

Fiscal Year 2025-26

ENGINEER'S REPORT

Bethel Island Municipal Improvement District

2025 Levee and Flood Control Facilities
Maintenance and Repair Assessment District

June 2025
Final Report

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Table of Contents

| | |
|--|-----------|
| Introduction | 1 |
| Legal Analysis..... | 6 |
| Compliance with Current Law | 9 |
| Description of Maintenance, Operations, Repairs and Upgrades | 10 |
| Improved Maintenance..... | 11 |
| District Goals | 12 |
| Critical Upgrades | 12 |
| Cost and Budget | 15 |
| Method of Apportionment | 16 |
| Discussion of Benefit | 16 |
| Flood Control Is a Special Benefit..... | 17 |
| Special Benefits | 18 |
| General versus Special Benefits | 19 |
| Assessment Apportionment..... | 23 |
| Method of Assessment..... | 23 |
| Fundamental Formulas..... | 23 |
| Flood Risk Factors (Parcel Specific Factor I) | 24 |
| Flood Damage Factors (“Groups”) (<i>Parcel Specific Factor II</i>) | 25 |
| Shared Facility Factors (Parcel Specific Factor III) | 27 |
| Weighted Parcel Factor Subtotals..... | 28 |
| Land use Factors..... | 29 |
| Assessment | 33 |
| Assessment Diagram | 35 |
| Appendices | 37 |
| Appendix A – Assessment Roll, FY 2025-26..... | 37 |

List of Tables

| | |
|--|----|
| Table 1 – Major Local Floods | 6 |
| Table 2 – Assessment District Funded Critical Projects - Completed | 13 |
| Table 3 – Assessment District Funded Critical Projects – In Progress | 14 |
| Table 4 – Maintenance and Upgrade Costs | 15 |
| Table 5 – Flood Damage Factors..... | 27 |
| Table 6 – Shared Facility Factors..... | 28 |
| Table 7 – Total Relative Parcel Factors | 29 |
| Table 8 – Land use Factors for Property Types..... | 30 |
| Table 9 – Normalized Summary of Relative Special Benefit..... | 30 |
| Table 10 – Budget Summary..... | 33 |

List of Figures

Figure 1 – Levees Currently Maintained By BIMID 5

Introduction

Introduction and History

Bethel Island Municipal Improvement District (“BIMID”) is an independent special district, responsible for the maintenance, operation and improvement of the flood protection system within Bethel Island, California. This critical infrastructure protects life and property from potential flooding from the Sacramento-San Joaquin River Delta. All of Bethel Island receives critical flood protection from the District’s infrastructure facilities and services.

BIMID was formed in 1960 to replace Reclamation District 1619 and take over maintenance of the 11.5 miles of levee surrounding Bethel Island. Bethel Island was first reclaimed through levee construction in 1901, and experienced flooding several times between 1907 and 1911. The levees were raised and improved, and the District has continued to operate, maintain, and repair the levees for the last 65 years. There have been no levee breaches since the District took control.

However, according to the 2007 Geotechnical Levee Study by Hultgren Tillis Engineers, the Bethel Island Flood Protection System “...falls short of providing a generally acceptable level of safety and reliability related to standard consideration for levee safety.” Furthermore, since the 2008 recession, BIMID had been working with a primarily ad valorem property tax budget of approximately \$350,000 to \$400,000 per year. This level of funding had become increasingly inadequate to properly maintain and improve the BIMID levees. In response to the District’s intention to improve flood protection on Bethel Island, and raise flood protection to the desired flood protection standard, BIMID conducted an assessment ballot proceeding in June of 2015, pursuant to the requirements of Article XIID of the California Constitution (“The Taxpayer's Right to Vote on Taxes Act”), and California Government Code Section 53750 et. seq. (the “Code”) and Article XIID of the California Constitution (the “Article”).

During this ballot proceeding, property owners in the District were provided with a notice and ballot for the proposed special assessment called the “Levee and Flood Control Facilities Improvement Maintenance and Repair Assessment” (2015). A 45-day period was provided for balloting and a public hearing was conducted on August 6, 2015. At the public hearing, all ballots returned within the 45-day balloting period were tabulated.

It was determined at this August 6, 2015 Public Hearing that 68.27% of the weighted ballots returned were in support of the assessment. Since the assessment ballots submitted in opposition to the proposed assessments did not exceed the assessment ballots submitted in favor of the assessments (with each ballot weighted by the proportional financial obligation of the property for which ballot was submitted), BIMID gained the authority to approve the levy of the assessments for fiscal year 2015-16 and to continue to levy them in future years for ten years. The levy and collection of the assessments continued year-to-year until expiring after the 2024-25 fiscal year.

Funding from the assessment during the years 2015 through 2025 was used effectively by the District to significantly improve flood protection including:

- Upgrading levees to the Urban Bulletin 192-82 Flood Protection Standard (*which is the level supported by the Department of Water Resources for the District*)
- Initiating and completing critical capital improvement projects (see Tables 2 and 3)
- Maintaining and improving internal drainage
- Managing vegetation and rodent intrusion
- Maintaining patrol roads
- Addressing seepage areas
- Preparing for emergency scenarios

Next Steps to Continue Funding Flood Protection in the District Beyond 2025

Based upon the success of the existing and soon to expire assessment, the District intends to propose a new replacement assessment, at the same dollar rate, beginning in the year 2025-26, and has again engaged engineering firm SCI Consulting Group to assist with this effort. This proposed new replacement assessment is named the “2025 Levee and Flood Control Facilities Improvement Maintenance and Repair Assessment District”

The proposed benefit assessment is being formed by BIMID pursuant to the Benefit Assessment Act of 1982 (Gov. Code, §§ 54703-54719). Specifically, section 54710 authorizes any local agency able to provide flood control services, which includes BIMID, to impose a benefit assessment pursuant to the Benefit Assessment Act (Gov. Code, § 54710(a)(2)). Such assessments are levied annually, based on a budget for expenditures.

Section 54716(a) of the Government Code requires that the local agency prepare a written report containing the following:

1. A description of the service proposed to be financed through the revenue derived from the assessment;
2. A description of each lot or parcel of property proposed to be subject to the benefit assessment;
3. The amount of the proposed assessment for each parcel; and
4. The basis and schedule of the assessment.

All benefit assessments must also comply with Article XIIC and XIID of the California Constitution (often referred to as “Proposition 218”), and the Proposition 218 Omnibus Implementation Act (Government Code, § 53750, et seq.). Proposition 218 allows for benefit assessments to be levied to fund the cost of providing services and improvements, as well as maintenance and operation expenses of a public improvement that provides a special benefit to the assessed properties.

Proposition 218 imposes a number of important requirements, including property-owner balloting, for the formation and continuation of assessments, and these requirements are satisfied by the process being used to establish this proposed assessment.

Assessment Process and Future Continuation of Assessment

Following submittal of this Report to BIMID for preliminary approval, the Board of Directors of BIMID (the “Board”) may, by Resolution, call for an assessment ballot proceeding and public hearing on the proposed establishment of a Levee and Facilities Assessment.

If the Board approves such a resolution, prior to the hearing, Government Code section 54716(b) requires the clerk of the Board to notice the filing of the report and publish the time, date, and place of the hearing pursuant to Government Code § 6066. This requires that publication of notice shall be done once a week for two successive weeks. Government Code § 6066 directs that the two publications take place in a newspaper published at least once a week, with at least five days intervening between the respective publication dates not counting such publication dates, are sufficient. The period of notice commences upon the first day of publication and terminates at the end of the fourteenth day. The Benefit Assessment Act of 1982 also requires the agency to post, in at least three public places, the notice within the jurisdiction of the local agency.

Upon the Board’s approval of such a Resolution to call for an assessment ballot proceeding and public hearing, a notice of assessment and assessment ballot shall be mailed to each property owner within the proposed Assessment District boundaries whose property will be subject to the proposed assessment. As required by Government Code section 53753 and Article XIID of the California Constitution, the mailed notice will include a description of the services and improvements to be funded by the proposed assessments, the total amount of the proposed assessment chargeable to the entire proposed Assessment District, the amount chargeable to the specific owner’s parcel, the reasons for the proposed assessments and the basis upon which it was calculated, and an explanation of the process for submitting a ballot. Each notice would also include a postage prepaid return envelope and a ballot on which the property owner may mark his or her approval or disapproval of the proposed assessments and affix his or her signature.

After the ballots are mailed to property owners in the proposed Assessment District, a minimum 45-day time period must be provided for the return of the assessment ballots. Following this balloting time period, a public hearing must be held for the purpose of allowing public testimony regarding the proposed assessments. At the public hearing, the public will have the opportunity to address the Board and speak on the issue. The Public Hearing is currently scheduled for Thursday, June 12, 2025.

If it is determined that the assessment ballots submitted in opposition to the proposed assessments do not exceed the assessment ballots submitted in favor of the assessments (weighted by the proportional financial obligation of the properties for which ballots are submitted), the Board may take action to approve the imposition of assessments for fiscal year 2025-26 and each fiscal year thereafter. The levy and collection of the assessments would continue year-to-year until terminated by the Board.

As outlined in Government Code section 53739, the Board may levy the assessment in future years without conducting a new balloting procedure, so long as the assessments are less than or equal to the inflation-adjusted assessment rates authorized in the original balloting procedure. The Board will not assess the full authorized amount unless justified by actual required budget costs. Each year, the Board will also call for the publication in a local newspaper of a legal notice of the intent to continue the assessments for the next fiscal year and set the date for the noticed public hearing. At the annual public hearing, members of the public can provide input to the Board prior to the Board's decision on continuing the services and assessments for the next fiscal year.

The authority granted by the ballot proceeding is for a maximum assessment rate of \$143.52 per single-family home, increased each subsequent year by the average of the United States Department of Labor Northern California Consumer Price Index (CPI) (also known as the "San Francisco Bay Area CPI") with a maximum annual adjustment not to exceed 3%.

More Background on the District

Eastern Contra Costa County, as well as neighboring San Joaquin and Sacramento Counties, have a history of significant flooding due to their relatively flat terrain and numerous rivers and creeks fed by potentially intense Sierra snow melt runoff. The Islands within the Delta have experienced several floods due to levee failures and below-sea level elevations. Local flooding events within Bethel Island in recent years have been due to intense rainstorms that leave the Island inundated with water, until it is pumped out.

Figure 1 – Levees Currently Maintained By BIMID

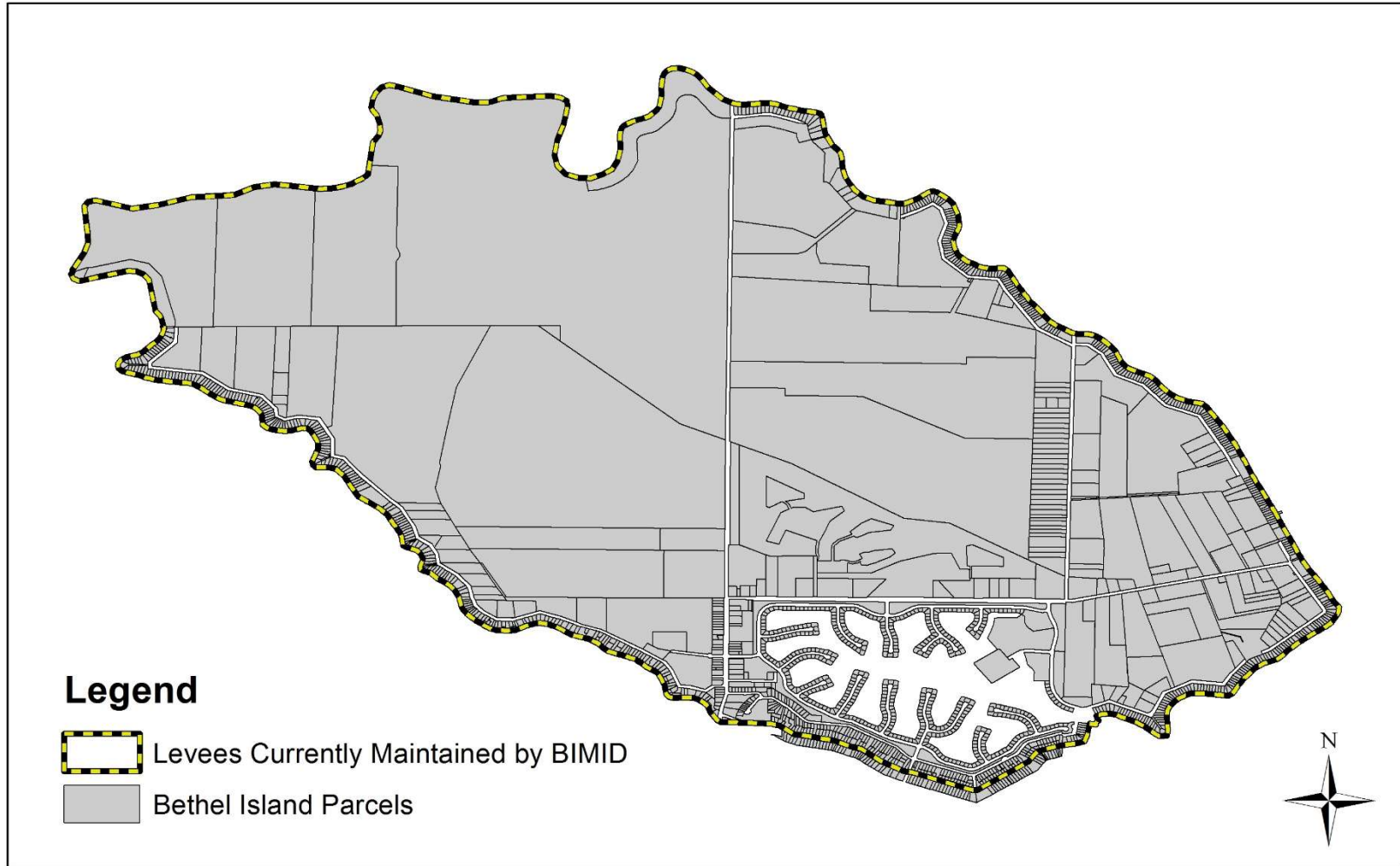


Table 1, below lists several of significant floods that have occurred in the BIMID area:

Table 1 – Major Local Floods

| Year | County | Flood | Damage |
|------|--------------|--------------|---|
| 2004 | San Joaquin | Jones Tract | Flooded more than 150,000 acre-feet of water, requiring 5 months of dewatering. |
| 1937 | Contra Costa | Franks Tract | Repeated levee failures in the 1930's. After another levee failure that flooded the Island in 1937, Franks Tract was abandoned and never reclaimed. |

The BIMID area is at a high risk of flooding due to the following factors:

- Topography and Regional Geography: The BIMID boundary contains an area with a relatively consistent elevation of -1 to -3 feet below sea level. There are high points within the Island that reach a maximum elevation of 12 feet above sea level, and low points at minimum elevation of -12 feet below sea level. The Island is located at the East end of the Sacramento-San Joaquin River Delta, and is surrounded by Taylor Slough to the West, Piper Slough to the North, Dutch Slough to the South, and Sand Mound Slough to the Southeast.
- Local Soil Conditions and Non-Engineered Levees: The local levees were traditionally constructed by farmers and other early settlers with readily available local materials. Accordingly, these levees were built of permeable materials common in Contra Costa County. This permeable material allows water from the flood-swollen rivers to seep under the levees. During recent significant high-water events adjacent to the BIMID levees, there has been considerable evidence of under-seepage which is often a precursor to levee failure.

Legal Analysis

Proposition 218

The proposed assessment complies with Proposition 218, The Right to Vote on Taxes Act, which was approved by the voters of California on November 6, 1996, and is now Article XIII C and XIII D of the California Constitution. Proposition 218 provides for benefit assessments to be levied to fund the cost of providing improvements, as well as maintenance and operation expenses of a public improvement which provides a special benefit to the assessed property.

Proposition 218 imposes a number of important requirements, including property-owner balloting, for the formation and continuation of assessments, and these requirements are satisfied by the process being used to establish this proposed assessment.

Silicon Valley Taxpayers Association, Inc. v Santa Clara County Open Space Authority (2008) 44 Cal.4th 431

On July 14, 2008, the California Supreme Court issued its ruling on the *Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority* (“*Silicon Valley*”). Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special, not general benefit
- The services and/or improvements funded by assessments must be clearly defined
- Special benefits are directly received by and provide a direct advantage to property in the Assessment District

Dahms v. Downtown Pomona Property (2009) 174 Cal.App.4th 708

On June 8, 2009, the 4th District Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court granted review and transferred the case to the Court for Appeal for reconsideration in light of the Supreme Court’s discussion in the above cited *Silicon Valley*. In *Dahms*, the Appellate Court on reconsideration upheld the assessment that was 100% special benefit (i.e. 0% general benefit) on the rationale that the services and improvements funded by the assessments were directly provided to property in the assessment district. The Court also upheld discounts and exemptions from the assessment for certain properties.

Bonander v. Town of Tiburon (2009) 46 Cal.4th 646

On December 31, 2009, the California Supreme Court overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of the Town of Tiburon. The Court invalidated the assessments on the grounds that the assessments had been apportioned to assessed property based in part on relative costs within sub-areas of the assessment district instead of proportional special benefits.

Beutz v. County of Riverside (2010) 184 Cal.App.4th 1516

On May 26, 2010, the 4th District Court of Appeal issued a decision on the *Steven Beutz v. County of Riverside* (“*Beutz*”) appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services were not explicitly calculated, quantified and separated from the special benefits.

Golden Hill Neighborhood Association V. City of San Diego (2011)199 Cal.App.4th 416

On September 22, 2011, the 4th District Court of Appeal issued a decision in *the Golden Hill Neighborhood Association v. City of San Diego*. This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill neighborhood of San Diego, California. The court described two primary reasons for its decision. First, as in *Beutz*, the court found the general benefits associated with services were not explicitly calculated, quantified and separated from the special benefits. Second, the court found that the City had failed to document the basis for the assessment on its own parcels.

Government Code § 53759.1 and 53759.2

AB 2257, effective January 1, 2025, codifies Government Code §§ 53759.1 and 53759.2. Government Code § 53759.1 authorizes public agencies to implement an exhaustion of administrative remedies requirement in the context of a proposed Proposition 218 property-related fee or assessment. If the local agency complies with certain specified requirements, property owners are required to submit a written objection regarding a proposed property related fee or assessment during the ratemaking process and by a specified deadline no less than 45 days after mailing of notice pursuant to Proposition 218, and prohibited from challenging the property related fee or assessment in litigation if they did not submit a timely written objection. To implement this requirement, the local agency is required, among other things, to prepare written responses to the timely submitted objections and present them to the local agency governing body, which will make certain specified determinations prior to the close of the Proposition 218 protest hearing. This process is intended to run concurrently with the Proposition 218 timeline and does not impact a property owner's ability to submit a protest pursuant to Proposition 218.

Government Code § 53759.2 specifies the scope of a Court's review of the administrative record of the underlying ratemaking proceeding if the local agency complied with Government Code § 53759.1 in adopting the property-related fee or assessment being challenged.

BIMID intends to comply with and implement Government Code § 53759.1 with respect to the proposed assessment. Property owners will be informed of the deadline and process to submit a written objection and other dates related to BIMID's compliance with this provision.

Compliance with Current Law

This Report is consistent with the requirements of Article XIIC and XIID of the California Constitution and with the *Silicon Valley* decision because the services to be funded are clearly defined; the services and Improvements are available to and will be directly provided to all benefited property in the Assessment District; the services and Improvements provide a direct advantage to property in the Assessment District that would not be received in absence of the assessment, and are benefits that are over and above general benefits conferred on real property located in the district or to the public at large by other public entities that make up the membership of the District.

This Report is consistent with *Dahms* because, similar to the Downtown Pomona assessment validated in *Dahms*, the services and improvements will be directly provided to property in the Assessment District. More specifically, as discussed hereafter, the services and improvements afford benefits specifically unique and supplied only to property owners within the District with a corresponding effect that is not shared by other parcels outside of the District or real property in general including the public at large.

The Report is also consistent with *Bonander* because the Assessment has been apportioned based on the proportional special benefit to each property. Furthermore, the Assessment is consistent with *Beutz* and *Golden Hill* because the general benefits have been explicitly calculated, quantified, and excluded from the assessment.

Description of Maintenance, Operations, Repairs and Upgrades

BIMID provides a range of levee construction, repair, maintenance, and flood control prevention improvements, activities, and services (collectively known as the “Services”) within its boundaries in northeastern Contra Costa County.

The maintenance, operations, repairs, and upgrades proposed to be undertaken by BIMID and the cost thereof paid from the levy of the annual assessment provide special benefit to Assessor Parcels within the Assessment District as defined in the Method of Assessment herein. In addition to the definitions provided by the California Government Code Section 54710 et seq., (the “Code”) the maintenance, operations and improvements activities are generally described in the following sections.

This proposed benefit assessment would provide funding for two major areas of service improvement for its operations.

- Improved Maintenance of Flood Protection Facilities
- Critical Upgrades of Flood Protection Facilities

Due to inadequate funding caused by severely decreased revenues, and the corresponding need to substantially reduce operational and staffing costs to minimal, bare-bone levels (but which still, nonetheless, exceed available revenues), the level of flood protection in the Assessment District is below the desired level of service. In other words, the projected baseline level of service for 2025-26, and beyond (without this proposed assessment) would be inadequate to fund the desired service level, and this baseline would diminish over time and become increasingly unsustainable posing a higher risk of flooding to all landowners. Even before the recession, Contra Costa County LAFCO’s 2008 Municipal Services Review emphasized that “BIMID faces severe financing constraints,” that “limitations on this funding restrict the District’s ability to rebuild and maintain levees and provide the related drainage services to the island,” and that additional voter approved funding such as an assessment district should be considered. This is also during a time of increasing State and Federal regulation, requirements, and standards; and therefore, increased tasks and responsibilities for BIMID exceeding its revenue base. Furthermore, the future level of public funding is uncertain, creating more need for stable local support. If the proposed assessment is approved, it will fund improved and enhanced Services over and above the baseline level of service.

The formula below describes the relationship between the final level of Services, the baseline level of Service if the assessment is not instituted, and the enhanced level of services funded by the assessment.

| | | | | |
|-------------------------------|---|----------------------------------|---|----------------------------------|
| Final Level of Service | = | Baseline Level of Service | + | Enhanced Level of Service |
|-------------------------------|---|----------------------------------|---|----------------------------------|

Below is a more detailed description of these improvements that are proposed to be provided for the special benefit of property in the Assessment District.

Improved Maintenance

BIMID has maintenance responsibilities for over 11.5 miles of levees. Specifically, the proposed and enhanced flood control maintenance activities include:

- Increased, regular inspection of levees for signs of erosion, seepage, boils, rodent infestation, slides, or other conditions that could indicate structural levee deficiencies. Inspection of lands adjacent to levee for indications of under-seepage. Inspection and surveying for levee settlement, subsidence, slope slumping, or erosion problems.
- Upgrade levees to the Urban Bulletin 192-82 Flood Protection Standard
- Regular review and maintenance of vegetation including the removal of excess vegetation using mowing, herbicide, or other methods when such growth prevents the accurate inspection of facilities.
- Management and repair of rodent dens and other damage related to problematic creatures found in the Delta, like beavers.
- The remedial repair of levees and foundations with engineered fill, rock rip-rap, and other materials, or other levee repair work, as needed to repair damage, maintain, or improve levees and flood control systems.
- Retrofit the main pump station to bring it above the 100 year flood elevation.
- Monitoring of patrol roads to ensure they are clear of obstructions and provide access for emergency vehicles and District maintenance vehicles.
- Routine maintenance of the internal drainage ditches and canals.
- Operations, maintenance, and repair of the District's two pump stations.
- Operations, maintenance and repair of all other flood control systems and improvements.
- Other flood control Services.

District Goals

BIMID is committed to long-term, continuous, and appropriate upgrades, and higher standards of levee protection within its boundaries. The District aims to complete flood protection upgrades to the levees to achieve the appropriate Urban Bulletin 192-82 Flood Protection Standard. (Approximately 25% of levees have been upgraded to this level over the last 10 years.) The maintenance and upgrades funded by this proposed assessment are essential to achieving this goal.

Critical Upgrades

BIMID continues to work closely with DWR to address areas in need of critical upgrades to the District's flood protection facilities. Without a local funding match, or "local share" from BIMID, DWR will not provide funding for these upgrades. As previously explained, the Flood System Repair Project ("FSRP") estimates that the critical upgrades will cost approximately \$20 million and BIMID will be required to contribute at least 10% to as much as 25% of the amount from local sources (\$2-\$5 million).

In order to ensure that the portion of the assessment for the critical upgrades is used solely for that purpose, this portion of the funds will be placed in an account separate from that of the maintenance and operational funds. At the point in time when the District has paid off the local share of the cost for critical upgrades and is no longer financing capital levee upgrade projects, the critical upgrades portion of this assessment will cease to be collected. Note that it is anticipated that significant capital levee upgrade projects will be required for many years into the future.

A list of critical upgrades and projects funded by the Assessment District is detailed in Table 2, while Table 3 outlines projects currently in progress.

Table 2 – Assessment District Funded Critical Projects - Completed

| Completion (FY) | Project | Project Description | Funding Source | District Contribution | Project Status |
|-----------------|--------------------------------|---|----------------|-----------------------|----------------|
| 2015-16 | Main Pump Station Upgrade | BIMID was awarded a \$40,000 grant to purchase a new 60 hp pump for the main pump station | CDBG Grant | 25% | Completed |
| 2015-16 | Hazard Mitigation Plan Project | BIMID was awarded a \$1.6 million grant to rehabilitate approximately 2,150 lineal feet of existing levee at 11 sites around the island to meet HMP criteria. The project design cross section included raising the levee to a final elevation 8.5 ft NGVD29 to provide 1 foot of freeboard above the 100-year flood stage and an additional .5 feet for subsidence. The design cross section included a levee crest width of 16 feet with a waterside slope of 1.5:1 and a landside slope of 2:1. | DWR | 5% | Completed |
| 2016-17 | Emergency Response Trailer | BIMID was awarded a \$7,000 grant to purchase an emergency response trailer/mini command center to be used in the case of an emergency to ensure BIMID staff responds in a timely and effective manner | CDBG Grant | 25% | Completed |
| 2019-20 | Horseshoe Bend Project | BIMID was awarded a \$5.1 million grant to rehabilitate approximately 5,000 lineal feet of existing levee between Station 130+00 and 180+00 on the northside of the island to meet the Bulletin 192-82 criteria. The project design cross section included raising the levee to elevation 10.5 feet NGVD29 to provide 3 feet of freeboard above the 300-year flood stage, with an additional .5 feet of gravel base to provide an all-weather road on the crown. The design cross section included a levee crest width of 22 feet with a waterside slope of 1.5:1 and a landside slope of 5:1. Additionally, the District constructed a stability berm from about station 145+00 to 155+00 and installed a seepage blanket from about station 155+00 to 165+00. | DWR | 6% | Completed |

Table 3 – Assessment District Funded Critical Projects – In Progress

| Completion (FY) | Project | Project Description | Funding Source | District Contribution | Project Status |
|-----------------|--|---|------------------|-----------------------|--|
| 2021-22 | Northwest Levee Project | BIMID was awarded a \$7.6 million grant for approximately 13,000 linear feet of levee improvements to meet Bulletin 192-82 criteria, including raising and widening the levee crest, waterside slope armoring, landside slope flattening, and installation of an all-weather road on the levee crown between stations 0+00 and 130+00. This project will also include seepage reduction improvements along the landside of the Sandmound Slough levee on the south side of the island along Windsweep Road and Stone Road between stations 340+00 and 450+00. | DWR Grant | 7% | In Progress - construction began in June 2020 and is expected to be completed in June 2022. All work will be completed by June 2023. |
| 2021-22 | Main Pump Station Upgrade | BIMID was awarded an \$82,500 grant to upgrade and replace an existing pump and corroded drainage pipe at the District's main pump station. The pump work has been completed, the pipe replacement is in progress. | CDBG (HUD Grant) | 25% | In Progress (anticipated to be completed by Dec 2021). |
| 2021-22 | Taylor Road Pump Station Upgrade | BIMID has requested \$307,950 grant to upgrade an existing secondary pump station. The work will raise the PS, replace the housing and the pipes minimizing the risk of flooding. | CDBG (HUD Grant) | 25% | Application in review. Anticipate project award in 2021. |
| 2022-23 | Habitat O&M monitoring | BIMID is anticipating final execution of a grant fund in the amount of about \$150,000 for monitoring existing habitat and also planting landside habitat on Bethel Island owned parcel along Bethel Island Road. | DWR Grant | 6% | In progress. Work will be completed by June 2023. |
| 2020-21 | Drainage study and implementation of flood risk reduction measures | BIMID has requested \$810,000 grant to study drainage issues on Bethel Island and implement flood risk reduction measure, i.e. additional pump station on the east side of the island. | FEMA Grant | 25% | Phase 1 in progress. Planning work is estimated to be completed by the end of 2021. Phase 2 will begin in 2022. |
| 2021-22 | IRWM Stormwater Management | BIMID has requested \$1,100,000 grant to study drainage issues due to stormwater on Bethel Island, prepare a feasibility report, plan and design a detention basin to capture excess flow and plant habitat. The funding will be available in two phases at \$320,000 for studies and planning and \$780,000 for construction. | DWR Grant | None | Decision support studies and documents to be completed by the end of 2021. |
| 2022-23 | Levee Rehabilitation | BIMID is planning to submit grant application for \$1,000,000 to rehabilitate levee sections experiencing seepage. DWR has solicited comments on a Project Solicitation Package and plan to release the final version by June 2020. The cost share is to be determined; however, BIMID anticipate 95% State cost sharing. | DWR Grant | 5% | Application to be submitted as soon as the final PSP is released. Anticipate project award in 2022. |

Cost and Budget

Table 4 – Maintenance and Upgrade Costs

| Bethel Island Maintenance Improvement District | |
|--|--------------------|
| 2025 Levee and Flood Control Facilities Maintenance and Repair Assessment | |
| Fiscal Year 2025-26 | |
| | Budget |
| Total Costs | |
| Current Operations (a) | \$1,445,364 |
| Improved Maintenance (b) | \$73,946 |
| Critical Upgrades (c) | + \$162,112 |
| Total Levee and Flood Control Services | \$1,681,422 |
| Total Benefit of Improvements | |
| Single Family Equivalent Units (SFEs) | 1,984 |
| Benefit received per SFE Unit | \$847.64 |
| Less | |
| District Contribution and Other Sources for General Benefit (d) | (\$59,786) |
| District Contribution and Other Sources for Special Benefit | + (\$1,336,941) |
| | (\$1,396,727) |
| Net Maintenance and Repairs to be Funded by Assessment (a+b+c-d) | \$284,695 |
| Budget Allocation to Property | |
| Total Assessment Budget | \$284,695 |
| SFE Units | 1,983.66 |
| Assessment per Single Family Equivalent | \$143.52 |

Method of Apportionment

This section includes an explanation of the special benefits to be derived from the proposed “Operations, Maintenance, Repair, Rehabilitation, and Replacement” (“OMRR&R”) services, the criteria for the expenditure of assessment funds, and the methodology used to apportion the total assessments among properties within the proposed Assessment District. The proposed Assessment District area consists of all Assessor Parcels within the BIMID boundaries.

Pursuant to Proposition 218, the method used for apportioning the assessment is based upon the proportional special benefits conferred to the properties over and above the general benefits conferred to real property in the proposed Assessment District, or to the public at large. Special benefit is calculated for each parcel in the District using the following process:

- 1.) Identification of all benefit factors derived from the proposed services.
- 2.) Calculation of the proportion of these benefits that are general.
- 3.) Determination of the relative special benefit within different areas of the proposed Assessment District.
- 4.) Determination of the relative special benefit per property type.
- 5.) Calculation of the specific assessment for each individual parcel based upon special vs. general benefit, zones, property type and other supporting attributes.

Discussion of Benefit

Maintenance, operational, and improvement activities relating to flood control fall within the scope of services that may be funded by assessments under the Code. (See Gov. Code, § 54710.5 permitting any local agency with flood control capabilities to impose an assessment to finance those activities; and Gov. Code, § 53750 defining “flood control” as “any system of public improvements that is intended to protect property from overflow by water.”)

However, Proposition 218 expressly prohibits any assessment “imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel.” (Cal. Const., art. XIII C.) The assessments can be levied based only on the “special benefit” to property. This benefit is received by property over and above any “general benefits.” Each of these terms have special meaning under Proposition 218. The special benefit is not based on any one property owner’s specific use of the proposed OMRR&R services or a property owner’s specific demographic status. Rather, it refers to the unique ways in which properties within an Assessment District are affected by the services an agency provides, in contrast to those outside the district. For example, a reduction in the total flood depth to a property under a 500-year flood scenario would be considered a special benefit under the law.

A special benefit is a particular and distinct benefit over and above the general benefits conferred on real property located in the district or to the public at large. The total cost of the Services must be apportioned among the properties being assessed, based on the proportionate special benefit the properties will receive. Proposition 218 requires any local agency proposing a new special assessment to “separate the general benefits from the special benefits conferred on a parcel.” (Cal. Const. art. XIII D §4.) A local agency carrying out a project that provides both special and general benefits may levy an assessment to pay for the special benefits, but must acquire separate funding to pay for the general benefits. . (See *Silicon Valley Taxpayers’ Assn., Inc. v. Santa Clara County Open Space Authority* (2008) 44 Cal. 4th 431, 450.)

The benefit factors below, when applied to property in the proposed Assessment District, confer special benefits to property and ultimately protect property in the proposed Assessment District and improve the safety, utility and functionality of such property.

Flood Control Is a Special Benefit

Flood control operations such as the District’s levee operations primarily confer special benefits to the parcels within the District. Special benefits are benefits that are “peculiar and distinct over and above general benefits located in the district or to the public at large.” (Cal. Const. art. XIII D § 2(i).) Because flood control infrastructure protects particular identifiable parcels (including residents of the parcels and any appurtenant facilities or improvements) from damage due to flooding, the special benefits are provided directly to the District parcels, with only minimal associated other “general” benefits, (as described in the “General Versus Special Benefits,” section further in this Report.)

Special Benefits

Reduced Risk of Damage to Real Property Assets

Properties in the proposed Assessment District are currently at higher risk for the impacts of flooding. Properties may be directly flooded or may not be directly flooded but still significantly impacted by nearby flooding within the proposed Assessment District. (This nearby flooding results in reduction of property usefulness and utility, increased inconvenience and indirect damage. See the following Note for more discussion on this topic.) The proposed Assessments will fund an increase in maintenance, operations and improvement activities to reduce the likelihood of levee failure and reduce the threat from flooding within BIMID's boundaries, thereby significantly reducing the risk of property damage, including reduction of property usefulness, associated with flooding.

Reduced Risk of Injury or Loss of Life or Harm From Flooding

Due to the uniquely variable hydraulic nature of the Delta waterways, the District must routinely respond to flood emergency events, including events that threaten the lives and safety of residents, employees, and emergency responders within the District. This effort is above and beyond the annual operation and maintenance activities. District services will reduce the loss of life, injuries, and other public health issues associated with flooding. In addition, the reduced risk of direct and indirect contact with flood water will increase public safety and will provide positive health benefits in the proposed Assessment District. Similar to the reduced risk of damage to real property assets described above, flood control protects specific, identifiable parcels and their residents from injury due to flooding, the benefits described in this section are provided directly to those same parcels.

Increased safety of water supply and sanitation to property

Even a minor flood has the potential to contaminate the water supply if flood water enters the water distribution system through wells or appurtenances such as air release valves. Such contamination would render the public water supply unfit for drinking. Property owners and residents in the District would need to use bottled water for drinking and cooking while the distribution systems are flushed, decontaminated, and tested. In addition, privately-owned wells could be damaged or contaminated by flooding. Sanitation facilities (including septic systems) may also be damaged or made inaccessible by flooding. This is ultimately another special benefit to property because property is more desirable and valuable in areas with safe drinking water supplies and sanitation. District properties are heavily reliant on septic systems and wells for these services, and so the protections of the District's proposed services inure a special benefit to those parcels.

Protection of jobs, economic base and transportation systems affecting property

Because of configuration of the BIMID flood control system, which was constructed by the underlying landowners before the District's formation and adopted by the District upon those lands' inclusion into the District in subsequent years, the maintenance, operations and improvement activities contemplated by the Proposed Assessment uniquely benefit the parcels within BIMID's boundaries. The economic viability of the businesses and farming operations within the District is dependent on the consistent and reliable operation of flood control and drainage services, which enable the District's agricultural operations to continue to function, and enable goods and services to be transported within, into, and out of District. The proposed Assessment District will provide funding for maintenance, operational and improvement activities that will reduce the risk of significant disruption and harm to jobs and the economic base in the Assessment District. The maintenance, operations and improvement activities will also better protect the roads and transportation systems in the Assessment District that are crucial for maintaining the local economic base. Without accessible roads, drainage sufficient to allow for farm operations, and access to goods and services between parcels, the value and utility of property in the Assessment District would be diminished. Therefore, another special benefit to property is the protection of jobs, the local economic base and local roads.

General versus Special Benefits

The issue of general benefits merits further discussion to the extent that flood control Services and Improvements also have an obvious indirect relationship to the provision of general benefits. For example, the Services may protect a residence within the District that may be used by people as guests regardless of whether they own property in the District. But this indirect relationship does not mean that the Services and Improvements themselves will provide any general benefits. Rather, the Services and Improvements provide a special benefit to residential parcel *itself*, in the form of flood protection and protection of key services, regardless of whether a particular individual using the property experiences a catastrophic flood in any given year.

The District will continue to rely on other revenue sources to pay for general benefits, if any, provided to property within its boundaries, and specially-benefited property owners' assessments will not be used to subsidize general benefits provided to the public at large or to property outside the District. (Again, the basis for separating special and general benefits is to ensure that certain property owners are not charged for Services provided to the general public or to property outside the assessment district.)

All property that is specially benefited by the Services and Improvements will be assessed, including the parcels used in the provision of general benefits, such as schools and parks. In those instances, the general public will pay for a portion of the provision of the flood control Services and Improvements because the assessed public agencies will use general taxes and other public revenue to pay their Assessments. . This indirect relationship to the provision of general benefits does not mean that all of the District’s Services and Improvements provided to those public parcels are a general benefit. General benefits provided to the public at large are discussed in terms of general enhanced property values, provision of general public services such as police and fire protection, and recreational opportunities that are available to people regardless of the location of their property. (See e.g., Cal. Const. art. XIII §2(i), 6(2)(b)(5); *Silicon Valley Taxpayers*, 44 Cal. 4th 431. 450–56.) By contrast, the flood control benefits to be provided by the proposed Services and Improvements are specific to each parcel.

The following is a description of the calculations used to separate the general benefit from the special benefit, and the quantification of the general benefit in the proposed Assessment District. In each step of this analysis, conservative assumptions and determinations have been used in order to ensure that the total calculated general benefit is maximized, and not understated.

| | | | | |
|--------------------------|---|----------------------------|---|----------------------------|
| Total Benefit | = | Special Benefit | + | General Benefit |
|--------------------------|---|----------------------------|---|----------------------------|

A formula to estimate the general benefit is listed below which relies on a three-component analysis:

| | | | | | | |
|----------------------------|---|--|---|---|---|---|
| General Benefit | = | Benefit to Real Property Outside of Assessment District | + | Benefit to Real Property Inside of Assessment District | + | Benefit to Public at Large |
|----------------------------|---|--|---|---|---|---|

Benefit to Property Outside, But Proximate, to the District

There are parcels that are accessed by water, or by road on Bethel Island, on the “water side” of the levee that are not within the legal boundaries of the District but do receive some benefit from the District’s Services and Improvements.

The general benefit to property outside of the District is calculated as follows with the parcel and data analysis performed by SCI Consulting Group.

Assumptions:

217 parcels outside and adjacent to the District

1694 parcels in the Assessment District

Calculation

General Benefit to Property outside the Improvement District=

 $(217/(217+1694))= 11\%$ **Total General Benefit to Properties Outside, but Proximate, To the District = 11%**

Benefit to Property within the Assessment District

The “indirect and derivative” benefit to property within the District is particularly difficult to calculate. A solid argument can be presented that all benefit within the Assessment District is special because the Improvements are clearly “over and above” and “particular and distinct” when compared with the baseline level of service and the unique proximity and access of the Services and Improvements enjoyed by benefiting properties in the District.

Nevertheless, the *Silicon Valley Taxpayers Association* decision indicates there may be general benefit “conferred on real property located in the district.” A measure of the general benefits to property within the District is the percentage of land area within the District that is publicly owned, open to the public, and used for regional purposes such as major roads, rail lines, hospitals, and other regional facilities because such properties, while physically within the District, are used for regional purposes and could provide indirect benefits to the public at large. In this case, essentially 0% of the land area is used for such regional purposes.

Total General Benefit to Properties Within the Assessment District = 0%

Benefit to the Public at Large

In the *Beutz* case, the Court opined those general benefits from parks and recreation facilities could be quantified by measuring the use of parks and recreation facilities by people who do not live within the assessment boundaries. This Engineer’s Report uses this general benefit measure as the third component of the overall general benefit quantification. Therefore, the general benefit to the public at large can be estimated by the proportionate amount of time that the District’s water sports facilities are used and enjoyed by individuals who are not residents, employees, customers, or property owners in the District. Here, the public at large within the District is primarily made up of non-resident boaters and fisherman.

However, access for boaters and for fisherman who are not residents, employees, customers, or property owners in the District is extremely limited – all boat access ramps on the island are within private marinas. Use of Bethel Island by such individuals is not common. Nonetheless, the Engineer has liberally assigned an allowance of a 10% general benefit factor.

Total General Benefit to Public at Large = 10%

Special Note on General Benefits

In the 2009 *Dahms* case, the court upheld an assessment that was 100% special benefit on the rationale that the Services funded by the assessments were directly provided to property in the assessment district. Similar to the assessments in Pomona that were validated by *Dahms*, the Assessments described in this Engineer’s Report fund Flood Control Services that are directly provided to property in the assessment area. Moreover, as noted in this Report, the Services directly reduce flood risk on all property in the assessment area. Therefore, *Dahms* establishes a basis for minimal or zero general benefits from the Assessments. However, in this report, the general benefit is more conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

Total General Benefits

Using a sum of these three measures of general benefit, we find that approximately 21% of the benefits conferred by the Improvements may be general in nature and should be funded by sources other than the assessment.

General Benefit =

11 % (Outside the District)
+ 0 % (Property within the District)
+ 10 % (Public at Large)

BIMID’s total budget for 2025-26, including the proposed Assessment District would be \$1,681,422. Of this total assessment budget amount, the District will contribute at least \$1,336,941 which is 79.5% of the total budget from sources other than this assessment. This contribution constitutes significantly more than the 21% general benefits that must be paid for by non-assessment sources estimated by the Assessment Engineer.

Special Note on General Benefit to the nearby Local, State and Federal Water Projects

Any additional general benefit from the proposed improvements to the nearby local, State and Federal water projects, is addressed through above-described 21% general benefit allowance, and by the Department of Water Resource's programs which financially support 75% of BIMID's maintenance operations and 75% to 95% of BIMID's major repairs and upgrades.

Assessment Apportionment

In the process of determining the appropriate method of assessment, various alternatives were considered. For example, an assessment only for all residential improved property was considered but was determined to be inappropriate because vacant, commercial, industrial and other properties also receive special benefits from the Assessments. Moreover, a fixed or flat assessment for all properties of similar type was deemed to be inappropriate because properties less likely to be affected by flooding would be assessed the same as properties more likely to be affected. Hence, the appropriate method of assessment should be based on the type and use of the property, the relative size of the property, location of the property and the level of potential damage to property. This method is further described below.

Method of Assessment

The next step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a "benchmark" property, a single family detached dwelling on one parcel of one acre or less (one "Single Family Equivalent Benefit Unit" or "SFE"). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefits. In this Engineer's Report, all properties are assigned an SFE value, which is each property's relative benefit in relation to a single family home on one parcel.

The relative benefit to properties from maintenance, operational and improvement activities that reduce the potential for levee failure and flooding is described by the following equations:

Fundamental Formulas

The relative special benefit to properties from the flood control services is best illustrated with several formulas as shown below:

Equation 1

The special benefit to a parcel is a function of factors such as land use, flood risk, flood damage, shared infrastructure, etc.:

$$\text{Special Benefit}_{\text{parcel}} = f(\text{land use and size, risk, damage, infrastructure etc.})$$

Equation 2

The base dollar rate to be assessed to each parcels is the quotient of the sum of the costs divided by the sum of the special benefit.

$$\text{Rate} = \sum \text{Costs} / \sum \text{Special Benefit}$$

Equation 3

The specific dollar assessment on a parcel is the product of the special benefit and the rate

$$\text{Assessment}_{\text{parcel}} = \text{Rate} \times \text{Special Benefit}_{\text{parcel}}$$

That is, the special benefit conferred to property is a function of flood risk factors, flood damage factors, shared facilities factors, and land use factors. The derivation of these factors is described in the sections below.

Flood Risk Factors (Parcel Specific Factor I)

Flood risk factors are typically derived from Annual Exceedance Probabilities (AEPs) contained in an Inundation Reduction Analysis. Each AEP is based on geotechnical and hydraulic data for that location, called an “index point”. This type of analysis has not been exhaustively performed on the BIMID levees. However, recent studies have determined that there is no significant difference in predicted flood depths nor levee condition throughout the District. Moreover, any significant levee breach would cause uniform effect throughout the District. (On the contrary, many larger Sacramento - San Joaquin reclamation districts have large variations in predicted flood depth and levee condition associated with various flooding scenarios; and different zones are needed to calculate special benefit). The resulting flood risk factors, which are uniform throughout the District, is shown in the table below. (However, the properties in the Delta Coes development are administered in a separate zone to express, and properly assess differences in shared facilities factors, as described below)

Table 5 – Flood Risk Factors

| Zone | Flood Risk Factors (%) |
|-------|------------------------|
| BIMID | 100.0 |

Flood Damage Factors (“Groups”) (*Parcel Specific Factor II*)

Because of the complexities of elevations and structures heights and types, located within BIMID, a system of “groups” is used to describe different parcel-specific attributes as they relate to relative flood damage. The implementation of this Group system required an exhaustive parcel-by-parcel analysis within the practical limitations of access to private properties within the District. For each parcel within the District, two primary attributes were determined:

- At-grade elevation
- Number of floors

The Group system is fully described in this section.

Flood damage is generally a function of the depth of flooding, with greater depth causing greater damage to structures and property.

Flood Depths and At-Grade Elevation Groups

When evaluating flood depths for BIMID, there are two significant elevations: the Mean High Tide (“MHT”) and the 100 year flood.

- MHT elevation = 5.99 ft. NAVD 88 or (3.65ft NGVD 29)
- 100 year flood elevation = 9.34 ft. NAVD 88 or (7.0 ft. NGVD 29)

Although the importance of the 100 year flood elevation is self-evident, the importance of the MHT requires additional discussion. First, in the event of a breach caused by a significant (e.g. 100 year) flood event, the water level would likely stabilize at the MHT relatively rapidly. Properties would be impacted by the maximum flood depth for a short time but may be subject to the MHT depth for a long duration during pumping. Secondly, local flooding history indicates that possibility of a “sunny day” flood, such as the one that occurred at Franks Tract where the maximum flood depth would be the MHT elevation.

As a result, parcels are divided into three groups based upon parcel-by-parcel analysis of structures:

| | |
|----------|--|
| Group A: | Primary floor elevation below MHT elevation |
| Group B: | Primary floor elevation between MHT elevation and 100 year flood elevation |

| | |
|----------|--|
| Group C: | Primary floor elevation above 100 year flood elevation |
|----------|--|

(It is important to realize that these groups are used to express relative damage for the purpose of this assessment and should not be used to extrapolate actual field condition damage levels.)

Structure Height and Type Groups

BIMID contains a wide variety of structure types (although almost all are residential) including traditional manufactured homes and single story homes, as well as “less-traditional” multi-story homes. The multi-story homes are often designed with the primary floor on the second floor “looking” over the levee on to the water, and less intensive use like storage, recreation, garages, etc., is provided on the lower, at-grade floor. Therefore, it is assumed that all structures with at least two stories have the main, primary, and most critical use area on the second floor including the kitchen, not on the first floor like most traditional multi-story homes. Since in-depth research cannot be performed within private homes on private property, this assumption is applied to all two or more story structures. Non-standard lower floor heights exist in cases to elevate the primary upper floor above the levee. There are also structures built on stilts or piers, presumably to limit exposure to flooding. Further, some of the structures are elevated above grade by foundation or earthwork. In the case of the Delta Coves development, earthwork re-grading has been used to significantly elevate all structures.

Parcels were again divided into three groups, based upon parcel-by-parcel analysis of structures:

| | |
|---------|--|
| Group 1 | Single story structures |
| Group 2 | Multi-story structures |
| Group 3 | Structures on stilts or piers (with less than 50% of lower, at grade, floor enclosed.) |

Special Note on Vacant, Agricultural & Rangeland and Golf Course & Cemetery Properties

Unless information is available regarding the planned structure, vacant properties are conservatively included with Group 3. Similarly, since Agricultural & Rangeland and Golf Course & Cemetery properties have few or no structures that would be damaged by flooding, they are included also include in Group 3.

Special Note on Delta Coves Parcels

Parcels within the Delta Coves Development are designated as Group D to more easily administer specific attributes such as shared facility factors, as discussed below.

Calculation of Flood Damage Percentages based upon Group-Combinations

For each “Group-Combination”, a relative flood depth with determined based upon predicted flood depth within that Group. Since there may be considerable variation of floor level even within grade, and limited access to structures, a buffer allowance was given to each structure to correct for grade elevation and create an effective elevation. For multi-story, a standard floor height was used with the buffer allowance to account for non-standard floor heights. Based upon the relevant Flood Damage Percent curves (Corp of Engineer’s Economic Guidance Memorandum (EGM) 01-03, Generic Depth-Damage Relationships), relative Damage Factors were determined, and normalized, as shown in Table 5, below:

Table 5 – Flood Damage Factors

| Group Combination | Effective Flood Depth (ft.) | Flood Damage (%) |
|--------------------------|------------------------------------|-------------------------|
| A-1 | 3.35 | 47.1 |
| B-1 | 1.68 | 32.1 |
| C-1 | 0.00 | 13.4 |
| A-2 | 3.35 | 47.1 |
| B-2 | 1.68 | 32.1 |
| C-2 | 0.00 | 13.4 |
| A-3 | 2.35 | 40.1 |
| B-3 | 0.68 | 23.3 |
| C-3 | -1.00 | 2.5 |
| Delta Coves | -1.00 | 2.5 |

Shared Facility Factors (Parcel Specific Factor III)

Shared facilities factors affect groups of parcels in similar ways. The Delta Coves parcels are served by a power, water and drainage system that is not susceptible to flood damage. A weighted system is used based upon an equal distribution for each of the five primary shared facilities. This component of the special benefit apportionment is summarized in Table 6, below.

Table 6 – Shared Facility Factors

| Group Combination | Water | Power | Sewer | Drainage | Road Access | Total (%) |
|-------------------|-------|-------|-------|----------|-------------|-----------|
| A-1 | 20 | 20 | 20 | 20 | 20 | 100.0 |
| B-1 | 20 | 20 | 20 | 20 | 20 | 100.0 |
| C-1 | 20 | 20 | 20 | 20 | 20 | 100.0 |
| A-2 | 20 | 20 | 20 | 20 | 20 | 100.0 |
| B-2 | 20 | 20 | 20 | 20 | 20 | 100.0 |
| C-2 | 20 | 20 | 20 | 20 | 20 | 100.0 |
| A-3 | 20 | 20 | 20 | 20 | 20 | 100.0 |
| B-3 | 20 | 20 | 20 | 20 | 20 | 100.0 |
| C-3 | 20 | 20 | 20 | 20 | 20 | 100.0 |
| Delta Coves | 15 | 15 | 20 | 20 | 20 | 90.0 |

Weighted Parcel Factor Subtotals

Within the BIMID boundaries, Flood Risk Factors, Flood Damage Factors and Shared Facility Factors describe the relative benefit to each parcel within a group and are adjusted by their relative importance (weighting). Table 7 below shows the total weighted and normalized flood, Risk, Flood Damage and Shared Facilities factors.

Table 7 – Total Relative Parcel Factors

| Group Combination | Flood Risk Factor | Flood Damage Factor | Shared Facilities Factor | Total Weighted Parcel Factors |
|--------------------|-------------------|---------------------|--------------------------|-------------------------------|
| Relative Weight(%) | 10.0 | 40.0 | 40.0 | |
| A-1 | 100.0 | 47.1 | 100.0 | 68.8 |
| B-1 | 100.0 | 32.1 | 100.0 | 62.8 |
| C-1 | 100.0 | 13.4 | 100.0 | 55.4 |
| A-2 | 100.0 | 47.1 | 100.0 | 68.8 |
| B-2 | 100.0 | 32.1 | 100.0 | 62.8 |
| C-2 | 100.0 | 13.4 | 100.0 | 55.4 |
| A-3 | 100.0 | 40.1 | 100.0 | 66.0 |
| B-3 | 100.0 | 23.3 | 100.0 | 59.3 |
| C-3 | 100.0 | 2.5 | 100.0 | 51.0 |
| Delta Coves | 100.0 | 2.5 | 90.0 | 47.0 |

The relative weights were determined with the greatest emphasis on potential flood damage and the conclusion that the potential loss of shared facilities is critical to the use of all property on the Island. They have been given a relative weight of 40% each, based upon engineering judgment. Flood risk factor (i.e. location on the island) and replacement factors are considered less significant and have been given a relative weight of 10% each.

Land use Factors

The final step in determining the apportionment is to factor in the land use, or replacement value for each type of use within a Group.

Using the Contra Costa County Assessor's data for land and total value, recent appraisal results, and other regional characteristics, relative land use factors were determined for various property types. These property types and land use factors are described below and summarized in Table 8.

Table 8 – Land use Factors for Property Types

| Land Use | Normalized Replacement Value(%) | Unit |
|--------------------------|---------------------------------|------|
| Residential | 100.0 | each |
| Multi Family | 100.0 | each |
| Commercial/Industrial | 171.7 | acre |
| Office | 521.9 | acre |
| Institutional | 171.7 | acre |
| Storage | 39.1 | acre |
| Agricultural & Rangeland | 3.1 | acre |
| Golf Course & Cemetery | 19.2 | acre |
| Vacant | 23.0 | acre |

Summary of Relative Special Benefits for Each Group and Land Use

Table 9, below, summarizes the relative benefit for each Group and Replacement Value – calculated with a 10% weight for replacement value. The table has been normalized for the most common property within the District in Group C-2, a typical 2 story house with the primary floor above the 100 year flood elevation.

Table 9 – Normalized Summary of Relative Special Benefit

| | Residential | Multi Family | Commercial/ Industrial | Office | Institutional | Storage | Agricultural & Rangeland | Golf Course & Cemetery | Vacant |
|-------------|-------------|--------------|---------------------------|--------|---------------|---------|-----------------------------|---------------------------|--------|
| A-1 | 1.206 | 1.206 | 1.316 | 1.852 | 1.316 | 1.113 | NA | NA | NA |
| B-1 | 1.114 | 1.114 | 1.224 | 1.760 | 1.224 | 1.021 | NA | NA | NA |
| C-1 | 1.000 | 1.000 | 1.110 | 1.645 | 1.110 | 0.907 | NA | NA | NA |
| A-2 | 1.206 | 1.206 | 1.316 | 1.852 | 1.316 | 1.113 | NA | NA | NA |
| B-2 | 1.114 | 1.114 | 1.224 | 1.760 | 1.224 | 1.021 | NA | NA | NA |
| C-2 | 1.000 | 1.000 | 1.110 | 1.645 | 1.110 | 0.907 | NA | NA | NA |
| A-3 | 1.163 | 1.163 | 1.273 | 1.809 | 1.273 | 1.070 | 1.015 | 1.040 | 1.046 |
| B-3 | 1.061 | 1.061 | 1.170 | 1.706 | 1.170 | 0.967 | 0.912 | 0.937 | 0.943 |
| C-3 | 0.933 | 0.933 | 1.043 | 1.579 | 1.043 | 0.840 | 0.785 | 0.810 | 0.815 |
| Delta Coves | 0.872 | 0.872 | 0.982 | 1.518 | 0.982 | 0.779 | 0.724 | 0.748 | 0.754 |

Special Note on Agricultural & Rangeland and Golf Course & Cemetery Properties

Agricultural & rangeland, as well as golf course and cemetery properties on Bethel Island do not fundamentally suffer the same intensity of damage as other types of properties. Agricultural & rangeland properties receive only 3.1% of the land use replacement benefit as compared to residential, as shown in the Table 10 above. Golf Course & cemetery properties receive only 19.2% of the land use replacement benefit as compared to residential, as shown in Table 10 above. However, its flood risk, flood damage and shared facilities factors are more similar to other types of properties. Special benefit is calculated for agricultural and rangeland properties using all four factors for the first acre, and then reduced to the relative land use factor for additional acres.

Special Note on Residential and Vacant Properties

Vacant and residential, including multi-family, are assessed up to 1 acre, and then at the agricultural & rangeland rate beyond 1 acre. Multiple residences on 1 parcel are assessed per residence (i.e. Mobile home parks.)

Special Note on Roadways

The Bethel Island roadways are assessed at the vacant rate.

Special Note on Gas Wells

Gas Wells are assessed at the commercial rate.

Special Note on Pipeline and Utility Rights of Way

Pipeline and utility rights of way are assessed at the commercial rate.

Article XIID, Section 4 of the California Constitution states that publicly owned properties shall not be exempt from assessment unless there is clear and convincing evidence that those properties receive no special benefit. All public properties that are specially benefited are assessed. Publicly owned property that is used for purposes similar to private residential, commercial, industrial, or institutional uses is benefited and assessed at the same rate as such privately owned property.

The assessment rate for a specific parcel can be determined by multiplying the base rate by appropriate relative benefit factor in Table 11 above and by the numbers of acres (if it is more than 1 acre.) However, if the parcel is designated as residential, vacant or agricultural & rangeland, the rate after the first acre is 3.1% of the base rate. Similarly, if the parcel is designated as golf course or cemetery, the rate after the first acre is 19.2% of the base rate.

Appeals of Assessments Levied to Property

Any property owner who feels that the Assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment may file a written appeal with the Board of Directors of BIMID. Any such appeal is limited to correction of an assessment during the then current fiscal year. Upon the filing of any such appeal, the Board of Directors will promptly review the appeal and any information provided by the property owner. If the Board of Directors find that the Assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the Board of Directors are authorized to refund to the property owner the amount of any approved reduction.

Duration of the Assessment

The Assessments can be levied annually commencing with fiscal year 2025-26. The assessment cannot be increased in future years without approval from property owners in another Proposition 218-compliant assessment ballot proceeding, except for an annual adjustment tied to the change in the U.S. Department of Labor, Bureau of Labor Statistics Consumer Price Index for the San Francisco Bay Area, not to exceed 3% per year.

Assessment

WHEREAS, the Board of Directors of BIMID is proceeding with the proposed Levee and Flood Control Facilities Maintenance and Repair Assessment District under the California Codes Government Code sections 54710 *et seq.* (the “Code”) and Article XIII D of the California Constitution (the “Article”), to proceed with the proposed levy of assessments; and

WHEREAS, the undersigned Engineer of Work has prepared and filed a report presenting an estimate of costs, a diagram for the Assessment District and an assessment of the estimated costs of the maintenance, operations, and improvements activities upon all assessable parcels within the Assessment District; and

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under said Code and Article and the order of said Board of Directors, hereby make the following assessment to cover the portion of the estimated cost of maintenance, operations and improvements activities, and the costs and expenses incidental thereto to be paid by the Assessment District.

The amount to be paid for maintenance, operations and improvements activities and the expense incidental thereto, to be paid by the Assessment District for the fiscal year 2025-26 is generally as follows:

Table 10 – Budget Summary

| Bethel Island Maintenance Improvement District Summary Budget FY 2025-26 | |
|---|----------------------|
| Cost of Services | \$1,681,422 |
| Contribution from Other Sources for General Benefit | <u>(\$1,396,727)</u> |
| Net Amount to Assess | \$284,695 |

An Assessment Diagram is attached hereto and made a part hereof showing the exterior boundaries of said Assessment District. The distinctive number of each parcel or lot of land in said Assessment district is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby assess and apportion the net amount of the cost and expenses of the maintenance, operations and improvements activities, including the costs and expenses incident thereto, upon the parcels and lots of land within the Assessment District, in accordance with the special benefits to be received by each parcel or lot, from the maintenance, operations and improvements activities, and more particularly set forth in the Cost Estimate and Method of Assessment attached hereto and by reference made a part hereof.

The continued assessment is subject to an annual adjustment tied the average of the United States Department of Labor Northern California Consumer Price Index (CPI) (also known as the "San Francisco Bay Area CPI) with a maximum annual increase not to exceed 3%. Any change in the CPI in excess of 3% shall be cumulatively reserved as the "Unused CPI" and shall be used to increase the maximum authorized assessment rate in years in which the CPI is less than 3%. The maximum authorized assessment rate is equal to the maximum assessment rate in the first fiscal year the assessment was levied adjusted annually by the minimum of 1) 3% or 2) the change in the CPI plus any Unused CPI as described above.

The estimate of cost and budget in this Engineer's Report proposes assessments for Fiscal Year 2025-26 at the rate of \$143.52 per SFE unit.

The monies representing assessments collected shall be deposited in two separate funds established under the distinctive designation of the 1.) Levee and Flood Control Facilities Maintenance and 2.) Levee and Flood Control Facilities Repair and Improvements and shall be expended only for the specified purpose.

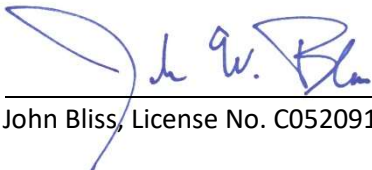
Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the Counties of Contra Costa for the fiscal year 2025-26. For a more particular description of the property, reference is hereby made to the deeds and maps on file and of record in the offices of the County's Recorders of Contra Costa County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the amount of the assessment for the fiscal year 2025-26 for each parcel or lot of land within the Assessment District.

Dated: June 12, 2025



Engineer of Work

By  _____
John Bliss, License No. C052091

Assessment Diagram

The Assessment District includes all properties within the proposed boundaries of the Levee and Flood Control Facilities Maintenance and Repair Assessment. The boundaries of the Assessment District are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions as shown on the maps of the Assessor of the County of Contra Costa, for fiscal year 2025-26, and are incorporated herein by reference, and made a part of this Diagram and this Report.

**Bethel Island Municipal Improvement District
Levee and Flood Control Facilities Maintenance and Repair
Assessment District Assessment Diagram**



Legend

-  BIMID Boundary
-  Delta Cove

Prepared by:
SCI Consulting Group
4745 Mangels Boulevard
Fairfield, CA 94534
707-430-4300



FILED IN THE OFFICE OF THE DISTRICT MANAGER OF BETHEL ISLAND MUNICIPAL IMPROVEMENT DISTRICT, CONTRA COSTA COUNTY, CALIFORNIA, THIS ____ DAY OF ____, 2025.

PRESIDENT OF THE BOARD

RECORDED IN THE OFFICE OF THE DISTRICT MANAGER OF BETHEL ISLAND MUNICIPAL IMPROVEMENT DISTRICT, CONTRA COSTA COUNTY, CALIFORNIA, THIS ____ DAY OF ____, 2025.

PRESIDENT OF THE BOARD

AN ASSESSMENT WAS CONFIRMED AND LEVIED BY THE BOARD OF DIRECTORS OF BETHEL ISLAND MUNICIPAL IMPROVEMENT DISTRICT, CONTRA COSTA COUNTY, ON THE LOTS, PIECES AND PARCELS OF LAND ON THIS ASSESSMENT DIAGRAM ON THE ____ DAY OF ____, 2025 FOR THE FISCAL YEAR 2025-26 AND SAID ASSESSMENT DIAGRAM AND THE ASSESSMENT ROLL FOR SAID FISCAL YEAR WERE FILED IN THE OFFICE OF THE COUNTY AUDITOR OF CONTRA COSTA COUNTY ON THE ____ DAY OF ____, 2025. REFERENCE IS HEREBY MADE TO SAID RECORDED ASSESSMENT ROLL FOR THE EXACT AMOUNT OF EACH ASSESSMENT LEVIED AGAINST EACH PARCEL OF LAND.

PRESIDENT OF THE BOARD

FILED THIS ____ DAY OF ____, 2025 AT THE HOUR OF ____ O'CLOCK ____ M. IN THE OFFICE OF THE COUNTY AUDITOR OF CONTRA COSTA COUNTY, STATE OF CALIFORNIA, AT THE REQUEST OF THE BOARD OF DIRECTORS OF BETHEL ISLAND MUNICIPAL IMPROVEMENT DISTRICT.

AUDITOR, CONTRA COSTA COUNTY

Note:
REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF RECORD IN THE OFFICE OF THE ASSESSOR OF CONTRA COSTA COUNTY FOR A DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY PARCEL SHOWN HEREIN. THOSE MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH PARCELS. EACH PARCEL IS IDENTIFIED IN SAID MAPS BY ITS DISTINCTIVE ASSESSOR'S PARCEL NUMBER.

Appendices

Appendix A – Assessment Roll, FY 2025-26

The Assessment Roll is made part of this report and is available for public inspection during normal office hours. Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records and these records are, by reference, made part of this report. These records shall govern for all details concerning the description of the lots or parcels.