	Single Family Gross Lot < 1/10 Acre	15.84	29.77	13.93	Parcel
SFR2	1/10 Acre <= Single Family Gross Lot < ¼ Acre	26.31	29.77	3.46	Parcel
SFR3	¼ Acre <= Single Family Gross Lot < 2 Acres	54.73	29.77	(24.96)	Parcel
SFR4	Single Family Gross Lot >= 2 Acres	795.37	29.77	(765.60)	Parcel
NRP	Non Residential Property	339.93	328.73	(11.20)	NIA ²

1: DU = Dwelling Unit

2: NIA = Net Impervious Area (per Acre)

LARGE SFR PARCELS

All SFR parcels are grouped into the SFR Customer Class. However, there are a number of SFR parcels larger than 10 acres. These parcels are “outliers” in the data. They could reasonably be included in the SFR Customer Class, however, to maintain the integrity of calculating the fee according to the proportional cost of service, these parcels are proposed to bear an additional cost as follows.

All acreage over 10 acres will be multiplied by the Agriculture ISC (0.04) to arrive at the Large SFR parcel's excess NIA. This excess NIA will be charged according to the Non Residential Property rate and the resulting amount will be added to the standard SFR rate. There are 24 Large SFR parcels which are listed on Attachment F.

The calculation is shown below.

Gross Acres – First 10 SFR Acres = Excess Acres x ISC (0.04) = Excess NIA * Rate per NIA Acre = Excess Acreage charge + SFR Base Rate = Total Charge for Large SFR Parcel

A sample calculation for a 20 acre Large SFR parcel is shown below.

*20 Gross Acres – 10 Base SFR Acres = 10 Excess Acres * .04 (ISC) = 0.40 Excess NIA * \$328.73 Rate per NIA = \$131.49 Excess Acreage Charge + \$29.77 SFR Base Rate = \$161.26 Total Charge for Large SFR Parcel.*

For comparison the proposed fee for a 20 acre agricultural parcel is \$262.98.

The large parcel analysis was also performed for the MFR Customer Class and no changes are proposed within that Customer Class.

The average NIA (Acres) and average Stormwater costs per Customer Class are shown in the table below.

Customer Class	Parcel Count ¹	Total NIA Acres	Average NIA Acres	Average Cost per Parcel
SFR	24,435	2,213.27	0.09	\$29.77
MFR ²	3,242	716.22	0.22	72.62
Vacant	1,286	2,016.28	1.57	515.40
Common Area	357	49.79	0.14	45.85
Exempt	311	0.00	0.00	0.00
Miscellaneous	300	11.49	0.04	12.59
Park	269	125.15	0.47	152.93
Public & Utilities	263	1,926.79	7.33	2,408.32
Industrial	224	1,329.71	5.94	1,951.39
Office	216	446.56	2.07	679.62
Agriculture	186	480.26	2.58	848.79
Retail /Commercial	186	531.83	2.86	939.93
Church & Welfare	13	44.37	3.41	1,121.94
Golf	9	27.80	3.09	1,015.47
Personal Care & Health	9	21.45	2.38	783.60
Airport	8	97.75	12.22	4,016.59
Totals	31,314	10,038.73		

1: There are 3,870 parcels that do not receive Stormwater service.

2: Average MFR cost per parcel is shown in the table. There are 25,330 MFR Units receiving Stormwater service. The cost per MFR Unit for Stormwater is \$9.30.

TOTAL COSTS

The Revised Customer Classes table in this Memo above shows that 87.34% of parcels are designated as having a residential use and the below table shows those parcels will bear 29.1% of the financial burden. These calculations are based upon assumptions of the accuracy of the respective county assessor's data which has shown to be inaccurate in some instances and a further examination of outlying data points should be performed prior to the finalization of the fee.

Customer Class	Parcel Count	Total Cost per Cust Class ¹	% Total Cost per Cust Class
SFR	24,435	\$727,545	22.0%
MFR	3,242	235,644	7.1%
Vacant	1,286	662,806	20.1%
Common Area	357	16,367	0.5%
Exempt	311	-	0.0%
Miscellaneous	300	3,777	0.1%
Park	269	41,139	1.2%
Public & Utilities	263	633,389	19.2%
Industrial	224	437,111	13.2%
Office	216	146,797	4.4%
Agriculture	186	157,875	4.8%
Retail /Commercial	186	174,828	5.3%
Church & Welfare	13	14,585	0.4%
Golf	9	9,139	0.3%
Personal Care & Health	9	7,052	0.2%
Airport	8	32,133	1.0%
Totals	31,314	\$3,300,188	100.0%

1. Total Variance Of \$188 due to rounding of acreages and rates across all parcels.