

# What Makes Stormwater Success Difficult?

Funding Constraints, Stringent Regulations and  
Misunderstandings

By

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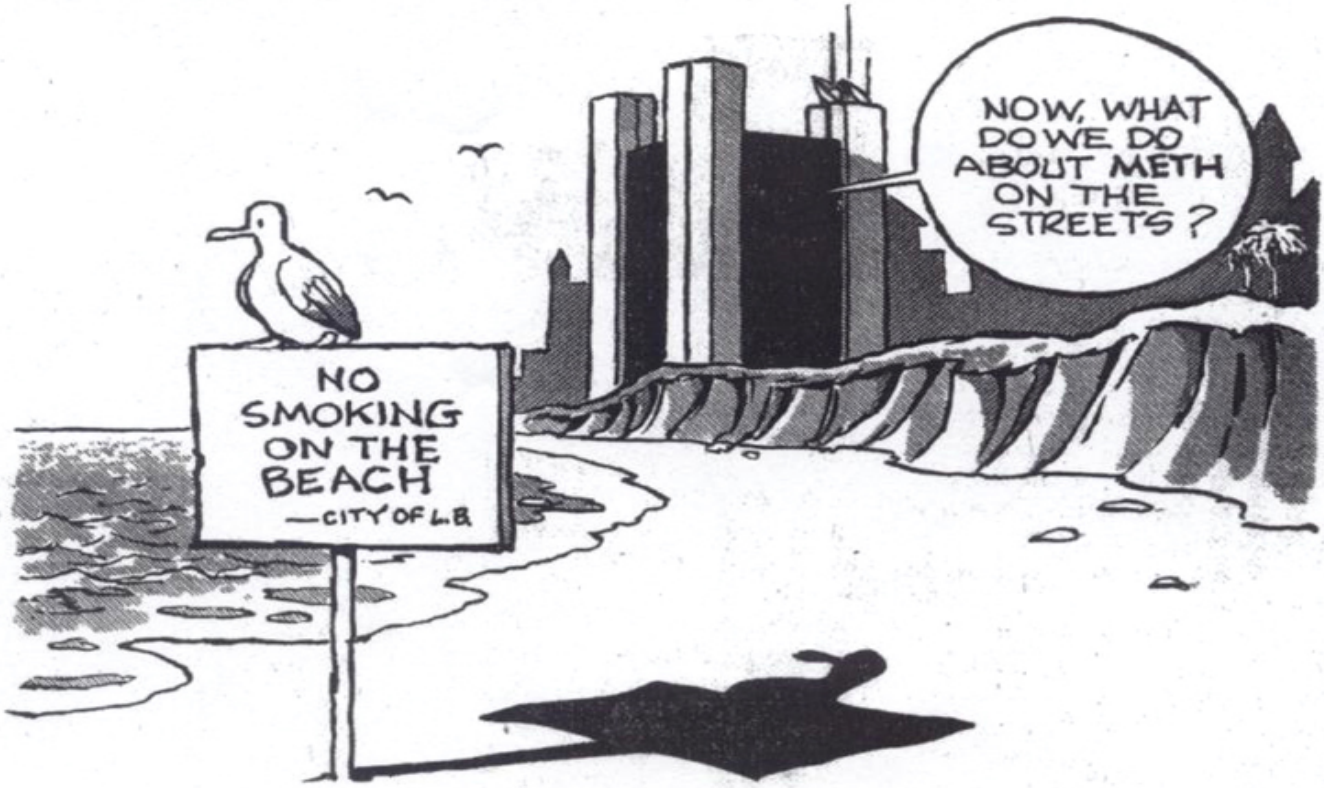
April 3, 2017

# Misunderstanding and the Failure to Communicate

- ▶ Public does not understand the issues
- ▶ “Taxing the Rain”
- ▶ City Council and Management Staff “Turn Over”
- ▶ Lack of Expertise at the Public Works/Planning Level

# Misunderstanding and the Failure to Communicate

- ▶ Lack of Control over Public Schools/Institutions
- ▶ SB 541 - Senator Allen
- ▶ NGO's got fed up (i.e. TMDL Consent Decree)
- ▶ Regulators often don't fully understand local government financial issues
- ▶ Competing priorities for limited funds (local, state and regional level)



NOW, WHAT DO WE DO ABOUT METH ON THE STREETS?

NO SMOKING ON THE BEACH - CITY OF L.A.

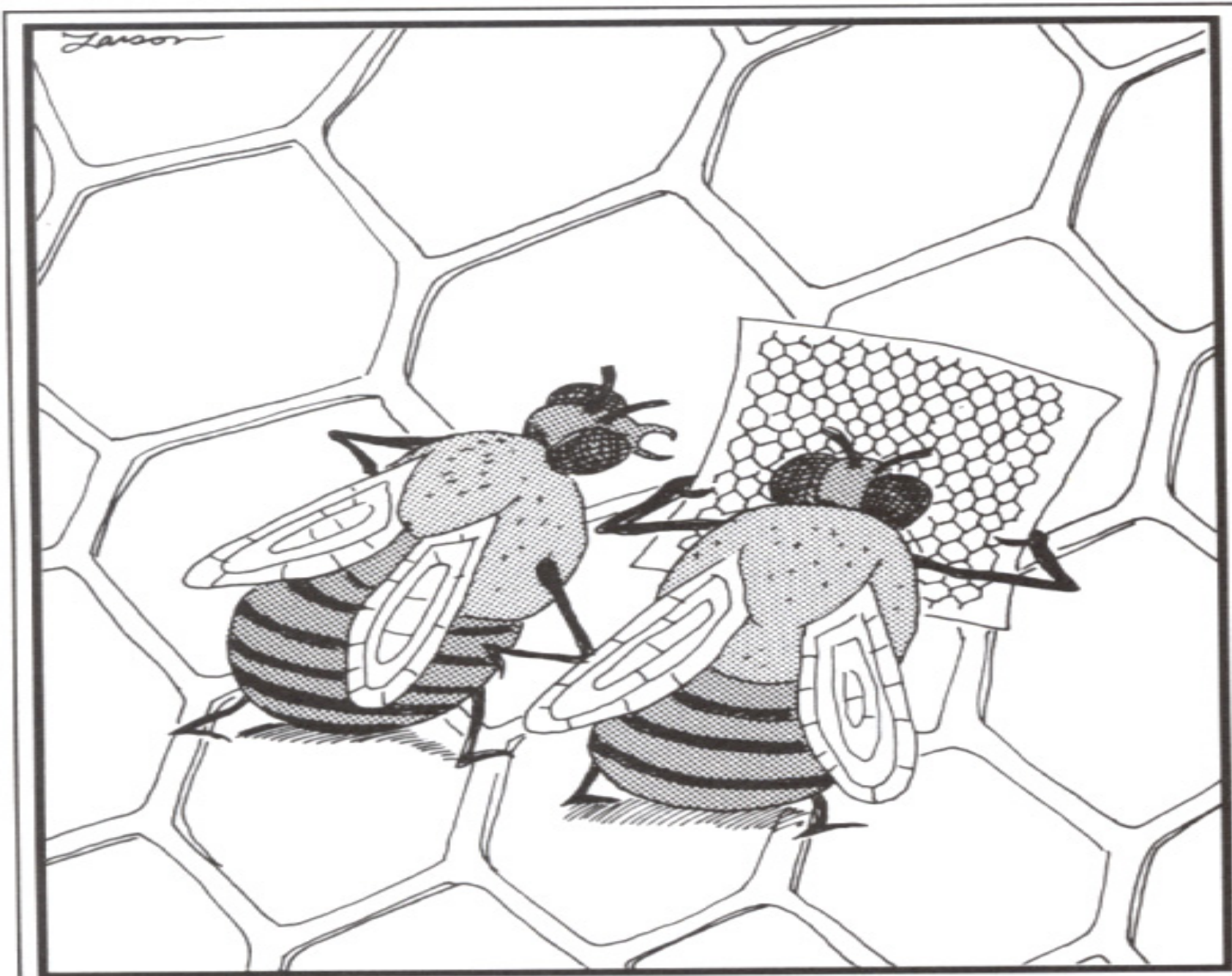
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# Increasing Complexity of the Permits

- ▶ Substantial Requirements Added to the Permits
- ▶ Early 2000's Round of Permits (Meeting and Exceeding Water Quality Standards)
- ▶ Early 2010's Round of Permits (TMDLs Added and lead to watershed commitments)
- ▶ TMDL targets and implementation schedules are problematic

# Increasing Complexity of the Permits

- ▶ Problems with the 303(d) Listings - Real Time Data?
- ▶ Scientific Issues with the California Toxics Rule
- ▶ Science is Expensive and Time Consuming
- ▶ Designing and Constructing Projects Lacking Sound Science
- ▶ Reasons for the Unfunded Mandates Claim and Permit/TMDL Litigation



“Face it, Fred—you’re lost!”



# Watershed Planning Adds Complexity

- ▶ 2012 Permit required that local governments decide on implementation strategy without knowing either the cost of compliance or how they would fund projects
- ▶ The concept of watershed planning is not mirrored in the practice of watershed implementation
- ▶ “Herding Cats” - Watersheds often contain communities with divergent resources and needs.

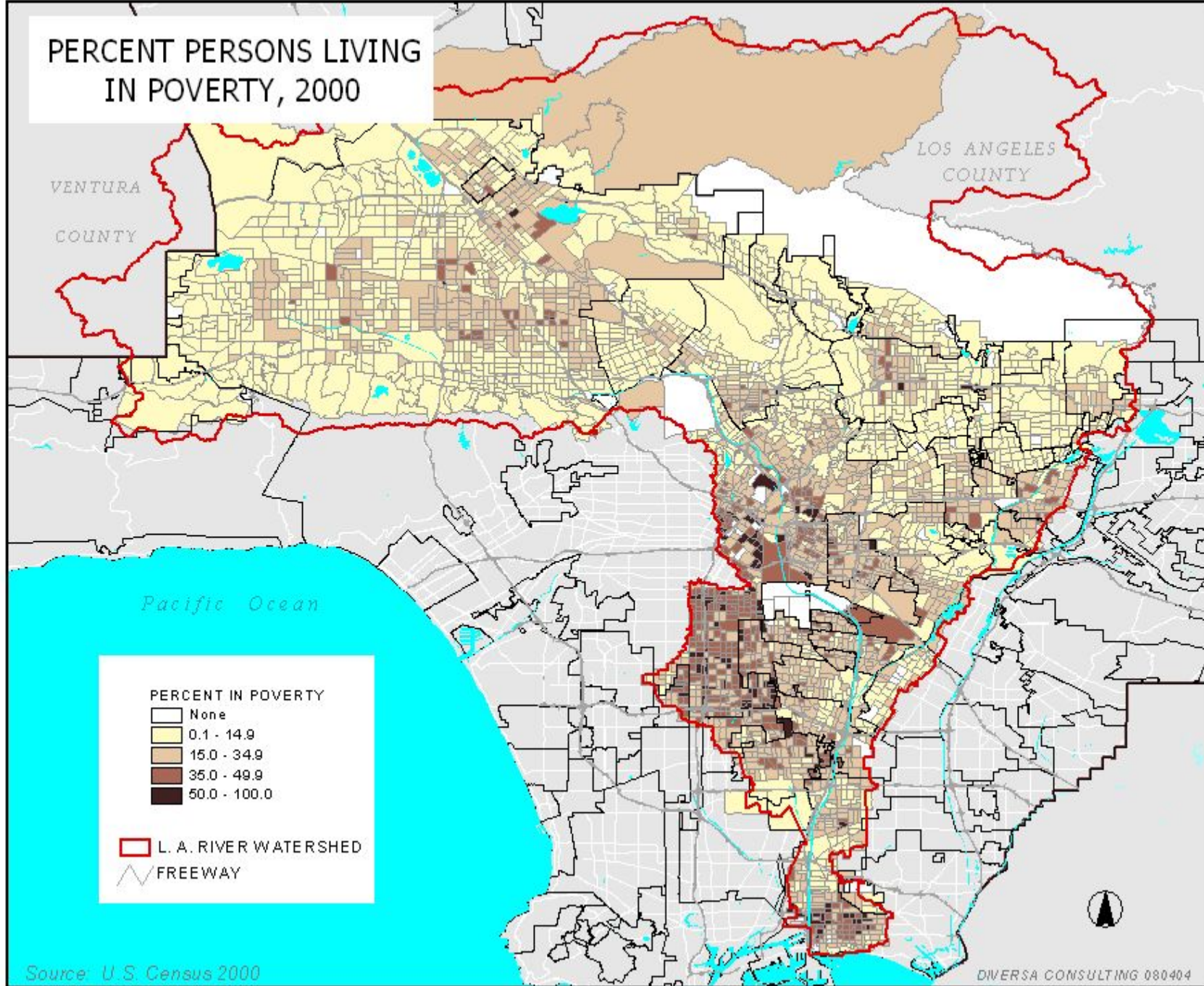




# Funding Constraints – Poverty and Affordability are Real

- ▶ 1,805,868 persons living in poverty in Los Angeles County (18.39%)
- ▶ The problems confronting disadvantaged communities
- ▶ U.S. Conference of Mayors Survey of Affordability (2014)
- ▶ SB 589 (Hernandez) – Need for streamlined Fiscal Capability Analysis

# PERCENT PERSONS LIVING IN POVERTY, 2000



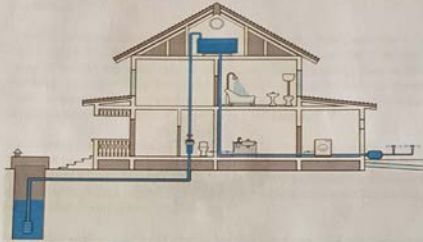
## Median Household Incomes – Gateway Cities

\$10,000	5.74%
\$10-\$20,000	10.77%
\$20-\$30,000	10.96%
\$30-\$40,000	9.99%
\$40-\$50,000	9.05%
\$50-\$60,000	7.83%

54.34%

County Median Household Income = \$55,870

18.39% of County residents live in poverty



**Public Water Cost Per Household:  
Assessing Financial Impacts of EPA  
Affordability Criteria in California Cities**



NOVEMBER 2014

Public Water Cost Per Household: Assessing Financial Impacts of EPA Affordability Criteria in California Cities

**Table C: Comparison of Public Water Cost and EPA Affordability Criteria**

	Public Water Cost Per Household (1) (\$)	2% of MHI (2) (\$)	4.5% of MHI (3) (\$)	Excess of 4.5% of Actual Income (4) (%)	10-YR Excess Payments (\$ Mill)
Alhambra	1,323.89	1,078	2,426	22.1	40.0
Acadia	1,493.78	1,546	3,480	23.8	29.3
Ames	720.18	1,016	2,387	10.1	2.8
Amesbury	836.75	1,015	2,284	11.1	8.5
Bellflower	878.63	765	1,722	14.5	5.2
Bell Gardens	1,549.98	NA	NA	NA	NA
Bradbury	1,498.78	1,615	3,663	21.1	15.0
Claremont	1,137.35	1,803	4,058	7.9	5.8
Diamond Bar	1,142.54	1,202	2,705	18.2	24.6
Downey	1,730.00	995	2,240	34.4	121.9
Escondido	1,172.11	1,492	3,257	12.6	10.0
Glendora	1,008.00	891	2,005	NA	NA
Inglewood	2,640.00	3,099	6,972	14.7	13.0
La Canada Flintridge	1,213.64	1,626	3,659	14.0	9.2
La Habra	1,936.08	1,530	3,443	35.3	25.6
La Verne	743.46	1,577	3,549	5.4	3.4
Lakewood	1,295.21	1,257	2,830	29.6	10.8
Lomita	1,429.12	2,688	6,050	10.9	7.6
Manhattan Beach	502.00	1,389	3,122	4.4	0.3
Monrovia	772.00	1,116	2,511	0.0	0.0
Monterey Park	1,790.48	1,209	2,721	17.0	27.7
Norwalk	1,439.19	883	1,987	39.4	27.0
Paramount	741.80	977	2,198	11.5	10.4
Redondo Beach	1,474.21	1,976	4,446	17.6	29.5
Sacramento	1,302.00	1,013	2,279	24.3	293.7
San Dimas	822.78	1,529	3,440	7.7	3.0
San Gabriel	679.00	1,125	2,531	8.0	1.7
San Marino	766.91	2,782	6,260	0.0	0.0
Santa Barbara	1,480.33	1,275	2,869	27.9	55.0
Sierra Madre	2,040.00	1,806	4,064	26.2	10.0
Signal Hill	796.69	1,315	2,958	11.6	13.6
South Gate	1,171.00	837	1,883	26.4	29.8
South Pasadena	1,384.98	1,683	3,788	17.3	11.3
Torrance	695.64	1,521	3,423	8.0	8.6
Vernon	580.00	NA	NA	NA	NA

(1) Includes spending on sewer, water and flood control.  
 (2) EPA affordability criteria under the CWA and the 1997 Financial Guidance (2% MHI).  
 (3) EPA affordability criteria under the SDWA (2.5% MHI).  
 (4) Comparing the percent of actual income spent to 4.5% MHI (2.5% MHI plus 2.0% MHI from CWA guidelines).

# Funding Constraints

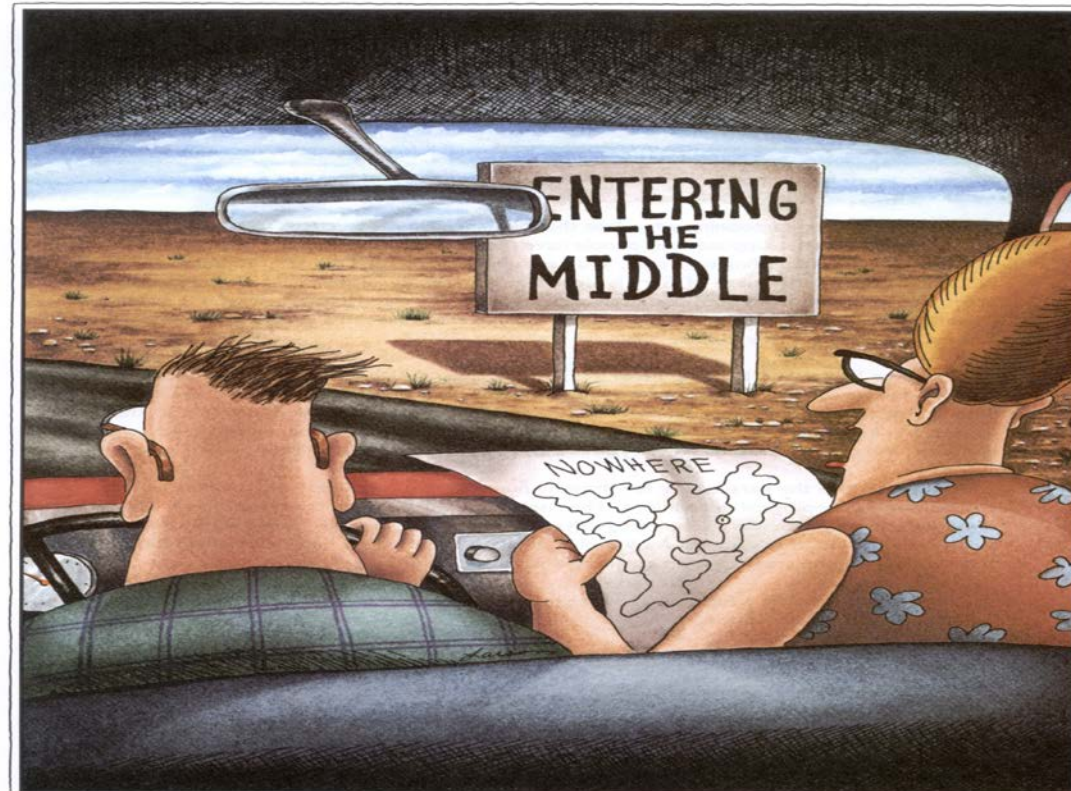
- ▶ Absence of Dedicated Funding - Reliance of General Funds
- ▶ Inability to Use the State Revolving Fund
- ▶ Inability to Use Public/Private Partnership (banks, unions, developers)
- ▶ Loss of Redevelopment Funds/ Infrastructure Funding
- ▶ Legislative funding solutions take time and effort (AB 1180 Assemblyman Holden)

# Problems and Potentials of Proposition 218

- ▶ Last century region faced massive water supply, flood control, refuse and wastewater challenges
- ▶ Regional and local utilities were formed to address the issues
- ▶ In the “Pre-Proposition 218” world the Legislature provided reasonable fee authority
- ▶ Can we learn anything from our history?
- ▶ Lack of recognition that managing storm water programs requires the same authorities as water, waste water and refuse utilities

# Conclusions

- ▶ Solutions and Opportunities Exist
- ▶ Solutions will require that we communicate and collaborate
- ▶ Solutions will require effort and time



"Well, this is just going from bad to worse."