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STORMWATER ASSESSMENT

SEPTEMBER 5, 2023



STORMWATER FUND

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Purpose

Prevent flooding by diverting storm water off streets; prevent trash & debris from reaching surface waters.

City currently maintains 7 full capture systems to capture runoff debris from storm drains.

Requirements also limit bacteria and metals.



STORMWATER RECAP

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- Stormwater Fund
 - Fees have not changed since 1996
 - Fiscal Impacts
 - General Fund
 - Reserves

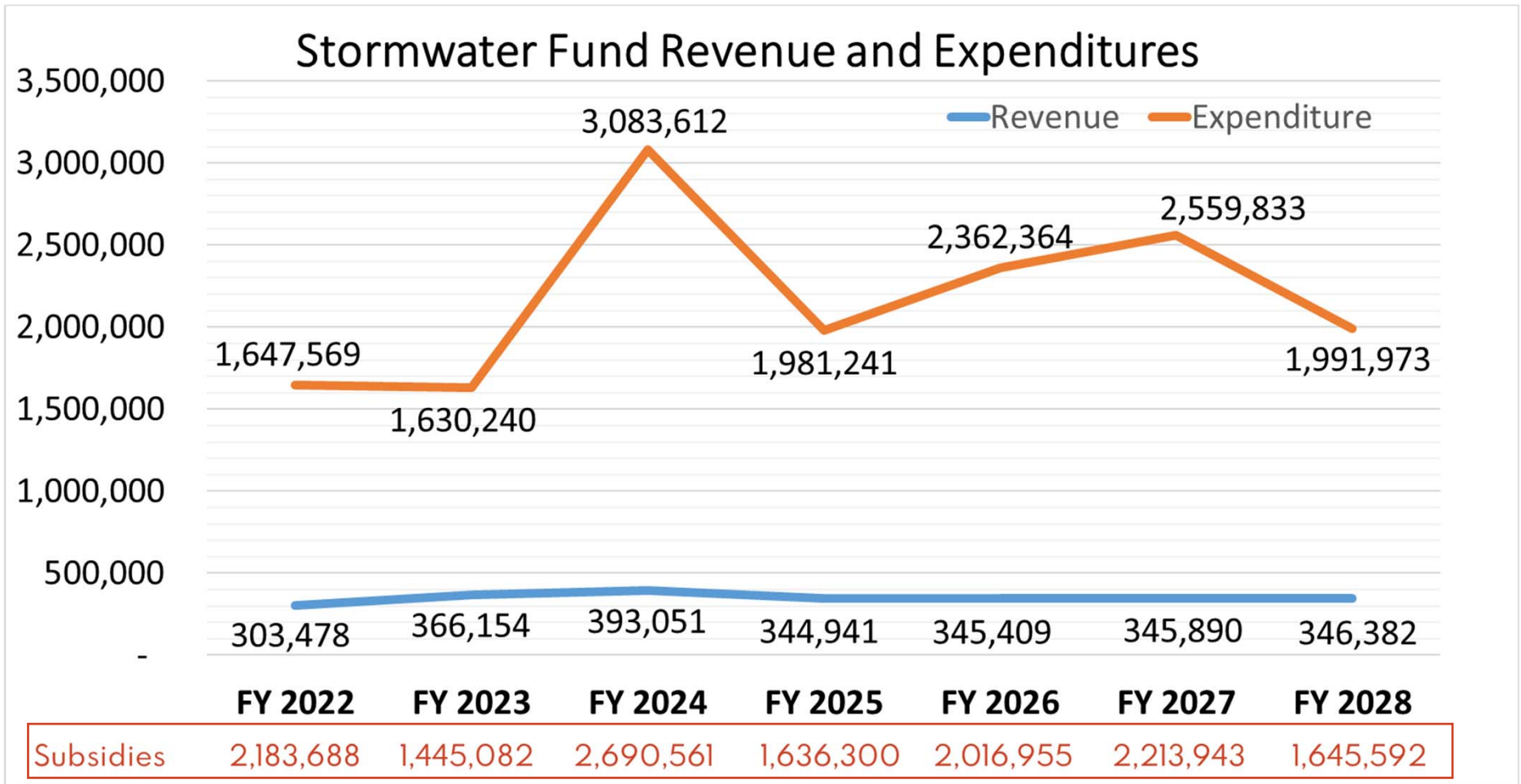
- Requires General Fund subsidies estimated at \$11.6 million over the next 6 years

- On May 16, 2023, City Council authorized obtaining an updated survey and engineer's report



STORMWATER OPERATIONS

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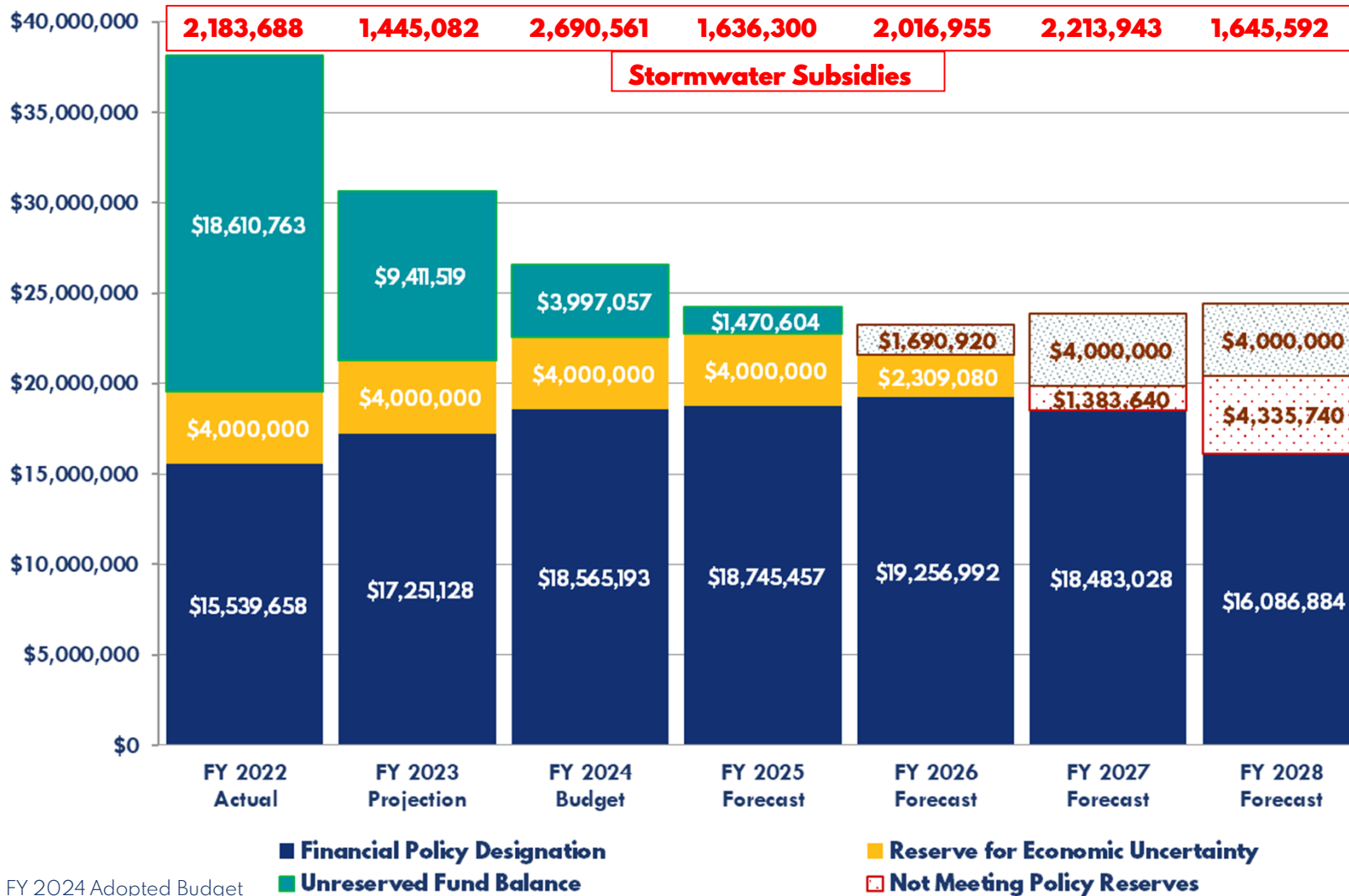


Source: FY 2024 Adopted Budget



GENERAL FUND FORECAST

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Source: FY 2024 Adopted Budget



STORMWATER PROJECTS

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STORMWATER CIP BUDGET 2024-2029	PROJECT COST
Annual Storm Drain Repairs	\$3,622,073
Replace various sections of stormwater drain line.	
Golf Course Storm Drain Lift Station Electrical Upgrades	\$350,000
Procure and replace the electrical elements at the Westdrift Golf Course Storm Drain Lift Station.	
Peck Avenue Storm Drain Improvements	\$1,530,000
The project will construct a new storm drain line along 21st Street to the existing storm drains on Meadows Avenue and Peck Avenue.	
Shelley Street Storm Drain Improvements	\$700,000
Construction of storm drain piping, and additional catch basins with water quality inserts to improve water quality.	
Storm Drain Capital Best Management Practices (BMPs)	\$1,635,810
Installation of storm drain debris collection devices to prevent trash from entering storm drain pipes.	
Beach Cities Green Streets	\$362,500
Multi-jurisdiction project for a regional stormwater quality improvements project.	
CCTV Storm Drain System	\$150,000
Use CCTV to perform an assessment of the City's storm drain system.	
TOTAL PROJECT COSTS	\$ 8,350,383



STORM DRAIN FEE REPORT

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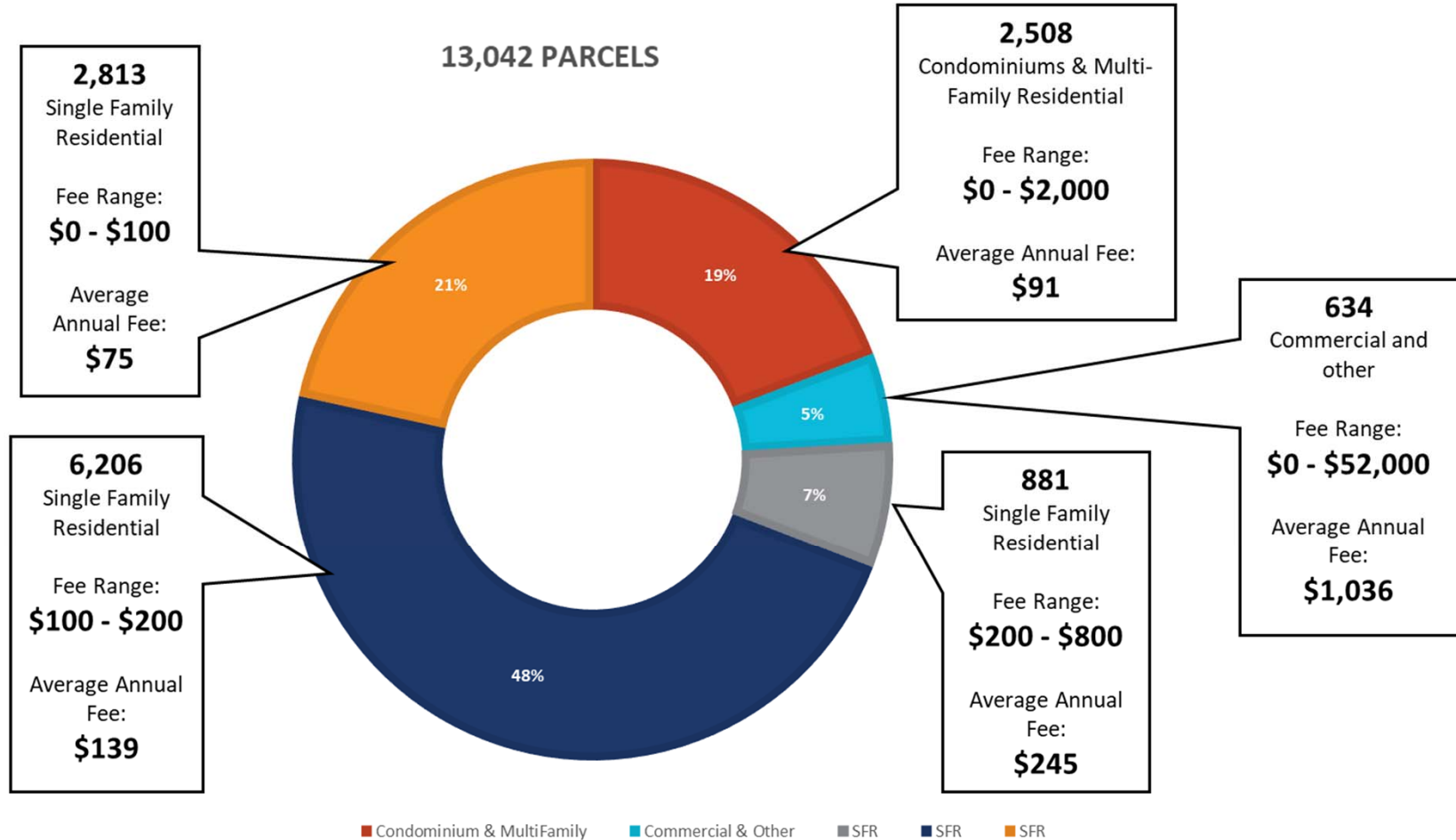
- City contracted with Harris and Associates to provide an updated engineer's report titled the Storm Drain Utility Fee
- Annual escalator based on CPI
- Average SFR Rate of \$129 based on:
 - \$0.04602 centers per impervious square footage
 - Impervious square footage based on data LA County users for Measure W
 - Funds current operations and infrastructure



PROPOSED STORMWATER FEES

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PROPOSED STORMWATER RATES

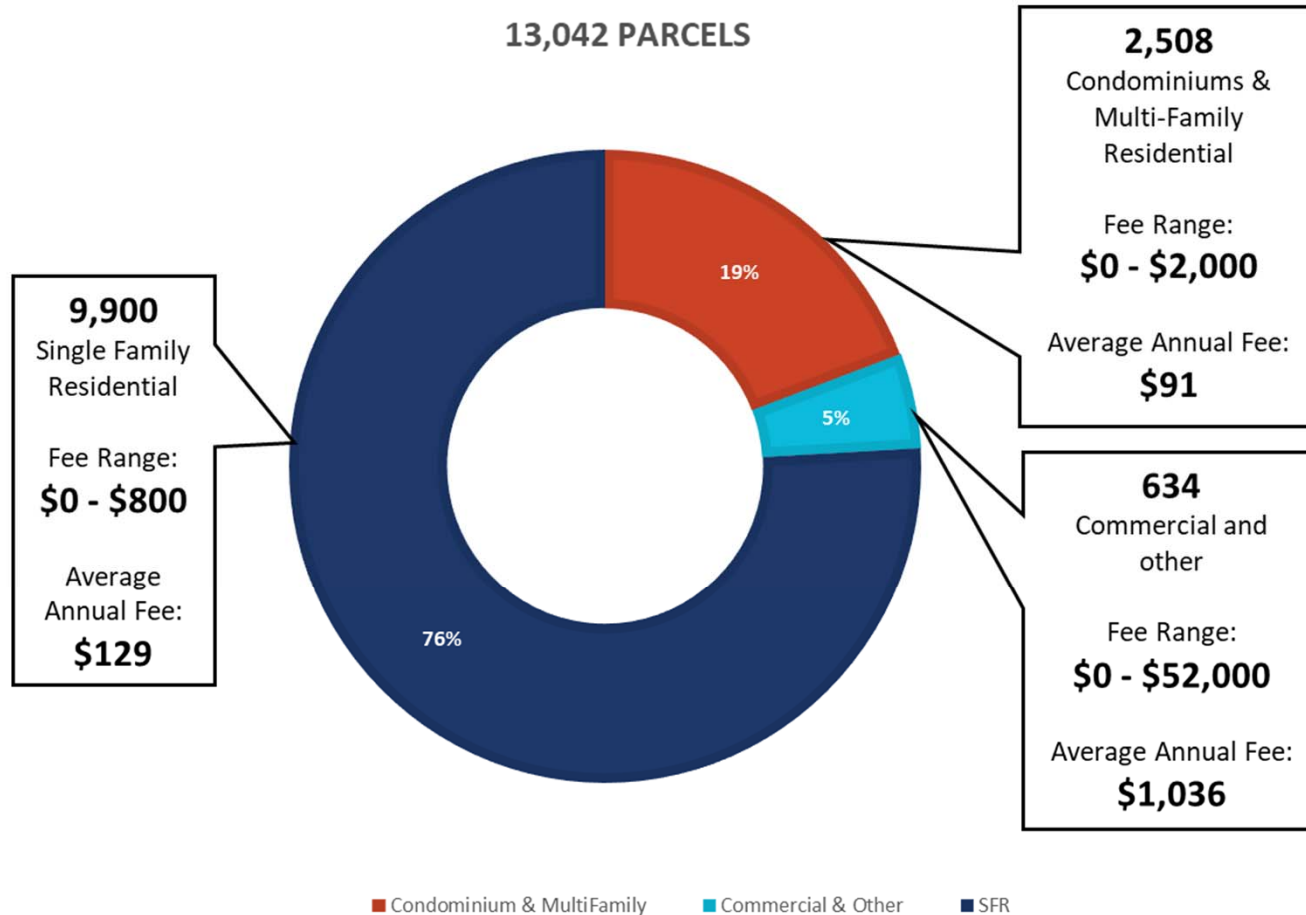


PROPOSED STORMWATER FEES

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PROPOSED STORMWATER RATES

13,042 PARCELS



STORMWATER FEE SURVEY

PREPARED FOR THE
CITY OF MANHATTAN BEACH

PRESENTED BY
TIMOTHY MCLARNEY PH.D.

8/30/2023



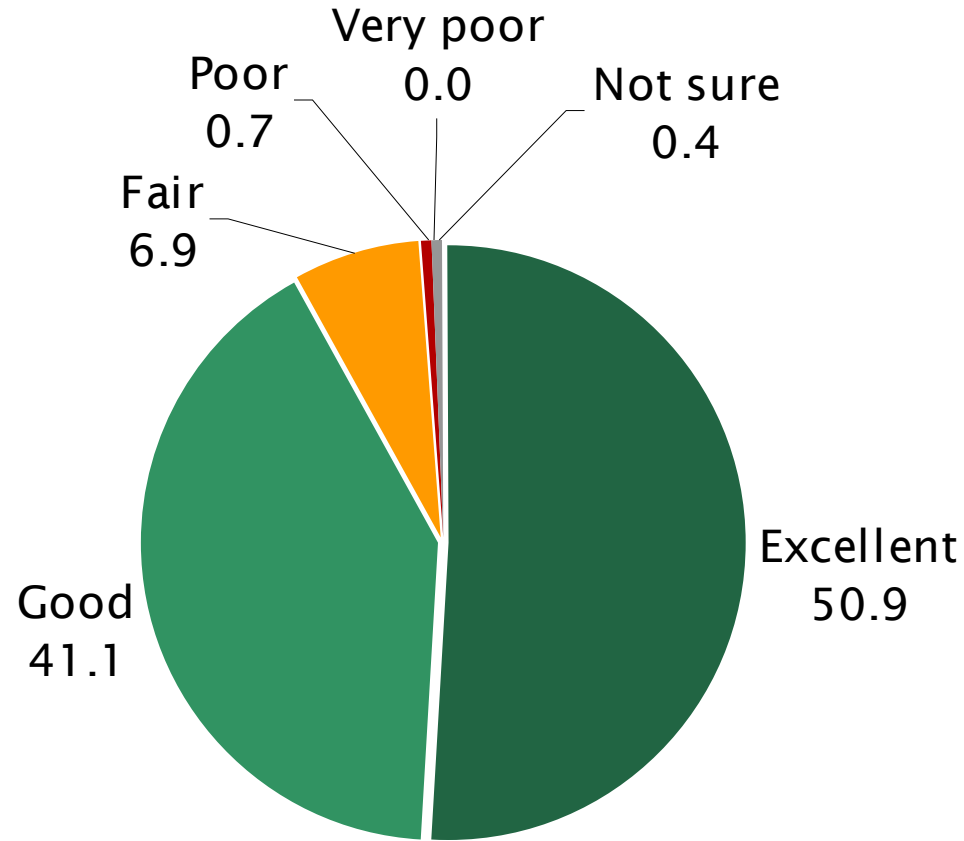


METHODOLOGY OF STUDY

- **How did we select property owners to survey?**
 - Stratified Random Sample of residential property owners using fee categories, partisanship, and sub-geographies
 - Ensures balanced, representative sample of residential property owners – 1 per household
- **How did we recruit participation?**
 - Personalized email, text, and telephone calls
 - PINs to restrict access and ensure one complete per respondent
- **How were voters able to share their opinions?**
 - Secure, PIN-protected website that scales to the device
 - Telephone (land line or mobile)
- **What was the sample size?**
 - 423 completed interviews
 - Overall margin of error of $\pm 4.7\%$ @ 95% level of confidence

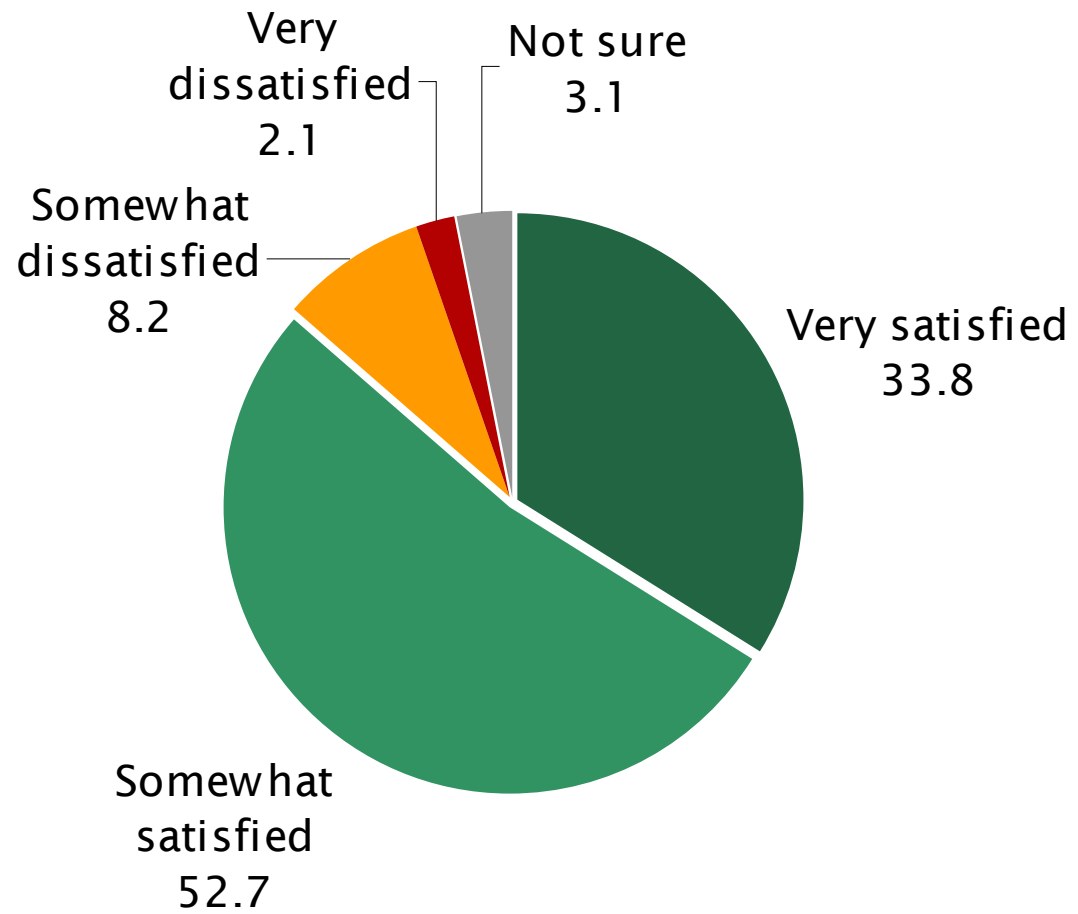


QUALITY OF LIFE





OVERALL SATISFACTION WITH CITY SERVICES





INITIAL BALLOT TEST

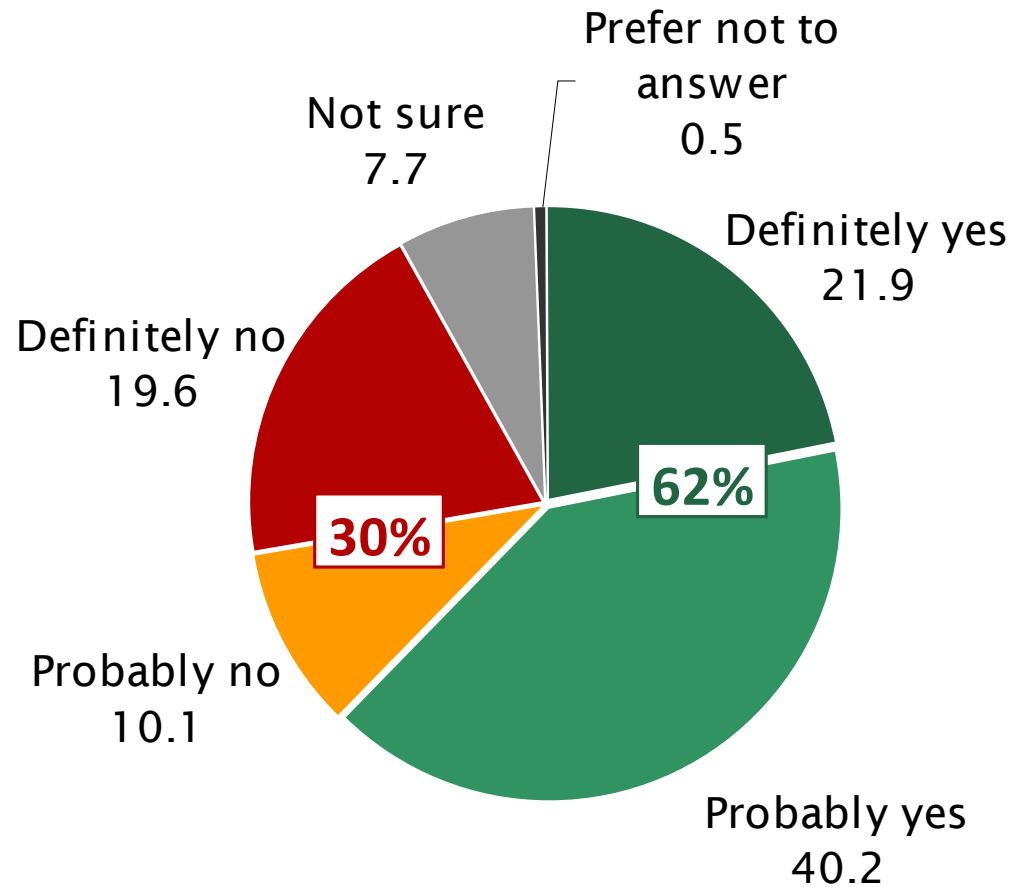
In order to:

- Install and maintain devices in storm drains that keep trash and pollution off our beaches and out of local waterways and the ocean
- Monitor, investigate, and prosecute illegal discharges of pollution
- Reconstruct or replace aging storm drains that are at risk for collapse or failure
- Reduce flooding in neighborhoods
- And protect public health by removing pollutants, toxic chemicals, and infectious bacteria from runoff that drains to the ocean

Shall property owners in Manhattan Beach be assessed an annual fee for each property that they own? The fee for your property would be approximately: \$<<Rate A>> per year. If the election were held today, would you vote yes or no on this measure?

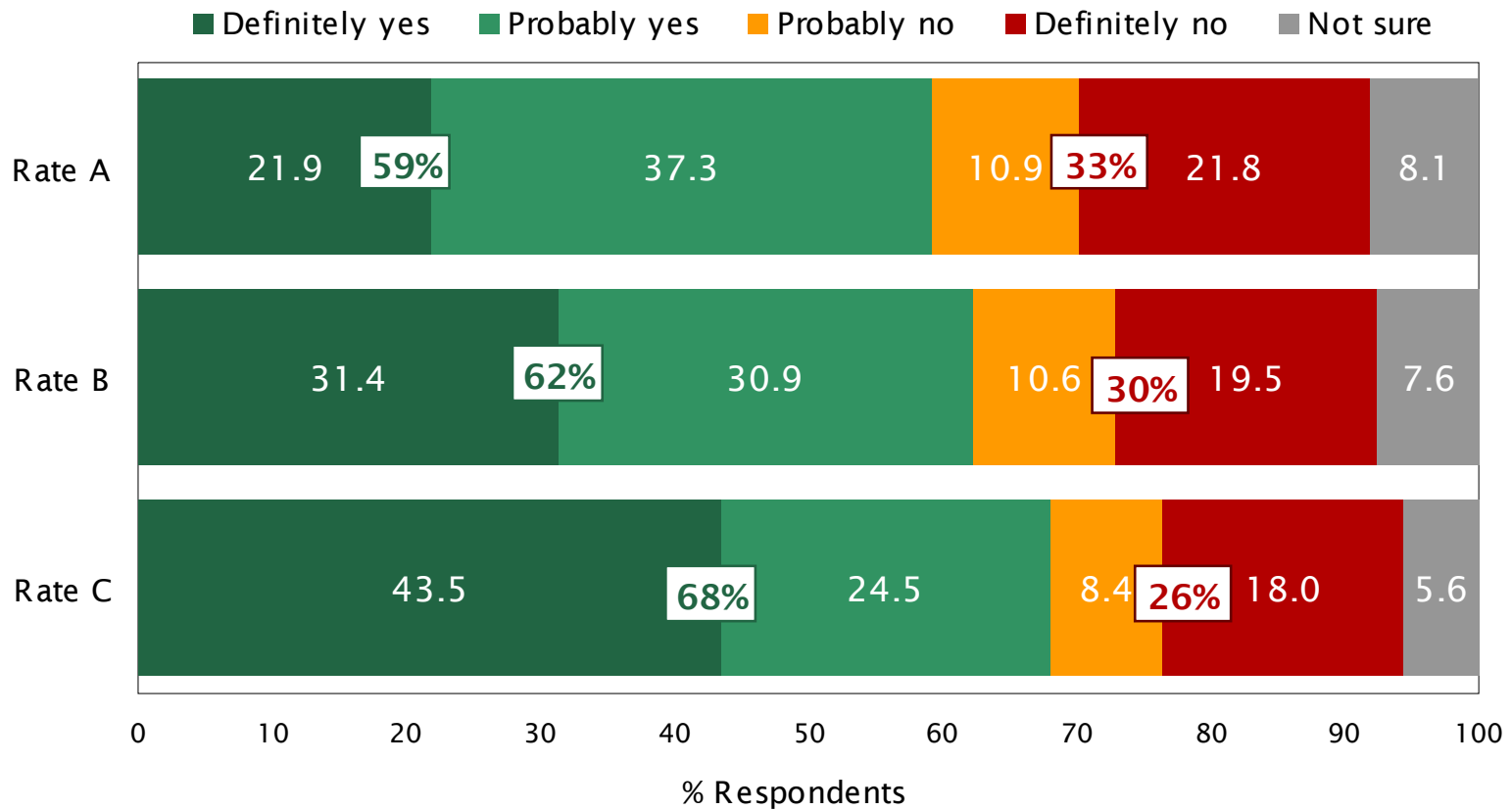


INITIAL BALLOT TEST



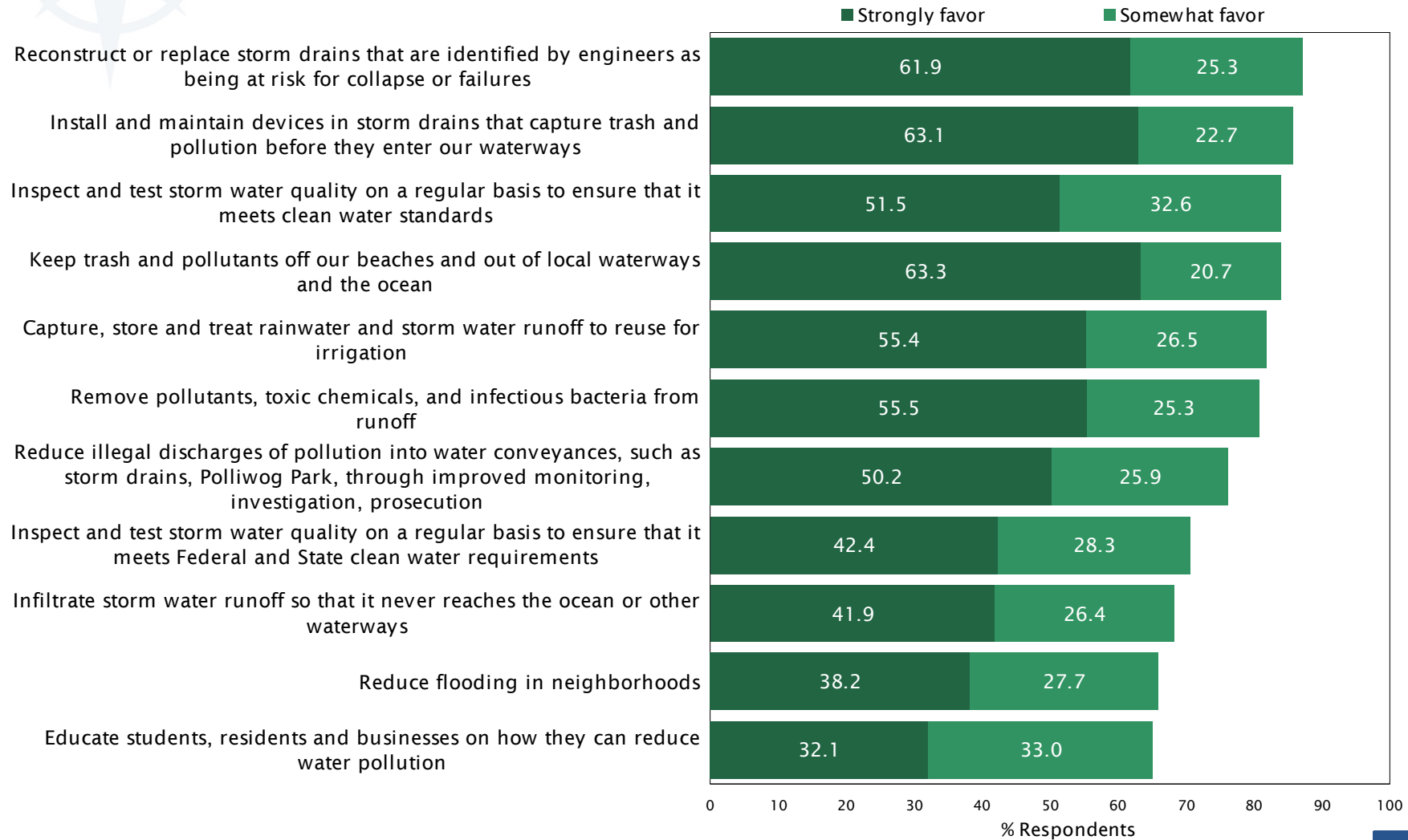


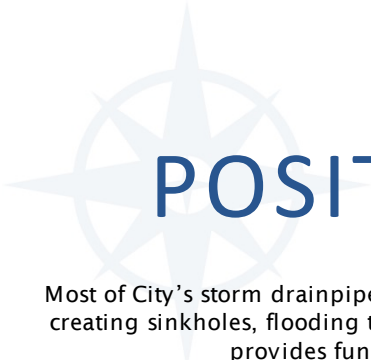
FEE THRESHOLD





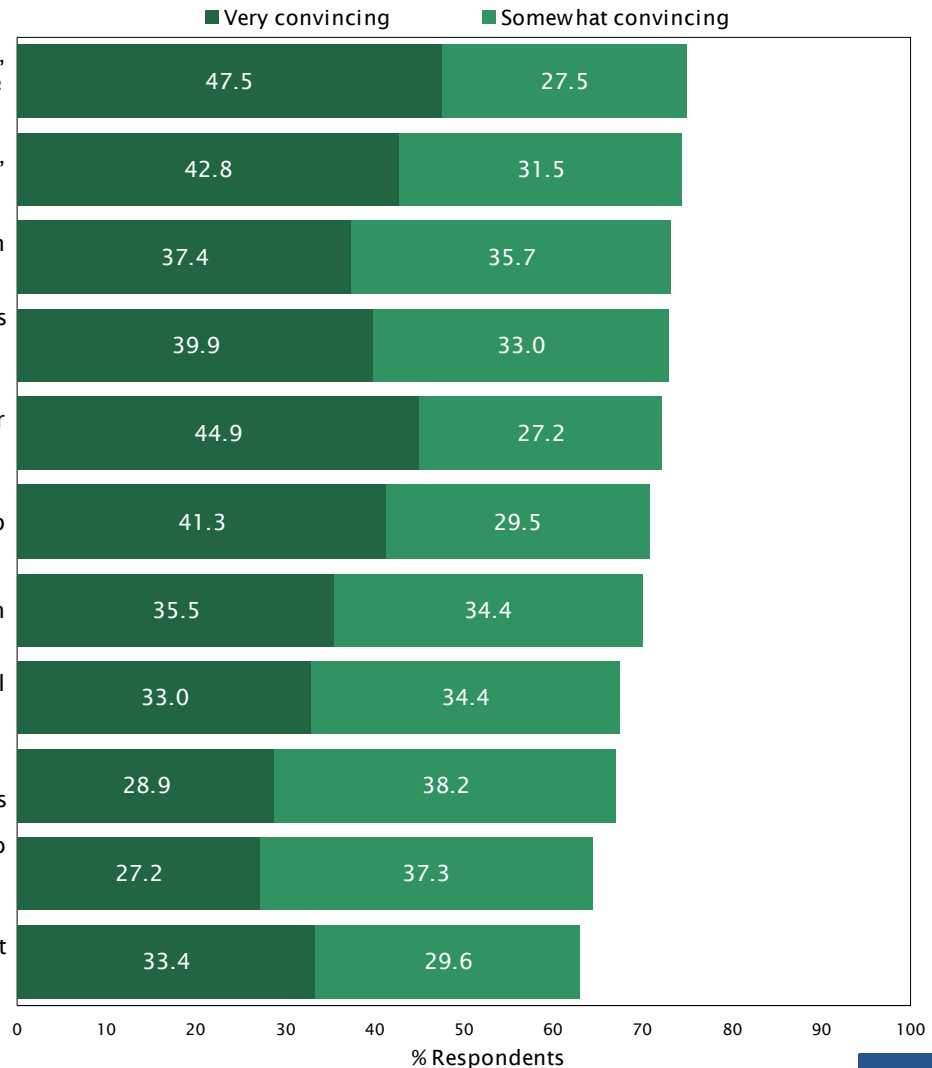
PROJECTS & PROGRAMS





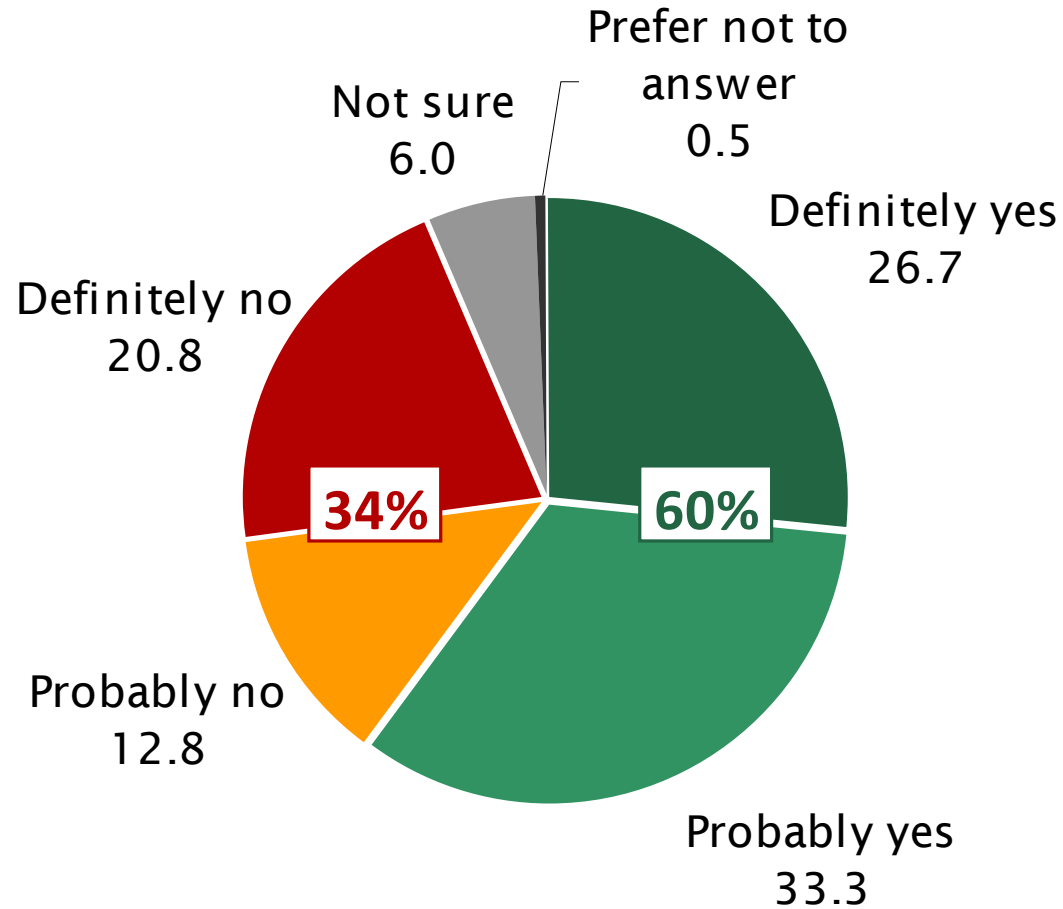
POSITIVE ARGUMENTS

- Most of City's storm drainpipes were installed 50+ yrs ago, are starting to fail, creating sinkholes, flooding that damage streets, private properties; measure provides funding needed to fix storm drains
- It is a lot cheaper to fix a storm drain now than to pay for reconstruction, property damage and lawsuits when a pipe fails
- By capturing rainwater, storm water runoff to be recycled for irrigation, we can reduce the impacts of future droughts, preserve fresh drinking water
- Storm water runoff carries tons of trash, infectious bacteria and toxic pollutants directly to ocean, local beaches; measure is one of best ways to protect ocean water quality, public health
- By law, all of money raised by measure must be spent locally to protect water quality; it can't be taken away by State, be used for other purposes
- Every year, thousands of pounds of trash from streets washes up on local beaches; measure will help prevent, clean up trash, pollution before it ends up in water, on shorelines, beaches
- Measure is needed to cover actual costs of maintaining stormwater system, which includes repairing, maintaining 24 miles of pipes, hundreds of catch basins, removing trash, pollutants before they reach ocean, local beaches
- By keeping local beaches and waterways clean, free of pollution, measure will help protect quality of life in Manhattan Beach
- It's our responsibility to take care of the environment, natural resources for future generations; measure will help improve quality of life as well as theirs
- The typical residential property owner in Manhattan Beach pays < \$20 per yr to address stormwater pipes, infrastructure, pollution; the fee was established in 1996 (25+ yrs ago) has never increased
- There will be a clear system of accountability including annual independent audits to ensure that money is spent properly



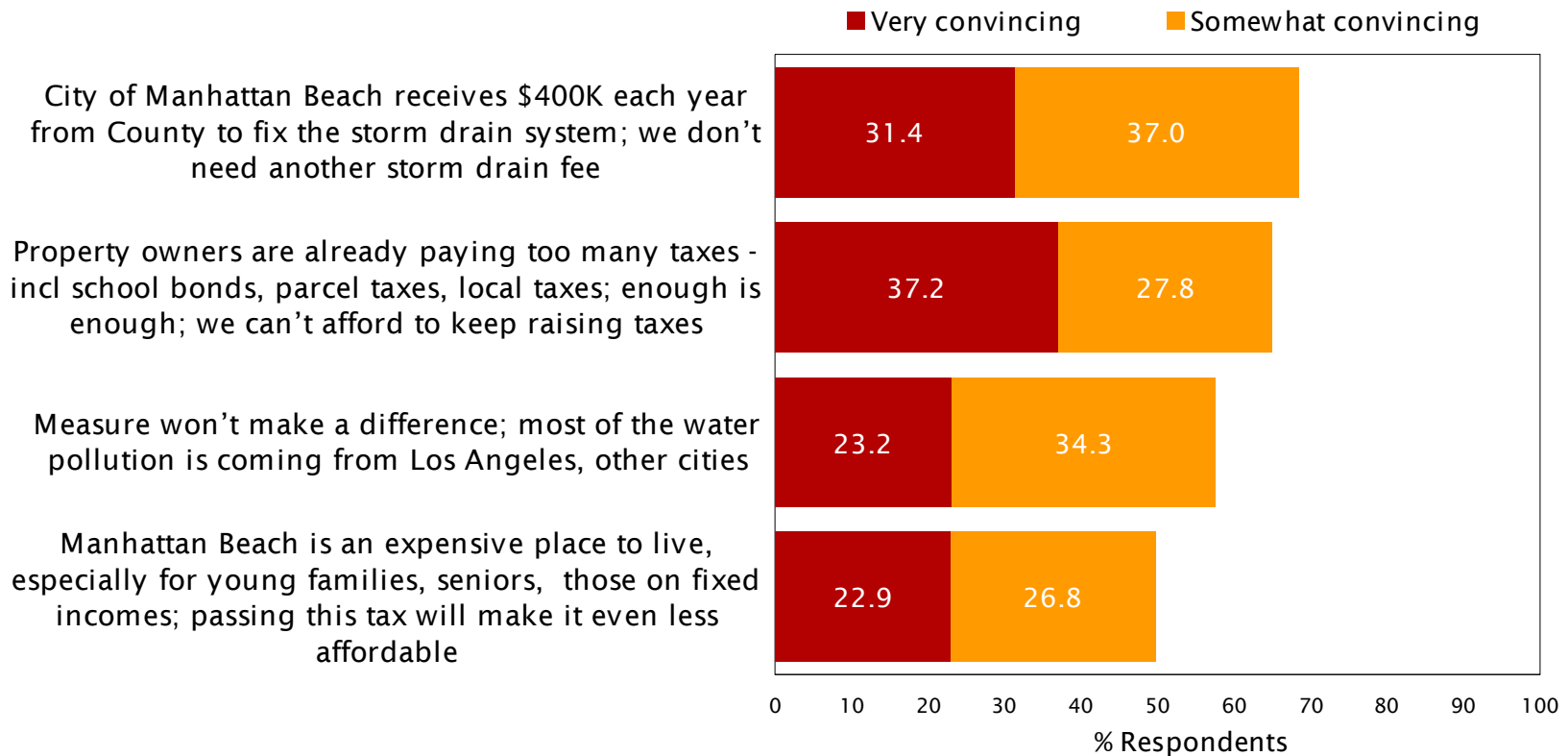


INTERIM BALLOT TEST



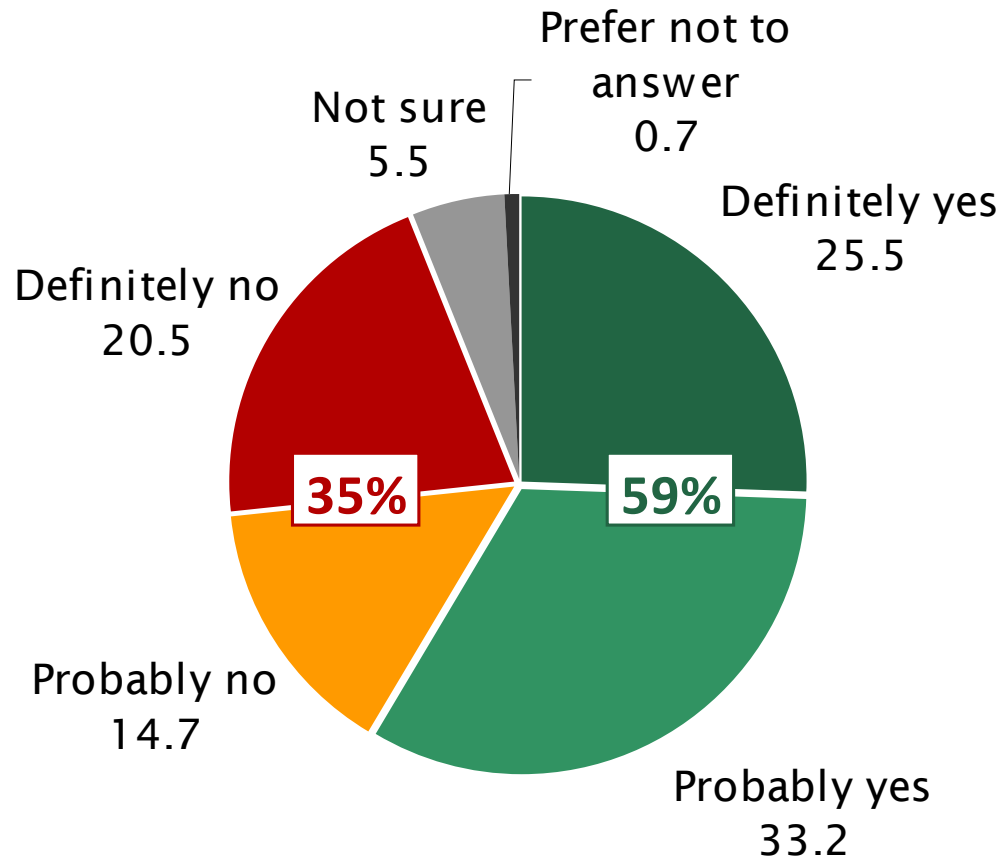


NEGATIVE ARGUMENTS



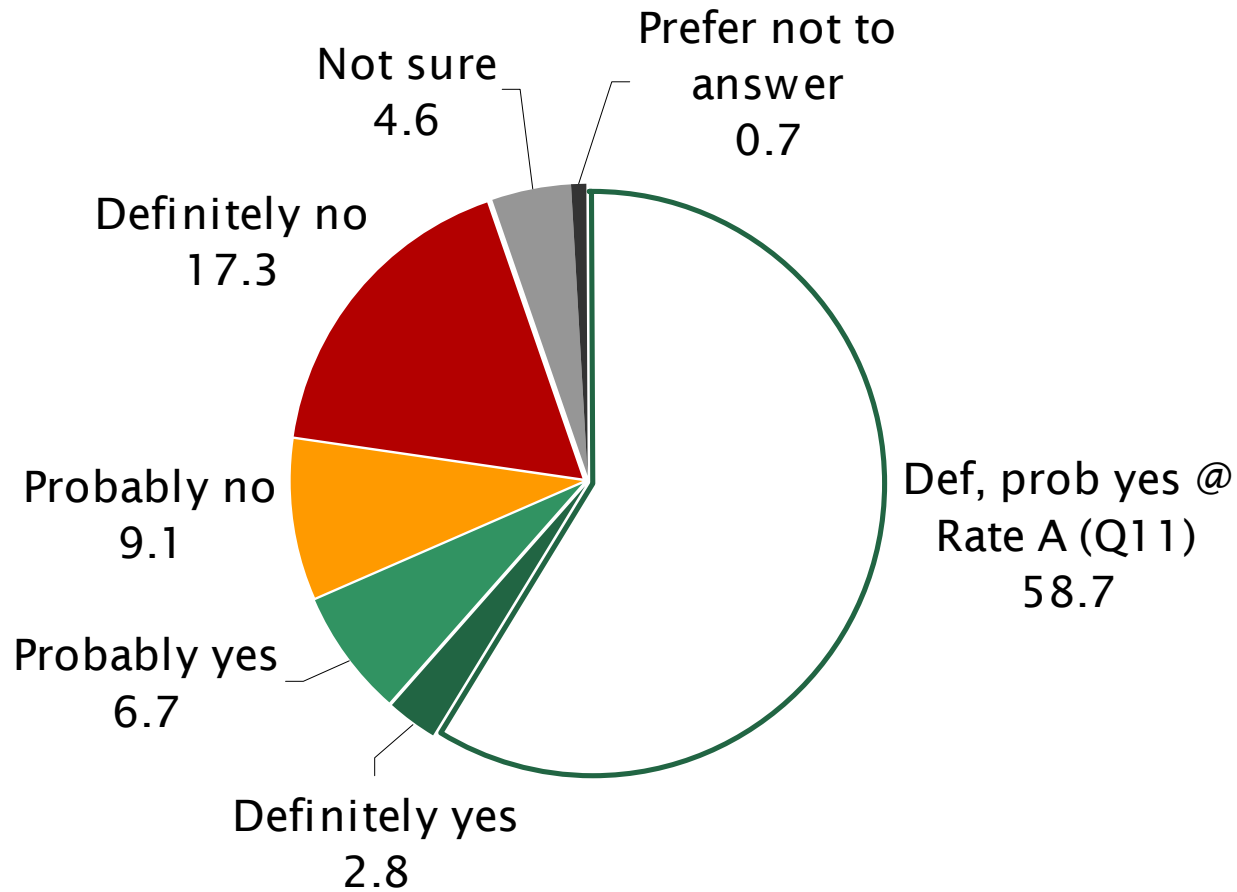


FINAL BALLOT TEST





FINAL BALLOT TEST: RATE C





KEY CONCLUSIONS

Does a stormwater fee measure appear feasible for 2024? *Yes.*

Positive Signs

- Solid natural support for a measure (62%)
- Popular projects and services
- Strong positive arguments
- All ballot tests are above simple majority threshold, even after opposition arguments

Challenges

- Fee rate sensitivity
- Commercial, industrial, apartment owners will also vote and tend to exhibit less support (estimate 6% reduction in overall support)
- Unknowns: trajectory of economy, inflation, other measures
- Electoral climate: Hyper-partisanship & statewide initiatives



OBSERVATIONS & RECOMMENDATIONS

- **Snapshot in time, not a crystal ball**
- **Fee Rate:** Keep cost effective
- **Project & Service Priorities:** Repair/replace failing pipes, reduce trash, toxins, and pollution in waterways/on beaches, stormwater capture and reuse.
- **City Communications:** Begin a conversation with the community to build awareness of needs and consensus on a specific proposal.
- **Independent Campaign:** Need to have solid independent campaign to navigate through the balloting cycle, communicate key messages, turn out supporters, and weather uncertainties.

PROPOSITION 218 TIMELINE

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DATE	DESCRIPTION
Sep 9	Council adopts resolution No. 23-0118 to: Proceed with Proposition 218 Process Approve Storm Drain Utility Fee Report Set Public Hearing to November 7, 2023 Authorize mailing of protest notices
Sep 22	Mail Property Owner Protest Notices
Nov 7	Public Hearing and Tabulation If majority protest not received: Set Public Hearing to January 2, 2024 Authorize mailing of ballots
Nov 17	Property Owner Ballot Mailing
Jan 2, 2024	Public Hearing and Ballot tabulation Requires majority vote of property owners to pass
Jul 2024	New rates effective for FY 2024-2025.



ALTERNATIVES

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Nov. 2024 Election

Include the fee increase in the November 2024 election. Requires two-thirds vote of local population.

Continue General Fund Subsidies

General Fund will continue to subsidize the Stormwater Fund. To maintain a balanced budget, options like increasing revenues, reducing services levels, or deferring capital projects may have to be pursued.



QUESTIONS

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