

**StreamWISE Program
Stakeholder Meeting - Series 4**

Tuesday, June 24, 2008

3:00 – 4:30 p.m.

Zone 7 Water Agency, Conference Room 150 A/B
100 North Canyons Parkway, Livermore

MEETING SUMMARY

Meeting Overview

This was the last of four planned stakeholder meetings for the Zone 7 StreamWISE project. The objectives of the meeting were to provide an overview of the project, major accomplishments, the preliminary 10-year CIP, and illustrative example financing strategy, and to summarize next steps.

Participants

- Jill Duerig, Zone 7 Water Agency
- Kurt Arends, Zone 7 Water Agency
- Bonita Brewer, Zone 7 Water Agency
- Joe Seto, Zone 7 Water Agency
- Gerry Nakano, West Yost Associates
- Brad Ledesma, West Yost Associates
- Jenna O’Neill, ICF Jones & Stokes
- Bridget Cash, ICF Jones & Stokes
- Carl Morrison, Morrison & Associates
- Abbas Masjedi, City of Pleasanton
- Bob Vinn, City of Livermore
- Cathy Roache, Alameda County Agriculture
- Chiye Azuma, LARPD
- Daniel McIntyre, City of Livermore
- Dominic Aztarinha, Alameda County Planning Department
- Fan Ventura, City of Pleasanton
- James Paxson, Hacienda Business Park
- Jamie Perkins, East Bay Regional Park District
- Janis Turner, Sierra Club
- Jim O’Laughlin, Sunol Resident
- John Lawrence, LARPD
- Laura Hidas, Alameda County Water District
- Mark Lander, City of Dublin
- Nonna Castro, Sunol Resident
- Pamela Lung, City of Livermore
- Ralph Kanz, Alameda Creek Alliance
- Randy Kelly, Sunol Resident
- Rich Cimino, Audubon
- Tim Barry, LARPD
- Tom Harland, Sunol Resident
- Michelle Schmitt, City of Pleasanton Parks & Community Services

- Jeff Shafer, City of Livermore

Goals, Accomplishments, Preliminary 10-Year CIP, and Example Financing Strategy

The goal of this portion of the meeting was for the StreamWISE Program team to describe the project's goals, objectives, and major accomplishments; the prioritized list of projects; the preliminary 10-year CIP; an example financing strategy; and to hear related comments and questions. A PowerPoint presentation addressing these topics was given, and comments and questions were addressed during the presentation.

Stakeholder Comments and Questions

- Were these particular projects ranked before costs were considered? (Dominic Aztarinha)
 - Yes. The prioritized list of projects went through a thorough ranking process based on the projects' ability to accept, manage, and control stormwater runoff and drainage; whether it would provide environmental mitigation and enhancement; and the project's ease of implementation. This list was presented at the Series 3 workshop and refined based on stakeholder input.
- With Project R8-2, (Chabot Canal) you're showing three red segments, (areas needing minor bank raising to maintain minimum freeboard requirements), but the old SMMP shows two segments. Is that portion north of 580 not included in the CIP? (Mark Lander)
 - Yes, the 10-year CIP only includes these three bank raising areas, south of I-580. Chabot canal flow is actually restricted by the I-580 crossing, causing FEMA identified flooding issues north of the I-580 crossing, which can only be mitigated by upstream detention storage, Zone 7 is continuing to work with the City of Dublin to develop a solution.
- You have 15-17 projects listed and we've just been talking about the first 4-5. It's my understanding that these projects have made the cut for the initial 10 year CIP, and that the second and third group will come at later time? (Chiye Azuma)
 - The list of projects presented may change in the future depending on circumstances. For example, grant funding may become available for a project, which would change the priority score; this could change the projects in the 10-Year CIP. The list presented to you is a preliminary 10-Year CIP based on the currently available information, the projects listed could change in the future depending on future conditions. SMMP is a 30-year program while the 10-year CIP is what Zone 7 would focus on for the first ten years of the program. If Zone 7 can not complete all the 10-year CIP projects in a 10-year time frame, then uncompleted projects could roll over into a time beyond the first 10 years. This is based on the Zone 7 Board's desire on a "pay as you go" approach on funding Zone 7 programs.
- Where did the \$38 service charge come from? (Dominic Aztarinha)
 - It is based on the funding gap identified in the example financing strategy. It is estimated \$187 million is needed for the 10-year program. Using the example funding strategy, there remains a \$71 million funding gap. The proposed \$38 service charge per parcel is identified to address the \$71 million funding gap issue.
- Will the \$38 fee be assessed to just Z7 customers? (Janis Turner)
 - Yes, the proposal is for all property owners within Z-7's service area to pay this service charge.
- What is the basis for setting up the approval for a service fee? (James Paxson)
 - The Proposition 218 property related service charge.
- Is the Proposition 218 service charge fee set forever? Does it adjust up or down or sunset?

- Proposition 218 is very flexible. It can include a sunset or be adjusted up or down. You have the latitude to define the terms and conditions of the proposed Prop 218 service charge.
- What are the requirements for a Proposition 218 measure to pass?
 - 50% plus one of the ballots returned from property owners.
- When would the residential service fee be voted on? Do you have anything that would remedy the effect of the huge influx of water that travels down Arroyo de la Laguna right now? (Randy Kelly)
 - Perhaps in the next couple of years. All future projects are presented in the StreamWISE program and will be implemented through the CIP when funding is available.
- When the public is ready for voting, what is the process? How long do you expect that process to be? Two years? (Pam Lung)
 - Not that long. It will be based on the economy and when the Zone Board decides to proceed.
- It seems unfair to have existing residents pay forever but not new buildings.
 - New building would pay the Development Impact Fee, and in subsequent years, if approved, also the Proposition 218 property related service charge.
- How would the \$38 residential property fee transfer to commercial property? What is a ballpark number? If you're going from single family to commercial, what formula are you using to calculate this? (James Paxson)
 - The proposed fee will be based on square feet of impervious surface area. The proposed \$38 fee is for so many square feet of impervious area typical for a single family (SF) residential property. To the degree that a particular commercial property had more impervious area, the proposed service charge on that particular commercial property would be a multiple of the fee and corresponding impervious area for a SF residential unit. Typically, a 38% impervious surface is used on residential developments while a 80% impervious surface is assumed for commercial developments.
- Did you have an average lot size that you used to get the 38%? (Bob Vinn)
 - Yes, approximately 7,000 square feet. This is for example only. The Zone 7 Board does not have any intention of going forward with a service charge at this time. The community appeared to be willing to pay a few months ago but more recent polls indicate it's not favorable right now.
- So to clarify, a single family home would be a flat fee for each unit and then you would establish some percentage of this and then apply it to commercial property? (Abbas Masjedi)
 - Yes, based on the impervious ratio and land-use.
- How would you determine the commercial service charge? (For example, for the new Staples Ranch in Pleasanton, with an auto mall, a park, some homes) Would you divide it into average-size home and that's 38 dollars for each plot? (Rich Cimino)
 - Any new development would have to pay the Development Impact Fee, and then also the Prop 218 Service Charge, if it is approved by the voters. As previously discussed, the proposed Prop 218 Service Charge would be based on impervious area.
- In the example Financing Strategy shown, is the impervious fee (Development Impact Fee) based on a projected increase or the current rate? (Jim O'Laughlin)
 - In the illustrative example financing strategy, the potential Development Impact Fee was assumed to be increased by about twice the currently adopted rate. Therefore, if the current Development Impact Fee were used instead, only about half of the amount

- shown in the example would be generated by this funding source, increasing the funding gap.
- Is the \$39 million example Development Impact Fee based on \$0.73 per square foot? If the \$71 million funding gap isn't closed, is there some revised order to approach the projects? Would you revise the order? (Mark Lander)
 - No, the example Development Impact Fee used a rate of about twice the existing fee to generate the \$39 M figure. If the \$39 M can not be generated by the Development Impact Fee, StreamWISE Projects could be re-ordered based on available information (such as new grants and funding), or it would just take much longer to complete the projects listed in the preliminary 10-year CIP.
 - Where is the break between upper and lower Arroyo de la Laguna, and which portions does Zone 7 own? (Tom Harland)
 - Essentially Zone 7 owns the portion of Arroyo De La Laguna from the confluence with Arroyo Mocho to the confluence with Arroyo Del Valle; others own the reach of the Arroyo De La Laguna downstream of this reach.
 - We've seen a huge impact on our property in the Sunol area because development focuses a lot of flow into the Arroyo de la Laguna, causing great impact to our creeks. Development has to be a little more involved. You need to think about funds for both the short-term and the long-term. Otherwise all this water will run into Arroyo de la Laguna and erode all the property. I am losing 10 feet a year and we're seeing volumes that we've never seen. (Randy Kelly)
 - It seems that your shortfall is \$71 million, or \$7 million a year. It seems that the best strategy would be a moratorium on building until that shortfall is resolved. (Jim O'Laughlin)
 - There is a current storm drainage and runoff problem today, even if no future development were to occur. We need to find a way to generate a new revenue source to fill the identified funding gap so that the identified 10-year CIP projects can move forward.
 - Do you have a report from a geomorphologist that tells how to protect everyone's properties? (Randy Kelly)
 - Yes, a preliminary geomorphology study has been conducted as part of this phase of the StreamWISE Program, and the report is included in the report being prepared and provided to Zone 7.
 - I would like a list of projects that have been initiated and completed to mitigate the impact of the water that has come down the Arroyo de la Laguna. What have you initiated to control the water from the 580 point? Some work needs to be done now. I have not seen any work happen. There are all of these separate entities that I have been talking to about this, and no one has an answer. I am really, really upset and I've lost so much property and you've done so little. I've owned property for 11 years and I didn't create all this water! (Randy Kelly)
 - I am concerned about fish passage throughout the system. Two years ago, the BART weir was removed so that fish would have access to the rest of the system. This year, we had the first steelhead spawning in forty years. I want to make sure that fish spawning needs are taken into account. There's overlap between this and the Eastern Alameda Conservation Plan strategy. Are you looking at how these projects will overlap and coordinate? (Ralph Kanz)
 - Steelhead will be a focal species for the conservation strategy. StreamWISE Projects considered fish passage as part of the project, and Zone 7 representatives are involved with both the Eastern Alameda Conservation Plan Strategy and StreamWISE.
 - Some of us are also involved with the East Alameda County HCP. Is it possible for Zone 7 to develop an overlay on what they are doing with the CIP? I also suggest making a Zone 7 staff

member available to attend our HCP meetings. We're going to be asked to pay this fee. Maybe the developers should carry a bigger burden for this. (Rich Cimino)

- Zone 7 staff has been attending both the StreamWISE and Eastern Alameda Conservation Plan Strategy Planning meetings.
- Staples Ranch is required to mitigate impacts. I suggest backwards mitigating for past projects that weren't properly mitigated. I think it's a good lesson going forward to look at what we need to do from this point forward so that we are not doing this again in ten or twenty years. (Ralph Kanz)
- I would like to clarify some of the comments that were made about new development. New development does have to mitigate for its run-off, but the C3 requirement requires a treatment strategy and measures to address predevelopment run-off. (Abbas Masjedi)
- How long has StreamWISE been in existence?
 - 18 months
- Can you please recap how much of the problem is an existing issue and how much is a future problem. (Pam Lung)
 - Percentagewise, it is estimated that future development will contribute about a 10% increase in flows.
- Last year Zone 7 did some presentations to city councils. Will there be follow-up with the councils so that they can know what to expect in the next ten years? It would be nice to have a summary to present to our own councils to say this is where projects fell. (Mark Lander)
 - Please let Zone 7 know if there is a desire for such a presentation and we'll see what can be arranged at a mutually agreeable time.
- At what point do you move into project specific EIRs? EIR going stale before the project? (James Paxson)
 - A master EIR has already been completed and certified as part of the SMMP. Specific project EIRs will have to be completed once funding for these projects has been identified.
- I'm hoping that it's not just the economy that's the determining factor for postponing implementation. I want to see more public outreach campaigns. That message does resonate. Pictures of the upper Mississippi right now would help motivate people to help fund this. (James Paxson)
- Is it safe to say that there will be some action by the Zone 7 Board to approve the project priority, or a formalization by the Board in absence of a Proposition 218 vote? Will you continue to move forward including projects planned within 30 years? (Mark Lander)
 - Yes, the Zone 7 Board will be asked to approve the identified project prioritization; however, implementation will all depend on the available funding.
- I think it would be a good idea to have a meeting or an opportunity to ask questions before the draft is finalized. (Pam Lung)
 - This is the draft StreamWISE 10-year CIP list. We'll lay out these projects based on existing funding.
- Is there any sense of when the Zone 7 Board may consider the 10 year CIP? (Dan McIntyre)
 - Probably within the August or September timeframe.
- When is the next stakeholder meeting?
 - This is up to Zone 7. This technical portion of the project is complete, and there are currently no additional meetings planned.

Summary

The technical portion of the StreamWISE program concluded that a stormwater drainage and runoff control problem currently exists in the Livermore-Amador Valley. The preliminary 10-year CIP, which focuses on the key need to construct the Arroyo Las Positas portion of the Chain-of-Lakes project (among other key projects), is achievable, but needs the public's support and cannot move forward until a new funding source has been approved. A potential new funding source, Proposition 218 property-related service charge, has been identified as having the best potential to serve as a new funding source. This service charge would apply to all property owners in Zone 7's service area, and would be based on impervious area, or a minimum charge for those areas without any impervious area. The approval of this Prop 218 service charge would require approval by the majority of the property owners in Zone 7's service area. However, due to the existing economic times, and lack of current public support, it is the StreamWISE teams recommendation that the potential Prop 218 vote be postponed until the economic outlook improves. Meanwhile, Zone 7 should continue to educate the public regarding this public safety issue. There are no additional stakeholder meetings planned.