

SKAGIT COUNTY
PUBLIC WORKS DEPARTMENT

Natural Resource Division

Drainage Utility Assessment Revision Proposal

May 2024



OVERVIEW

The County Drainage Utility is a program currently involving the collection of a special assessment that was first initiated in 1997 to address drainage concerns within unincorporated Skagit County and provide similar related benefits to our ratepayers. As a program, property owners subject to the Drainage Utility (“DU”) special assessment should see a benefit resulting from the program, and Public Works Department management needs to be diligent to ensure such funds are used appropriately on programs and activities that are consistent with the purpose and goals of the program, including the use of such funds collected to address significant drainage concerns on property subject to the assessment. Such DU projects may be prioritized higher if they benefit multiple property owners and include funding partnerships.

The Drainage Utility provides a source of funding to address drainage and stormwater projects and programs that otherwise would not have a funding source for such purposes, and/or may represent a significant burden for individual property owners.

A primary focus of the Drainage Utility is responding to regional drainage concerns on Skagit County properties that are subject to the collection of the DU assessment and are also located outside of the County Road right of way. Drainage concerns in the County are significant and often fall within the categories of ditch maintenance/grading, culvert maintenance, lack of drainage infrastructure, failing infrastructure, inadequate conveyance, and sedimentation. The cause or source of a drainage issue is often surface water or runoff that has traveled from other parts of the County. Drainage issues in the County are often interrelated and ongoing, resulting in Drainage Utility (DU) personnel examining concerns on a watershed scale (subject to the limitations of the program).

In addition to responding to drainage concerns, Drainage Utility funding is also used for watershed planning, surface water management projects, associated aquatic habitat restoration, drainage mitigation, and compliance with the County’s NPDES Municipal Stormwater Permit. The Drainage Utility partners with drainage districts, tribes, cities, and state agencies on a variety of mutually beneficial projects.

HISTORICAL HIGHLIGHTS OF THE DRAINAGE UTILITY

Drainage Utility Fund Timeline

- 1994: The DU was created by County Ordinance 15572
- 1996: Rates were established under Ord#16404
- 2007: DU rates increased to \$36/Single Family Residence, R20070540
- 2010: County Sub-flood Control zones were abolished, and the responsibilities were transferred to the County Drainage Utility
- 2013: Changed the DU assessment from an impervious surface to a flat per parcel
- 2013: DU Rates increased to \$60/Single Family Residence, R20130353

GOVERNING CODES

Key Points regarding County Drainage Utility

Nearly all Surface Water/Stormwater Assessments in Western WA Municipalities use the same RCW 36.89, providing authority for the assessment, although no other jurisdiction refers to the assessment as Drainage Utility. The term Drainage Utility appears to be unique to Skagit County. The purpose outlined in RCW [36.89.020](#) is:

- *“The legislature finds that the open spaces, park, recreation and community facilities, public health and safety facilities, stormwater control facilities and highways within any county of this state, whether located partly or wholly within or without the cities and towns of such county are of general benefit to all the residents of such county. The open spaces, park, recreation, and community facilities within such county provide public recreation, aesthetic, conservation and educational opportunities and other services and benefits accessible to all the residents of such county. The public health and safety facilities within such county provide protection to life and*

property throughout the county, are functionally inter-related and affect the health, safety, and welfare of all the residents of such county. The stormwater control facilities within such county provide protection from stormwater damage for life and property throughout the county, generally require planning and development over the entire drainage basins, and affect the prosperity, interests, and welfare of all the residents of such county. The highways within such county, whether under the general control of the county or the state or within the limits of any incorporated city or town, provide an inter-connected system for the convenient and efficient movement of people and goods within such county. The use of general county funds for the purpose of acquisition, development, construction, or improvement of open space, park, recreation and community facilities, public health and safety facilities, stormwater control facilities, or highways or to participate with any governmental agency to perform such purposes within such county pursuant to this chapter is hereby declared to be a strictly county purpose.”

The purpose of the Drainage Utility as outlined in Skagit County Code (SCC) 12.19

- “This authority is being invoked in order to minimize property damage, promote and protect the public health, safety and welfare, minimize water quality degradation by preventing siltation, contamination and erosion of the County’s waterways, protect aquifers, ensure the safety of County roads and rights-of-way, increase educational and recreational opportunities, restore fisheries, encourage the retention of open space, and foster other beneficial public uses. (Ord. 15572 (part), 1994)”

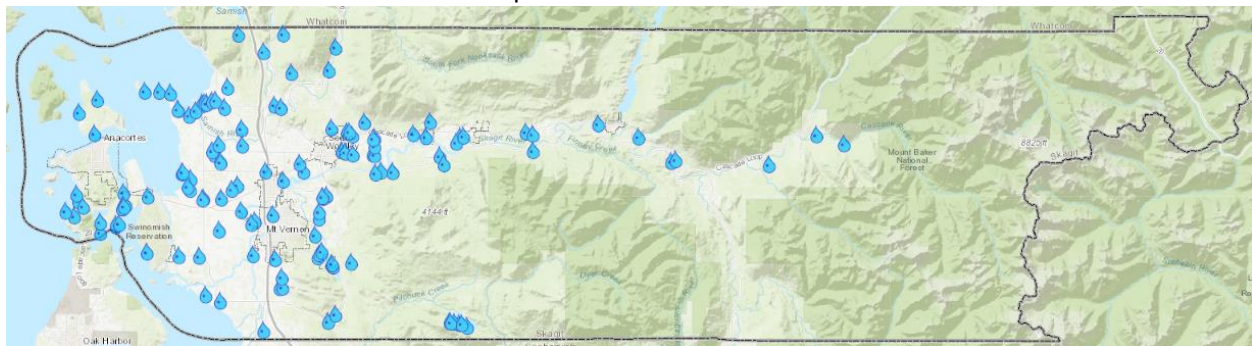
The emphasis in RCW 36.89 is on “Drainage Facilities”, the definition:

- “Drainage facilities shall mean any facility, improvement, development, property or interest thereon, made, constructed or acquired for the purpose of controlling, or protecting life or property from any runoff, storm, waste, flood or surplus waters wherever located within the County, and shall include but not be limited to the improvements and authority described in Chapters 86.12 and 86.15 RCW.”

The definition of Stormwater Control Facility as referenced in RCW 36.89 is stated below:

- “The words stormwater control facilities as used in this chapter mean any facility, improvement, development, property or interest therein, made, constructed or acquired for the purpose of controlling, or protecting life or property from, any storm, waste, flood or surplus waters wherever located within the county, and shall include but not be limited to the improvements and authority described in RCW [86.12.020](#) and chapters [86.13](#) and [86.15](#) RCW”

The DU is Skagit County’s primary funding source to work with landowners are drainage-related issues, this includes watershed planning, supporting surface water infrastructure, implementing drainage response, and putting important drainage projects on the ground ([project map](#) below). These funds also support the work by the County to meet the requirements of our NPDES Phase II Stormwater Permit, this is consistent with other Western WA municipalities.



CURRENT DRAINAGE UTILITY ASSESSMENT RATES

Class of Property	Basis of Charge
(a) Parcels containing timber land or undeveloped land.	Charge per parcel, in the amount of \$10.
(b) Parcels containing single-family residences or duplex, triplex, or four-plex residential units (multifamily).	Charge per parcel, in the amount of \$60.
(c) Parcels containing apartments of more than four residential units, commercial, industrial, or institutional establishments.	Charge per parcel, in the amount of \$125.
(d) Parcels containing developed open space- farm and agricultural land.	Charge per parcel, in the amount of \$60.
(e) County roads	Charge per impervious square foot, in the amount of \$0.0040.
(f) State roads	30% of standard County roads rate per impervious square foot.

Estimated 2023 DU Assessment Revenue:

Business-as-usual: Drainage Utility			
Parcel Class	# of Parcels	Annual Assessment Rate	Total
Parcels containing timber land or undeveloped land	8208	Charge per parcel, in the amount of \$10	\$82,080
Parcels containing single-family residences or duplex, triplex, or four-plex residential unit (multifamily)	17,037	Charge per parcel, in the amount of \$60	\$1,022,220
Parcels containing apartments of more than four residential units, commercial, industrial, or institutional establishments	1,127	Charge per parcel, in the amount of \$125	\$140,875
Parcels containing developed open space farm and agricultural land	1400	Charge per parcel, in the amount of \$60	\$84,000
County Roads		Charge per impervious surface square foot, in the amount of \$0.0040	\$444,111
State Roads		30% of standard County roads rate per impervious square foot.	\$0 in 2023
2023 Estimate		Total Annual Assessment	\$1,773,286

ANNUAL DU ASSESSMENT COMPARISONS

When comparing to other annual DU assessments, other jurisdictions ranged from (tables below):

- Cities: \$24 (Graham) - \$355.92 (Seattle)
- Counties: \$39.13 (Island) - \$323 (King)

The average annual DU assessment is \$180.17 for cities, and \$114.82 for counties. These numbers are based on a comparison of 27 different cities and 9 different counties. Our current average rate is approximately \$57.

Jurisdiction	Drainage Utility Rate
La Center	\$127.20
Marysville	\$155.16
Mercer Island	\$258.00
Mount Vernon	\$144
Orting	\$300.48
Pierce	\$129.64 annually, \$144.94 w/ water quality
Snohomish	\$132.54 annually
Renton	\$196.68
Ridgefield	\$121.80
Seattle	\$355.92
Shelton	\$214.20
Spokane	\$59.52
Sumner	\$207.84
Tacoma	\$351.12
Vancouver	\$168.60
Walla Walla	\$160 (storm/drainage)
Yakima	\$79.20

Jurisdiction	Drainage Utility Rate
Anacortes	\$175.68
Arlington	\$90.72
Battle Ground	\$150.00
Bellevue	\$230.88
Bellingham	\$170.88
Burlington	\$94.08
Camas	\$162.60
Chelan	\$66 annually (set in 2008)
Clark	\$47.00 in UGA, \$35.00 Outside UGA
Douglas	\$45 annually
Edmonds	\$281.40
Everett	\$132.54
Graham	\$24.00
Island	\$39.13 (set 2010)
Issaquah	\$226.56
Kent	\$177.12
King	\$323.00 annually
Kirkland	\$237.00
Kitsap	\$91 annually

EQUIVALENT RESIDENTIAL UNIT (ERU)

The most common method to calculate stormwater utility fees nationwide (~80%) entails assessing per ERU to implement permit work. Most jurisdictions charge a base rate on footprint of single-family residence. Therefore, in a given jurisdiction, all single-family residence only pay for one ERU (example: ERU ≤ 3,000 ft² impervious surface). Duplexes, townhouses, condominiums, apartments, and commercial development are assessed a charge based on the actual amount of impervious surface area they contain (buildings, parking lots, etc.). These parcels pay the base rate times their ERU portion (square footage of impervious surface). This creates an equitable approach to impervious surface impacts.

Example:

Base rate = \$120/year

1ERU = 3,000 square feet (ft²) of impervious surface

Surface Water Management Fee = # ERU x \$120/year.

Sample Calculation

An apartment complex has 10,000 ft² of impervious surface (parking lots, walkways, rooftops, etc.). The surface water management fee would be:

10,000 ft² /3000 ft² = 3.33 ERU

3.33 ERU X \$120 per ERU = \$400/year

Although our current GIS layers are unable to accurately calculate impervious surface square footage by parcel at this time due to ongoing technical issues often referred to as “parcel layer shift” or “parcel shift”, the inventory for all “Parcels containing apartments of more than four residential units, commercial, industrial, or institutional establishments” is approximately 140 in the County NPDES Permit area ([NPDES permit area map](#)). With this small number of parcels, staff can manually calculate impervious surface for this small grouping of parcels via GIS. Therefore, the recommendation of the Public Works Department is to add a flat ERU rate to all SFR in the NPDES area, and a fixed impervious surface rate for the larger infrastructure parcels based on impervious surface in the NPDES area.

GENERAL STAFF RECOMMENDATIONS

Continue to exclude all currently exempt parcels: Diking & Drainage District assessment areas, the port, and all tribal, state, and federal parcels.

Additionally, including language about a potential 2-5% and/or “inflation” increase each year as it aligns to future planning requirements as is consistent with what many other jurisdictions are beginning to incorporate.

PROPOSAL OPTIONS

	Parcel Class	# of Parcels	Scenrio1 Business as usual	Scenrio2 Double DU	Scenrio3 50%DU+ flatNPDESrate	Scenrio4 50% DU+ ERU+NPDES	Scenrio 5 Double DU+ ERU_NPDES
DU Parcels (outside NPDES area)	Parcels containing timber land or undeveloped land	9908	\$10	\$20	\$15	\$15	\$20
	Parcels containing single-family residences or duplex, triplex, or four-plex residential unit (multifamily)	14,239	\$60	\$120	\$90	\$90	\$120
	Parcels containing apartments of more than four residential units, commercial, industrial , or institutional establishments	604	\$125	\$250	\$200.00	\$200.00	\$250
	Parcels containing developed open space farm and agricultural land	130	\$60	\$120	\$90	\$90	\$120
NPDES area (DU parcels inside NPDES area)	Parcels containing timber land or undeveloped land	629			\$25	\$20	\$20
	Parcels containing single-family residences or duplex, triplex, or four-plex residential unit	2936			\$160	\$120	\$120

	(multifamily)						
	Parcels containing apartments of more than four residential units, commercial, industrial, or institutional establishments	137			\$500.00	Charge per ERU (\$120 x ERU)	Charge per ERU (\$120 x ERU)
	Parcels containing developed open space farm and agricultural land	15			\$160	\$120	\$120
Roads	County Roads	111,027,935.04	Charge per impervious surface square foot, in the amount of \$0.0040	Charge per impervious surface square foot, in the amount of \$0.0040	Charge per impervious surface square foot, in the amount of \$0.0040	Charge per impervious surface square foot, in the amount of \$0.0040	Charge per impervious surface square foot, in the amount of \$0.0040
	State Roads (*not included in scenario totals)		30% of standard County roads rate per impervious square foot.	30% of standard County roads rate per impervious square foot.	30% of standard County roads rate per impervious square foot.	30% of standard County roads rate per impervious square foot.	30% of standard County roads rate per impervious square foot.
			Scenario 1 = ~\$1,773,286	Scenario 2 = ~\$3,102,461	Scenario 3 = \$2,967,526	Scenario 4 = ~\$2,978,861	Scenario 5 = ~\$3,629,361
					NPDES Total = ~\$515,565	NPDES Total = ~\$526,900	NPDES Total = ~\$526,900