

ISSUE PAPER #3

The Countywide Flood Control Zone District

Summary

Revised Code of Washington (RCW) 86.15.160 authorizes a flood control zone district to impose, among other things, service charges and taxes of up to \$.50 per \$1,000 in assessed valuation, subject to certain conditions. Our research shows that the Whatcom County Flood Control Zone District (WCFCZD) imposes a corresponding Countywide ad valorem property tax of \$.1937 per \$1,000 in assessed valuation, although it has been indicated that the levy rate is now lower than that. The \$.1937 per \$1,000 in assessed valuation tax rate was adopted in 2003 for initial billing in 2004, and has certainly not been *increased* since.

The tax generated \$2,823,633 in 2006. Combined with Intergovernmental revenues of \$890,820, net transfers of \$252,215, and miscellaneous revenues of \$4,313, total program revenues were \$3,970,981, against expenditures of \$5,299,421. The deficiency of \$1,328,440 was met by existing fund balance.

A summary of 2005 and 2006 financial performance is provided below:

	2005	2006
Beginning Fund Balance	\$ 8,814,094	\$ 8,670,929
Revenues		
Taxes	\$ 2,744,206	\$ 2,823,633
Intergovernmental	739,780	890,820
Charges for Service	48	1,323
Miscellaneous	6,804	2,990
Total Revenues	\$ 3,490,838	\$ 3,718,766
Expenditures		
Operating	\$ 3,100,107	\$ 5,080,730
Capital Outlays	419,623	218,691
Total Expenditures	\$ 3,519,730	\$ 5,299,421
Other Financing Sources		
Sales of Capital Assets	\$ 93,177	\$ 52,151
Transfers In	-	465,244
Transfers Out	(207,450)	(265,180)
Total Other	\$ (114,273)	\$ 252,215
Surplus (Deficiency)	\$ (143,165)	\$ (1,328,440)
Ending Fund Balance	\$ 8,670,929	\$ 7,342,489

Program revenues fund performance of all or a substantial portion of the following activities (from the County 2007 Budget), which are generally considered to be of Countywide or regional benefit:

River & Flood

- Flood Response. Provide annual training to staff for flood response and flood fighting. In case of a flood emergency, coordinate and perform various response functions.
- Comprehensive Flood Hazard Management Planning. Comprehensive flood hazard management planning including development of an in-depth understanding of flood causes and behaviors and evaluating/selecting flood hazard management options.
- Technical Assistance. Provide flood control technical assistance in planning, design, prioritization, funding research, and permitting to special purpose districts. Also provides administrative support for special purpose districts.
- National Flood Insurance Program. Administer the National Flood Insurance Program and the Community Rating System. This has decreased insurance costs for those in flood plains.
- Early Flood Warning System. Maintain flood warning equipment, monitor gauges during potential flooding situations, and provide warning information to the public.
- Flood Control Repair & Maintenance Program. Plan, design, and oversee flood control repair and maintenance projects for the protection of public and private property.
- Flood Hazard Reduction. Provide for implementation of projects resulting from comprehensive planning efforts to reduce flood damages.

Stormwater

- Design Stormwater Projects. Plan, design, and study feasibility of stormwater projects to protect and/or improve the quality of Whatcom County's lakes and streams.
- Marine Resources Project and Staff Support. Preservation and restoration of marine habitat in Whatcom County and shellfish protection and response to shellfish closures.
- Salmon Recovery Projects and Adaptive Management. Implement priority county salmon recovery projects and adaptive management plan elements.
- Technical Assistance for Surface Water Issues. Advise and support other departments to prevent deterioration of the water quality of Whatcom County lakes and streams.

Among the work efforts funded by the WCFCZD, the County reports that a number have directly or indirectly benefited the Birch Bay watershed:

development of new floodplain mapping (available after December 14), administration of the Community Rating System, National Flood Insurance Program permitting, funding assistance for the Birch Bay Comprehensive Stormwater Plan and its implementation (this study).

There are currently at least three other sub-flood control zone districts: including the Sumas/Nooksack/Everson subzone, the Acme/Van Zandt Subzone, and the Lynden/Everson Subzone. All charge by acreage, up to \$2.50 per acre for improved property in flood hazard areas. Minimum charge amounts per parcel are established by assessed value. The County's practice for these existing subzones is to charge both the subzone assessments and the tax associated with the Countywide FCZD.

As a way of distinguishing the services provided by the WCFCZD from those to be provided by BBWARM, please note that the Birch Bay Comprehensive Stormwater plan identifies and recommends the following programmatic and structural solutions to issues specific to the Birch Bay watershed:

Programmatic

- Complaint Response. Provide a number to call for complaints regarding drainage, erosion, or water quality issues.
- Inspections and Identification of Illicit Connections. Develop and implement an inspection program to detect and eliminate illicit connections.
- Spill Response. Train staff to identify spills and equip service vehicles with spill kits.
- Regulatory and Policy:
 - Develop & adopt a low impact development ordinance;
 - Conduct design review;
 - Meet NPDES Phase II requirements, not yet applicable;
 - Address failing septic systems; and
 - Prohibit pollutant discharges.
- Maintenance and Operations:
 - Inspect and enforce maintenance of private and County road drainage systems;
 - Establish maintenance standards consistent with the Stormwater Management Manual for Western Washington (Ecology, 2005);
 - Establish maintenance program to meet NPDES Phase II requirements;

- Document / track maintenance and inspection activities; and
- Upgrade M & O equipment and increase labor to meet increasing demands.
- Education / Public Involvement. Educate and involve residents and staff on proper practices to reduce pollutant discharge and promote water quality;
- Monitoring. Develop a coordinated monitoring program;
- Record-Keeping and Annual Reporting / Administration. Keep records of all activities, including number of inspections, enforcement actions, and educational activities;
- Identify a Watershed Keeper.

Capital Improvement Projects

- Drainage Improvements, Cottonwood Neighborhood;
- Drainage Improvements, Shintaffer at Richmond Park;
- Terrell Creek Improvements for Water Quality;
- Drainage Improvements, Birch Point, Various Locations;
- Terrell Creek Culvert at Grandview Road; and
- Drainage Improvements, Rogers Slough at Birch Bay Drive.

Recommendation

We recommend further research on ways to ensure that the Birch Bay watershed subzone (BBWARM), once funded by its “local” subzone mechanism, receives ongoing value from the Countywide FCZD as long as the subzone is charged the WCFCZD tax.