



ORIGINATING SECTION: Administrative Services
CONTACT: Osborn Solitei

AGENDA DATE: December 18, 2024

SUBJECT: Annual Report on Collection and Use of Development Fees

SUMMARY:

- In accordance with Strategic Plan Initiative No. 24 – Continue to effectively manage financial resources for the Agency in a prudent manner and demonstrates good stewardship of public funds, staff provides an annual status report of fees for development projects to the Board.
- This item reports the status of development impact fees held as of June 30, 2024, as required by AB 1600 and SB 1693, codified in California Government Code Sections 66000, *et seq.* The fees accounted for in this report are Water Connection Fees, and Flood Protection and Storm Water Drainage Development Impact Fees.
- The Water Connection Fee and Flood Protection/Storm Water Drainage Fee are imposed to provide funding for projects that serve new development. The Agency maintains separate funds to account for each of these fees, allocates interest to each fund and accounts for expenditures for each separate project funded from these fees.
- The individual projects funded by the fees are reviewed and approved by the Board of Directors as part of the Capital Improvement Program. A detailed description of each project is available in the program document.
- The attached tables summarize the activities of the Water Connections Fees (accounted for under the Water Enterprise Capital Expansion Fund 130) and Flood Protection and Storm Water Drainage Development Impact Fees (accounted for under Flood Protection/Drainage DIF Fund 210).

FUNDING:

There is no funding impact.

RECOMMENDATION:

Adopt the attached resolution accepting the annual report on Collection and Use of Development Fees for the fiscal year ending June 30, 2024.

ATTACHMENTS:

Annual Development Fees Report for the fiscal year ending June 30, 2024.

ZONE 7
ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

BOARD OF DIRECTORS

RESOLUTION NO. 24-98

INTRODUCED BY DIRECTOR NARUM
SECONDED BY DIRECTOR PALMER

Annual Report on Collection and Use of Development Fees

WHEREAS, in accordance with Strategic Plan Initiative No. 24 – Continue to effectively manage financial resources for the Agency in a prudent manner and demonstrates good stewardship of public funds, staff provides an annual status report of fees for development projects to the Board; and

WHEREAS, California Government Code sections 66000-66006 implement Assembly Bill 1600 and Senate Bill 1693, which impose requirements for the collection and expenditure of development impact fees; and

WHEREAS, pursuant to Government Code section 66006, Zone 7 must issue an annual report relating to the development fees it imposes.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Zone 7 of the Alameda County Flood Control & Water Conservation District hereby accepts the attached annual report of development fee revenues and expenditures for the fiscal year ending June 30, 2024.

ADOPTED BY THE FOLLOWING VOTE:

AYES: DIRECTORS BENSON, BROWN, FIGUERS, GAMBS, GREEN, NARUM, PALMER

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

I certify that the foregoing is a correct copy of a Resolution adopted by the Board of Directors of Zone 7 of the Alameda County Flood Control and Water Conservation District on December 18, 2024.

Dennis Gambs

By: _____
President, Board of Directors

Zone 7 Water Agency Annual Development Fee Report
For Fiscal Year Ended June 30, 2024
Capital Expansion Fund (NWS Fund 130)

The water connection fee ordinance was adopted in 1972. The fees are used to fund water acquisitions and expansion to the Zone 7 Water Agency water supply, treatment, and delivery systems. The connection charge, per equivalent dwelling unit (5/8-inch meter), was \$33,730 effective 01/01/2023 through 12/31/2023 and \$34,530 effective 01/01/2024 through 06/30/2024. A separate charge for Dougherty Valley was \$32,360 per connection for the period of 01/01/2023 through 12/31/2023 and \$33,130 for 01/01/2024 through 06/30/2024.

Beginning Fund Balance		\$	60,691,689
Revenue:			
Acct. No.	Description		FYTD Actuals
4311	Connection Fees - Treated	\$	11,860,411
4611,2,4,9	Interest from Investments		2,725,748
4621	Interest from Other Sources		133,585
4814	DWR Refunds		3,020,750
4890	Other Revenue		-
*Total Revenue		\$	17,740,494
*Transfers from trust not included in this report			
Expenses:			
Project No.	Description	Start-End (FY)	FYTD Actuals
COM0004	2024 Study AMP and CIP Management (20%)	2024-2025	54,990
COM0011	Chain of Lakes Planning (35%)	On-going	72
COM0033	PPWTP Upgrades (70%)	2017 - 2025	754,839
COM0034	PPWTP Ozonation (50%)	2017 - 2025	391,902
COM0038	Chain of Lakes (COL) Pipeline (47%)	2019 - 2033	64,361
COM0044	Los Vaqueros Reservoir Expansion Project Planning (20%)	2023 - 2025	287,746
EXP0002	South Bay Aqueduct Enlargement	2003 - 2035	13,604,253
EXP0015	Sites Reservoir - Phase I ¹	2017 - 2025	569,828
EXP0001	Miscellaneous Expansion Program Costs:		
	Administration	On-going	308,782
	Debt Service Costs	2020 - 2036	291,883
	Financial Planning	On-going	45,177
	DWR - SWP Fixed/Variable Costs	On-going	3,000,000
	Water Utility Planning	On-going	69,445
	Pension Expense - GASB 68 Adjustment	On-going	(187,131)
	OPEB Expense - GASB 75 Adjustment	On-going	(5,011)
Total Expenses		\$	19,251,136
¹ Project expenses adjusted for trust transfers			
Excess Revenue Over (Under) Expenditures		\$	(1,510,642)
Encumbrances, Commitments, and Reserves FYTD		\$	41,062,967
Reserve Balance for Projects @ 06/30/2024		\$	18,118,080

Zone 7 Water Agency Annual Development Fee Report

For Fiscal Year Ended June 30, 2024

Flood Protection and Storm Water Drainage Development Impact Fees Fund (NWS Fund 210)

The Flood Protection and Storm Water Drainage Development Impact Fee Ordinance was adopted in 2009 (Zone 7 Ordinance No. 2009-01). Revenues collected are authorized for the use of acquisition, construction, engineering, and improvement of the flood protection and/ or storm water drainage elements of the Stream Management Master Plan (SMMP) of Zone 7, or to reduce the principal or interest of any bonded indebtedness thereof. Effective 5/18/09, all funds in the SDA Operations Fund and SDA 7-1 Trust Fund were transferred to the Flood Protection and Storm Water Drainage Development Impact Fee Fund and all outstanding SDA 7-1 Reimbursement Agreements were assigned to and assumed as obligations payable from the Flood Protection and Storm Water Drainage Development Impact Fee Fund. The fee schedule effective from 01/01/2011 was set at \$1.00 per square foot of impervious surface created and remains unchanged as of 06/30/2024.

Beginning Fund Balance		\$	75,844,801
Revenue:			
Acct. No.	Description		FYTD Actuals
4314	Flood Protection/Drainage DIF	\$	1,518,562
4417	Other Service Fees		117,532
4611,2,9	Interest from Investments		2,535,367
4891	Prior Year Revenue		46,755
Total Revenue		\$	4,218,216
Expenditures:			
Project No.	Description	Start-End (FY)	FYTD Actuals
COM0011	Chain of Lakes Planning (28%)	On-going	58
COM0013	Flow Studies - Steelhead Restoration (50%)	2007 - 2024	970
COM0015	Sediment Study - SFE 2010 (41%)	2011 - 2024	254
COM0030	Arroyo Mocho Medeiros Project (57%)	2016 - 2024	7,500
COM0043	Floodplain Management Plan - Phase 2	2022 - 2025	47,983
DIF0001	Miscellaneous DIF Program Costs:		
	Financial Planning	On-going	11,277
Total Expenditures		\$	68,042
Excess Revenue Over (Under) Expenditures		\$	4,150,174
Transfers In/(Out) ¹		\$	(221,105)
Encumbrances, Commitments, and Reserves FYTD		\$	367,715
Fund Balance - Reserved for Projects @ 06/30/2024		\$	79,406,155

¹ Transfer out to the State Grant Fund for revenue reported as unavailable revenue since revenue is not received soon enough after year-end to be considered available. Funds will transfer back to fund 210 in FY 2025.