



City of Del Mar



TO Scott Huth, City Manager

FROM Mikhail Ogawa, Clean Water Manager

CC Kathleen A. Garcia, Planning and Community Development Director

DATE January 5, 2017

SUBJECT **City of Del Mar FY 2016 Jurisdictional Runoff Management Plan (JRMP) Annual Report Forms**

Attached you will find the Fiscal Year 2016 JRMP Annual Report forms for the San Dieguito and Los Peñasquitos watersheds. All of the data collected by various departments within the City during FY 2016 have been separated by watershed per the reporting requirements. Please note that we have the back-up data to support the Annual Report forms on file in case of an audit by the Regional Water Quality Control Board (Regional Board) or data request.

The Clean Water Program asks for your review and signature for the JRMP Annual Report forms. These forms will need to be signed first to be incorporated into the Water Quality Improvement Plan (WQIP) Annual Report. Once the WQIP Annual Report is finalized, we will be requesting additional signatures for the certification. The Annual Report forms are due to the Regional Board as part of the Water Quality Improvement Plan Annual Reports no later than January 31, 2017.

Thank you for your time, and please let us know if you have any questions or comments on the updated forms or the new reporting process.

Commercial Property Issues and Violations Fiscal Year 2015-2016

During Fiscal Year 2015-2016, the Clean Water Program performed 11 Existing Development inspections. These inspections incorporated the patrol of 156 Municipal, Commercial, Industrial, and Residential (Multi-Family Residential) facilities or areas and yielded the observation of 61 issues at Commercial properties within the City of Del Mar. In addition to the 61 Commercial issues observed from Existing Development patrols, four (4) additional issues were identified at Commercial areas during the investigation of urban runoff reports. All 65 observations are listed below and detail the facility name, number of issues observed, and specific issues observed during patrols/investigations. All problems noted below were issued enforcement action by means of education letters. In addition, the facilities with bolded issues observed were provided with Notice of Violations and citations for severity of the issue or for repeat issues with no resolutions.

Facility Name	Number of Issues Observed	Issues Observed
En Fuego Cantina & Grill	9	Dumpster lids open Grease stains on concrete Trash overflowing from dumpster Discharge/grease staining
Del Mar Plaza	7	Dumpster lids open Observation or evidence offsite discharge to MS4 Excessive trash around property Grease bin lid open Irrigation runoff from property Secondary containment missing or inadequate Grease stains on concrete Unauthorized discharge from fire system testing discharging into storm drain
Canterbury Del Mar	5	Excessive trash around property Grease stains on concrete Dumpster lids open
1201 Camino del Mar (Mixed-Use Complex)	4	Excessive trash around property Dumpster lids open Trash overflowing from dumpster Grease stains on concrete
Rusty Surfboards	4	Dumpster lids open Excessive trash around property Leaking hose Uncontained hosing leading to runoff Secondary containment missing or inadequate Observation or evidence offsite discharge to MS4
Sbicca American Bistro	4	Trash overflowing from dumpster Excessive trash around property Dumpster lids open Evidence of power washing

Facility Name	Number of Issues Observed	Issues Observed
915 Camino del Mar (Office Complex)	3	Excessive build-up of leaves and/or sediment Observation or evidence offsite discharge to MS4 Trash overflowing from dumpster Excessive trash around property
Board & Brew	3	Grease stains on concrete Trash overflowing from dumpster
1110 Camino Del Mar (Mixed-Use Complex)	2	Secondary containment missing or inadequate Dumpster lids open
2002 Jimmy Durante Office Building (Office Complex)	2	Dumpster lids open Excessive trash around property
Charnholm (General Retail)	2	Leaking Hose Excessive trash around property
Zel's Del Mar	2	Grease stains on concrete
1202 Camino del Mar (Mixed-Use Complex)	1	Irrigation runoff from property
1226-1230 Camino Del Mar (Office Complex)	1	Leaking Hose
1302 Camino Del Mar (General Retail)	1	Irrigation runoff from property
1349 Camino Del Mar (Medical Office Complex)	1	Irrigation runoff from property Excessive build-up of leaves and/or sediment
1431 Camino Del Mar (Mixed-Use Complex)	1	Irrigation runoff from property
240-244 9th Street (Office Complex)	1	Irrigation runoff from property
319 12th street (General Retail)	1	Irrigation runoff from property
910 Camino Del Mar (Mixed-Use Complex)	1	Irrigation runoff from property
Bully's North	1	Observation or evidence offsite discharge to MS4
Café Secret	1	Power washing of sidewalk/patio area
Clarion Inn Del Mar	1	Unknown discharge from drainage source on property
Del Mar Automotive	1	Secondary containment missing or inadequate
Del Mar Pizza	1	Dumpster lids open
Eucalyptus Stoneware	1	Excessive trash around property
Southfair Office Building	1	Excessive trash around property
St. Peter's Episcopal Church	1	Sediment discharge
Stratford Square	1	Dumpster lids open
The Brigantine	1	Dumpster lids open Grease bin lid open


**JURISDICTIONAL RUNOFF MANAGEMENT PROGRAM
CITY OF DEL MAR – ANNUAL REPORT FORM
FY 2015-2016**

I. COPERMITTEE INFORMATION	
Copermittee Name: City of Del Mar – San Dieguito WMA	
Copermittee Primary Contact Name: Mikhail Ogawa	
Copermittee Primary Contact Information: Address: 1050 Camino Del Mar	
City: Del Mar	County: San Diego
Telephone: (858) 755-9313	Fax: (858) 755-2794
State: CA	Zip: 92014
Email: Mikhail@mogawaeng.com	
II. LEGAL AUTHORITY	
Has the Copermittee established adequate legal authority within its jurisdiction to control pollutant discharges into and from its MS4 that complies with Order No. R9-2013-0001?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
A Principal Executive Officer, Ranking Elected Official, or Duly Authorized Representative has certified that the Copermittee obtained and maintains adequate legal authority?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
III. JURISDICTIONAL RUNOFF MANAGEMENT PROGRAM DOCUMENT UPDATE	
Was an update of the jurisdictional runoff management program document required or recommended by the San Diego Water Board?	YES ¹ <input checked="" type="checkbox"/> NO <input type="checkbox"/>
If YES to the question above, did the Copermittee update its jurisdictional runoff management program document and make it available on the Regional Clearinghouse?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
IV. ILLICIT DISCHARGE DETECTION AND ELIMINATION PROGRAM	
Has the Copermittee implemented a program to actively detect and eliminate illicit discharges and connections to its MS4 that complies with Order No. R9-2013-0001?	YES ² <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Number of non-storm water discharges reported by the public	18
Number of non-storm water discharges detected by Copermittee staff or contractors	22
Number of non-storm water discharges investigated by the Copermittee	40
Number of sources of non-storm water discharges identified	40
Number of non-storm water discharges eliminated	40
Number of sources of illicit discharges or connections identified	8
Number of illicit discharges or connections eliminated	8
Number of enforcement actions issued	6
Number of escalated enforcement actions issued	3
V. DEVELOPMENT PLANNING PROGRAM	
Has the Copermittee implemented a development planning program that complies with Order No. R9-2013-0001?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Was an update to the BMP Design Manual required or recommended by the San Diego Water Board?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
If YES to the question above, did the Copermittee update its BMP Design Manual and make it available on the Regional Clearinghouse?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Number of proposed development projects in review	101
Number of Priority Development Projects in review	2
Number of Priority Development Projects approved	1
Number of approved Priority Development Projects exempt from any BMP requirements	1
Number of approved Priority Development Projects allowed alternative compliance	0
Number of Priority Development Projects granted occupancy	0
Number of completed Priority Development Projects in inventory	2
Number of high priority Priority Development Project structural BMP inspections	22
Number of Priority Development Project structural BMP violations	0
Number of enforcement actions issued	0
Number of escalated enforcement actions issued	0

FY 2015-2016

VI. CONSTRUCTION MANAGEMENT PROGRAM					
Has the Copermittee implemented a construction management program that complies with Order No. R9-2013-0001?				YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Number of construction sites in inventory	52				
Number of active construction sites in inventory	41				
Number of inactive construction sites in inventory	0				
Number of construction sites closed/completed during reporting period	11				
Number of construction site inspections	408				
Number of construction site violations	22				
Number of enforcement actions issued	22				
Number of escalated enforcement actions issued	1				
VII. EXISTING DEVELOPMENT MANAGEMENT PROGRAM					
Has the Copermittee implemented an existing development management program that complies with Order No. R9-2013-0001?				YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
	Municipal	Commercial	Industrial	Residential	
Number of facilities or areas in inventory	24	81	0	37	
Number of existing development inspections	264	891	0	407	
Number of follow-up inspections	0	0	0	0	
Number of violations	1	61	0	3	
Number of enforcement actions issued	1	61	0	3	
Number of escalated enforcement actions issued	0	2	0	0	
VIII. PUBLIC EDUCATION AND PARTICIPATION					
Has the Copermittee implemented a public education program component that complies with Order No. R9-2013-0001?				YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Has the Copermittee implemented a public participation program component that complies with Order No. R9-2013-0001?				YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
IX. FISCAL ANALYSIS					
Has the Copermittee attached to this form a summary of its fiscal analysis that complies with Order No. R9-2013-0001?				YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
X. CERTIFICATION					

I Principal Executive Officer Ranking Elected Official Duly Authorized Representative certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.



 Signature
 Scott Huth

 Print Name
 858-755-9313

 Telephone Number

1/9/2017

 Date
 City Manager

 Title
 SHUTH@DELMAR.CA.US

 Email

¹ The City of Del Mar was required to submit an updated JRMP with the WQIP and post it to the Regional Clearinghouse portal.
² The timeframe used for the Illicit Discharge Detection and Elimination component of this JRMP Annual Report matches the timeframe used in the WQIP Annual Report (10/1/15-9/30/16).

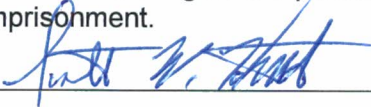
**JURISDICTIONAL RUNOFF MANAGEMENT PROGRAM
CITY OF DEL MAR – ANNUAL REPORT FORM
FY 2015-2016**

I. COPERMITTEE INFORMATION	
Copermittee Name: City of Del Mar – Los Peñasquitos	
Copermittee Primary Contact Name: Mikhail Ogawa	
Copermittee Primary Contact Information: Address: 1050 Camino Del Mar	
City: Del Mar	County: San Diego
State: CA	Zip: 92014
Telephone: (858) 755-9313	Fax: (858) 755-2794
Email: Mikhail@mogawaeng.com	
II. LEGAL AUTHORITY	
Has the Copermittee established adequate legal authority within its jurisdiction to control pollutant discharges into and from its MS4 that complies with Order No. R9-2013-0001?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
A Principal Executive Officer, Ranking Elected Official, or Duly Authorized Representative has certified that the Copermittee obtained and maintains adequate legal authority?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
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Was an update of the jurisdictional runoff management program document required or recommended by the San Diego Water Board?	YES ¹ <input checked="" type="checkbox"/> NO <input type="checkbox"/>
If YES to the question above, did the Copermittee update its jurisdictional runoff management program document and make it available on the Regional Clearinghouse?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
IV. ILLICIT DISCHARGE DETECTION AND ELIMINATION PROGRAM	
Has the Copermittee implemented a program to actively detect and eliminate illicit discharges and connections to its MS4 that complies with Order No. R9-2013-0001?	YES ² <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Number of non-storm water discharges reported by the public	3
Number of non-storm water discharges detected by Copermittee staff or contractors	2
Number of non-storm water discharges investigated by the Copermittee	5
Number of sources of non-storm water discharges identified	5
Number of non-storm water discharges eliminated	5
Number of sources of illicit discharges or connections identified	2
Number of illicit discharges or connections eliminated	2
Number of enforcement actions issued	0
Number of escalated enforcement actions issued	0
V. DEVELOPMENT PLANNING PROGRAM	
Has the Copermittee implemented a development planning program that complies with Order No. R9-2013-0001?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Was an update to the BMP Design Manual required or recommended by the San Diego Water Board?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
If YES to the question above, did the Copermittee update its BMP Design Manual and make it available on the Regional Clearinghouse?	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Number of proposed development projects in review	11
Number of Priority Development Projects in review	0
Number of Priority Development Projects approved	0
Number of approved Priority Development Projects exempt from any BMP requirements	0
Number of approved Priority Development Projects allowed alternative compliance	0
Number of Priority Development Projects granted occupancy	0
Number of completed Priority Development Projects in inventory	1
Number of high priority Priority Development Project structural BMP inspections	11
Number of Priority Development Project structural BMP violations	0
Number of enforcement actions issued	0
Number of escalated enforcement actions issued	0

FY 2015-2016

VI. CONSTRUCTION MANAGEMENT PROGRAM					
Has the Copermittee implemented a construction management program that complies with Order No. R9-2013-0001?				YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Number of construction sites in inventory				10	
Number of active construction sites in inventory				6	
Number of inactive construction sites in inventory				0	
Number of construction sites closed/completed during reporting period				4	
Number of construction site inspections				72	
Number of construction site violations				4	
Number of enforcement actions issued				4	
Number of escalated enforcement actions issued				0	
VII. EXISTING DEVELOPMENT MANAGEMENT PROGRAM					
Has the Copermittee implemented an existing development management program that complies with Order No. R9-2013-0001?				YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
	Municipal	Commercial	Industrial	Residential	
Number of facilities or areas in inventory	1	1	0	12	
Number of existing development inspections	11	11	0	132	
Number of follow-up inspections	0	0	0	0	
Number of violations	0	0	0	4	
Number of enforcement actions issued	0	0	0	4	
Number of escalated enforcement actions issued	0	0	0	0	
VIII. PUBLIC EDUCATION AND PARTICIPATION					
Has the Copermittee implemented a public education program component that complies with Order No. R9-2013-0001?				YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Has the Copermittee implemented a public participation program component that complies with Order No. R9-2013-0001?				YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
IX. FISCAL ANALYSIS					
Has the Copermittee attached to this form a summary of its fiscal analysis that complies with Order No. R9-2013-0001?				YES <input checked="" type="checkbox"/>	NO ² <input type="checkbox"/>
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I Principal Executive Officer Ranking Elected Official Duly Authorized Representative certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.



 Signature
 Scott Huth

 Print Name
 858-755-9313

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 Date
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² The timeframe used for the Illicit Discharge Detection and Elimination component of this JRMP Annual Report matches the timeframe used in the WQIP Annual Report (10/1/15-9/30/16).

1. FISCAL ANALYSIS

1.1 JURISDICTIONAL RUNOFF MANAGEMENT PROGRAM IMPLEMENTATION

This section of the Jurisdictional Runoff Management Program (JRMP) Annual Report provides a fiscal analysis of the City's stormwater management programs. On May 8, 2013 the RWQCB adopted a revised Municipal Permit, Order No. R9-2013-0001, however, during this transitional period the City of Del Mar continued to develop its fiscal analysis according to Section G of the previous Municipal Permit, Order No. R9-2007-0001.

On January 29, 2009, the San Diego Municipal Copermittees adopted the "Standardized Fiscal Method and Format" which provides a model for the City of Del Mar and other Copermittees to perform the review and annual reporting as required in Order R9-2007-0001, Section G. This methodology and reporting format proved to be an effective model for reporting on City expenditures, and for consistency, the City of Del Mar will continue to use the format for this reporting period FY 2015-2016. The City, however, recognizes the additional elements required to be included in the fiscal analysis as specified in Order No. R9-2013-001 Section E.8, and has included those components in the year's report.

1.1.1 Clean Water Program Budget

The City of Del Mar's Clean Water Program is a multi-departmental program, funded as an enterprise fund in the City's Annual Budget. Enterprise funds account for operations that are financed and operated in a manner similar to private businesses, with the costs of providing the services recovered largely through user fees. Fund 55 ("The Clean Water Fund"), is one of three (3) enterprise funds in the City's budget, and was added to the City's budget in Fiscal Year 2004 to account for the mandated costs of the City's responsibilities in order to comply with the Municipal Permit. The budget for the City of Del Mar has the appropriate funds allocated to meet the requirements of Permit 2013-0001, including any development, implementation, and enforcement activities required.

The City of Del Mar Operating and Capital Improvement Budgets for Fiscal Years 2015-2016 and 2016-2017 were presented to the Del Mar City Council on June 1, 2015. The budget was formally adopted during the same meeting.

For the Fiscal Year 2015-2016 reporting period, the final amended budget for Fund 55 totaled \$550,670. **Table 1-1** below provides a breakdown of program budget by major budget category for Fiscal Year 2015-2016.

Table 1-1: Budget Summary – Clean Water Fund 55

Fund Account		Adopted Budget Fiscal Year 2015-2016	Description/Comments
55-5530	Clean Water Planning	45,700	Active enforcement of clean water regulations including project plan review, permitting, construction monitoring and plan review of BMPs.
55-5536	Clean Water Code Enforcement	24,830	Active in-field enforcement of clean water regulations, including response to resident complaints.
55-5539	Clean Water Program Management	268,000	All clean water program management and reporting activities, fees to agencies, and interaction with regional and watershed Copermittee groups.
55-5840	Public Works (General)	212,140	Provides for administration and general support for all clean water programs for property and facilities, including supervision of maintenance staff.
Total Clean Water Program Budget – Fund 55		\$550,670	–

1.1.2 Fiscal Analysis Methods

The City of Del Mar used the format and guidelines included in the Fiscal Analysis Method for reporting purposes; however, given the City’s financial accounting methods, a few modifications were necessary. These adjustments are described below.

1.1.3 Fiscal Analysis Results

The City’s Fiscal Year 2015-2016 jurisdictional, watershed, and regional projected expenditures for the implementation of the Municipal Permit requirements are summarized in **Table 1-2** below.

Table 1-2: Fiscal Year 2015-2016 Expenditure Summary by Program Component

Component Description	Fiscal Year 2015-2016 Projected Expenditures
Jurisdictional Component	
Administration	60,883
Development Planning	42,690
Construction	29,376
Municipal (Including Non-Emergency Fire Flows)	195,510
Industrial and Commercial	10,700
Residential, Education, and Public Participation	51,278
IDDE	37,066
Jurisdictional Total	\$427,503
Watershed Component	
San Dieguito Watershed	47,975
Los Peñasquitos Watershed	37,275
Watershed Total	\$85,250
Regional Component	
Total Copermittee Cost Share for Del Mar	37,918
Total Costs	\$550,670

1.1.4 JRMP Expenditures

The City of Del Mar used the expenditure categories detailed in the Fiscal Analysis Method for jurisdictional reporting. However, due to the implementation overlap of some of the City’s municipal permit components; it is difficult to separate out individual component costs. As a result, the expenditures for residential, education, and public participation are reported as one expenditure category. Additionally, since the City does not explicitly track expenditures by permit component for its budgeting purposes, in many cases estimated percentages were utilized to allocate expenditures into the appropriate municipal permit component categories.

A total of \$550,670 was projected to be expended in Fiscal Year 2015-2016 for the implementation of JRMP activities. An overview of the expenditures reflected in JRMP activity component is described below.

Administration

Activities identified in this component represent labor and non-labor expenditures for materials, supplies, equipment, or tools that are not otherwise incorporated into other expenditure categories, general administrative functions (e.g., program planning, budgeting, staff supervision), and program assessment and reporting.

Development Planning

Activities identified in this component represent labor and non-labor expenditures related to issuance or oversight of permits or of plans (e.g., permit counter support, plan checks, permit or application processing), project planning and engineering (e.g. project design specifications, capital improvement projects).

Construction

Activities identified in this component represent labor and non-labor expenditures related to construction site inspections and enforcement.

Municipal

Activities identified in this component represent labor and non-labor expenditures related to maintenance inspections of streets, roads, catch basins and inlets, open channels, and the MS4, municipal facility inspections, street and parking lot sweeping, catch basins and inlets, open channels, and MS4 cleaning, and municipal BMP implementation. Since the City of Del Mar conducts all fire-fighting training outside of the City, and no non-emergency fire-fighting flows occurred during the reporting period, the City does not currently track expenditures relating to non-emergency fire-fighting flows. Any costs associated with preparing for these flows are included in the municipal component.

Industrial and Commercial

Activities identified in this component represent labor and non-labor expenditures related to evaluation and enforcement of program requirements at industrial and commercial sites or sources (e.g. routine inspections and complaint investigations).

Residential, Education, and Public Participation

Activities identified in these components represent labor and non-labor expenditures related to investigation and enforcement of residential areas or activities, staffing outreach events, development and production of outreach materials, and any expenditures associated with waste collection and recycling (e.g. household hazardous waste, used oil).

Illicit Discharge Detection and Elimination

Activities identified in this component represent labor and non-labor expenditures related to the identification and elimination of illicit discharges or connections, enforcing the City of Del Mar's storm water ordinance, and any expenditures related to monitoring programs (e.g. dry weather monitoring, coastal storm drain monitoring, special investigations, field or sampling equipment, materials and supplies).

1.1.5 Watershed Expenditures

The City of Del Mar used the expenditure categories (administration, watershed activities, cost share contribution, and other) detailed in the Fiscal Analysis Method for watershed reporting. The watershed expenditures included in this report only capture City of Del Mar expenditures and do not account for any expenditure disbursed by other Copermittees included in the watershed(s).

A total of \$85,250 was projected to be expended in Fiscal Year 2015-2016 for the implementation of planned strategies for the San Dieguito and Los Peñasquitos Watersheds.

1.1.6 Regional Expenditures

The City of Del Mar utilized the expenditure categories (administration, cost share contribution, regional activities, and other) detailed in the Fiscal Analysis Method for regional reporting. The regional expenditures included in this report only capture City of Del Mar expenditures and do not account for any expenditure disbursed by other Copermittees in the region. A total of \$37,918 was projected to be expended in Fiscal Year 2015-2016 for the implementation of regional activities and coordination.

1.1.7 Funding Sources

To ensure adequate funding for the Clean Water Program, the City uses a combination of user fees and general fund monies.

The City of Del Mar City Council created and adopted a user fee, called the Clean Water Fund Service Charge to offset the costs of the program. Initially, the rate was adopted to collect \$100,000 of the estimated \$300,000 for the program, with an escalator to achieve full cost recovery by 2009. Mid-way through the five-year schedule, on July 24, 2006, the California Supreme Court published a decision in the case of Bighorn-Desert View Water Agency v. Verjil (2006) 39 Cal. 4th 205, which held that consumption-based rates such as water and sewer rates are subject to the notice and hearing requirements of California Constitution, Article XIID, Section 6 (commonly known as "Proposition 218"). Therefore, on January 22, 2007, and February 5, 2007, the Del Mar City Council held public hearings to receive written protests to comply with Proposition 218. No majority protest was received, and the Council ratified the previously approved five-year rate schedule, including the City's Clean Water Service Charge. However, the adopted rate increases did not account for the actual increases in the costs associated program requirements.

As an additional measure to obtain voter approval of the five-year rate schedule for the City's Clean Water Service Charge, the Council directed staff on April 2, 2007, to start the process to perform a mail ballot election procedure. During the process of researching the mail ballot election procedures and the current rates, it became apparent that the process would immediately need to be repeated to set the Fiscal Year 2010 rates and charges, since the current five-year rate schedule was due to expire in June of 2009. Due to the additional costs incurred in complying with the new requirements of the 2007 Permit, increases to the Clean Water Service Charge were proposed, including an annual rate escalator. All monies appropriated as part of the Clean Water Service Charge are directly identified for the Clean Water Program, and pursuant to law, may not be used by the City for any other purpose.

During the Fiscal Year 2009 reporting period, in compliance with Proposition 218, both the majority protest hearing and mail ballot process were conducted for the proposed increases. Both the ratification of the existing rate structure (required by Proposition 218), and the new rates, including the rate escalator, passed by more than 62%. As a result of the passage of the Clean Water Service Charge, the City will continue to have a secure funding source for the Clean Water Program, outside of general fund monies.

Based on current water allocations for the City of Del Mar, the projected revenues from the Clean Water Service Fee will be \$482,700 (page 88 of city budget) for Fiscal Year 2015-2016.