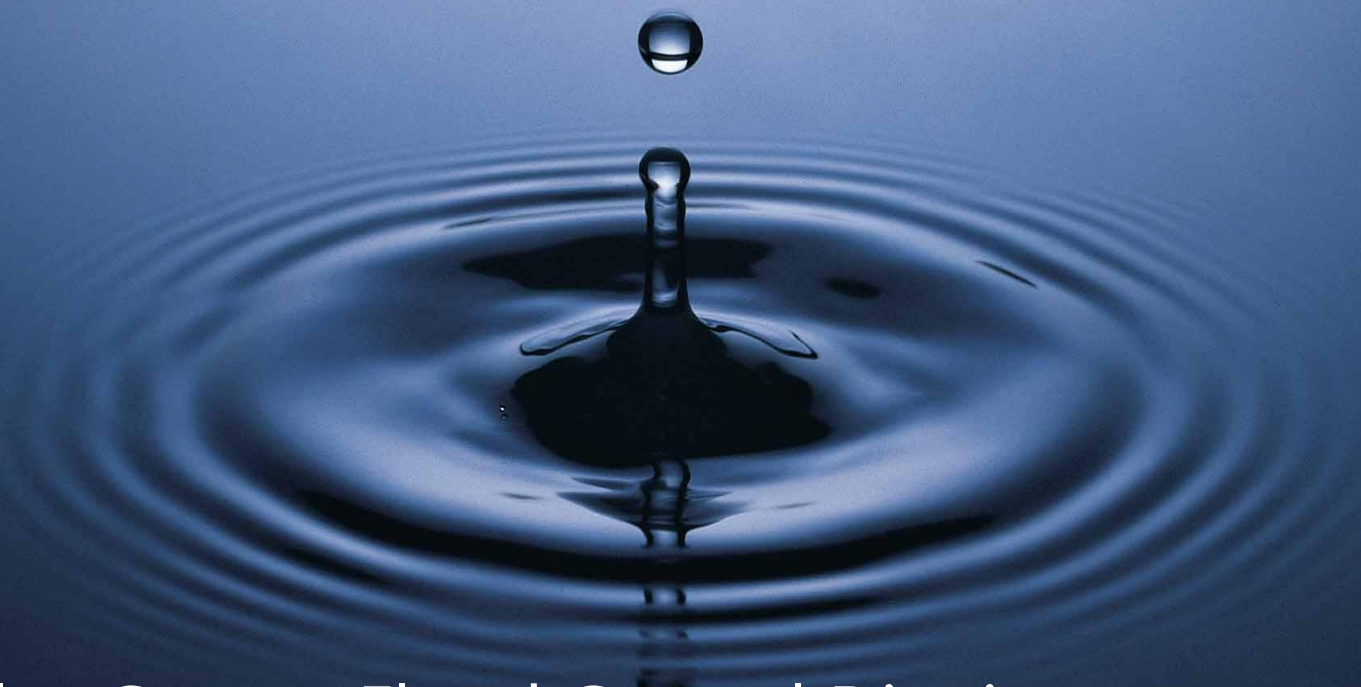


Clean Water... ...Clean Beaches



Los Angeles County Flood Control District
Water Quality Funding Initiative
September 8, 2011

All Cities Subject to TMDLs

- Rivers, lakes, beaches and bays contaminated with toxins, pollutants
 - 100s of beach warnings
- 500,000 children and adults get sick
- 3 million tons of urban trash on the beach



Critical LA Area Challenges

- Funding needed for new water cleanup projects
- Funding needed for operations and maintenance
- Limited local funding available; many competing priorities



A Solution

- A strategic, collaborative, focused approach
- A long-term, stable, dedicated funding source
- Fund both construction and O&M, and implementation of programs



Four Guiding Principles

1. Stormwater is a resource:
 - Retain it
 - Treat it
 - Replenish groundwater
2. Solutions are science-based, EPA-compliance oriented:
 - Develop by watershed
 - Use proven BMPs
 - Use EPA tools and methodologies



Guiding Principles, continued

3. Solutions can be multi-objective, incorporating:
 - Green Solutions
 - Water quality/supply
 - Recreation
 - Open space/parks
 - Habitat restoration
 - Community enhancement
4. The most effective treatment strategy is collaboration and partnerships



Los Angeles County Flood Control District

➤ Where We Live, Work and Play

- ❑ 10 + million residents - 25% of State CA population
- ❑ 2,752 sq. miles
- ❑ 86 cities
- ❑ 100 Unincorporated Communities



Public Financing Options in California

(Proposition 218)

- Bonds
- Federal & State Grants
- Tax (property, Sales, etc)
- Assessments
- User Fee



Proposition 218 Election Process

Registered Voters
Election

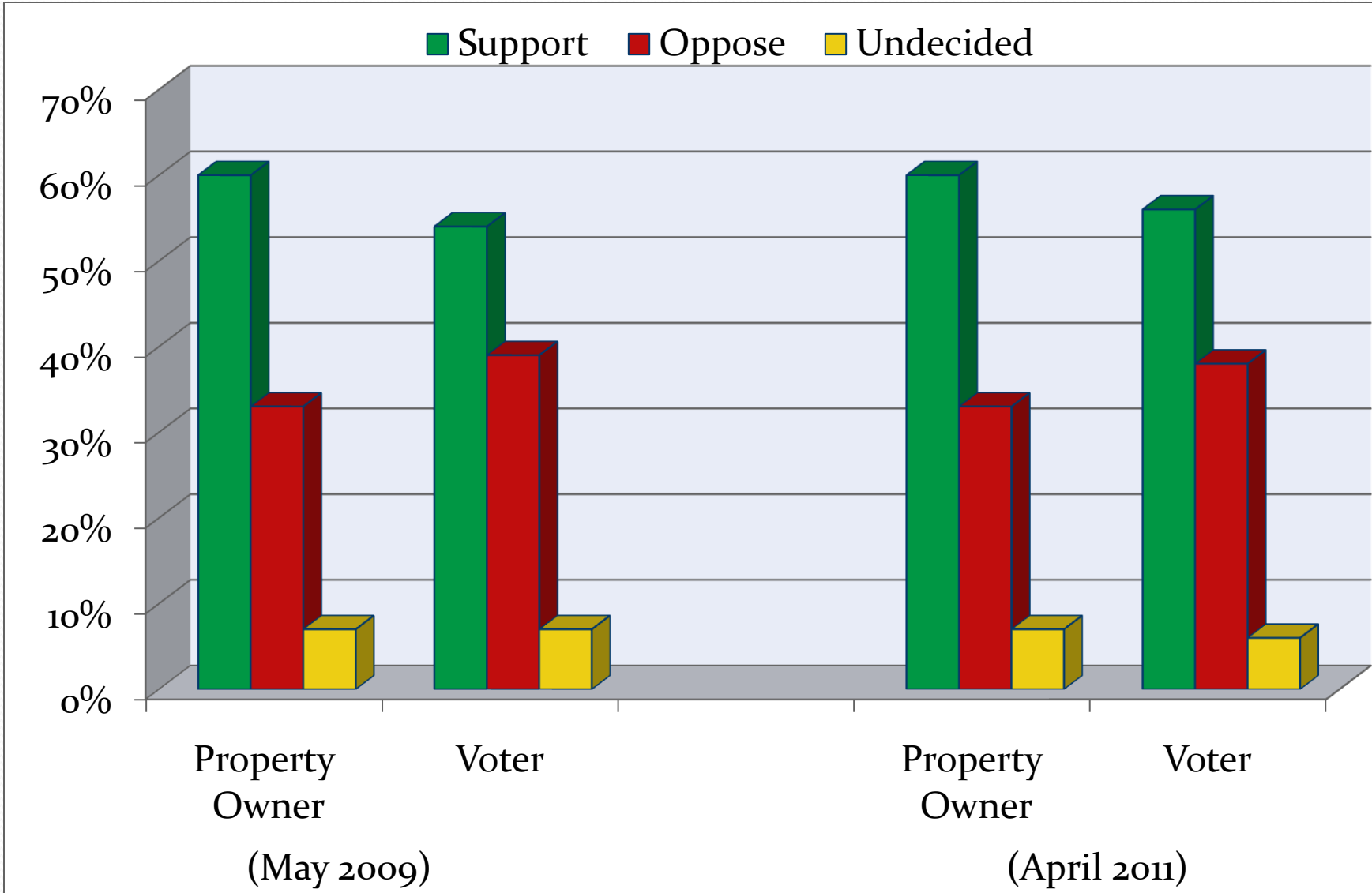
66.7%

Property Owner
Election

50% + 1

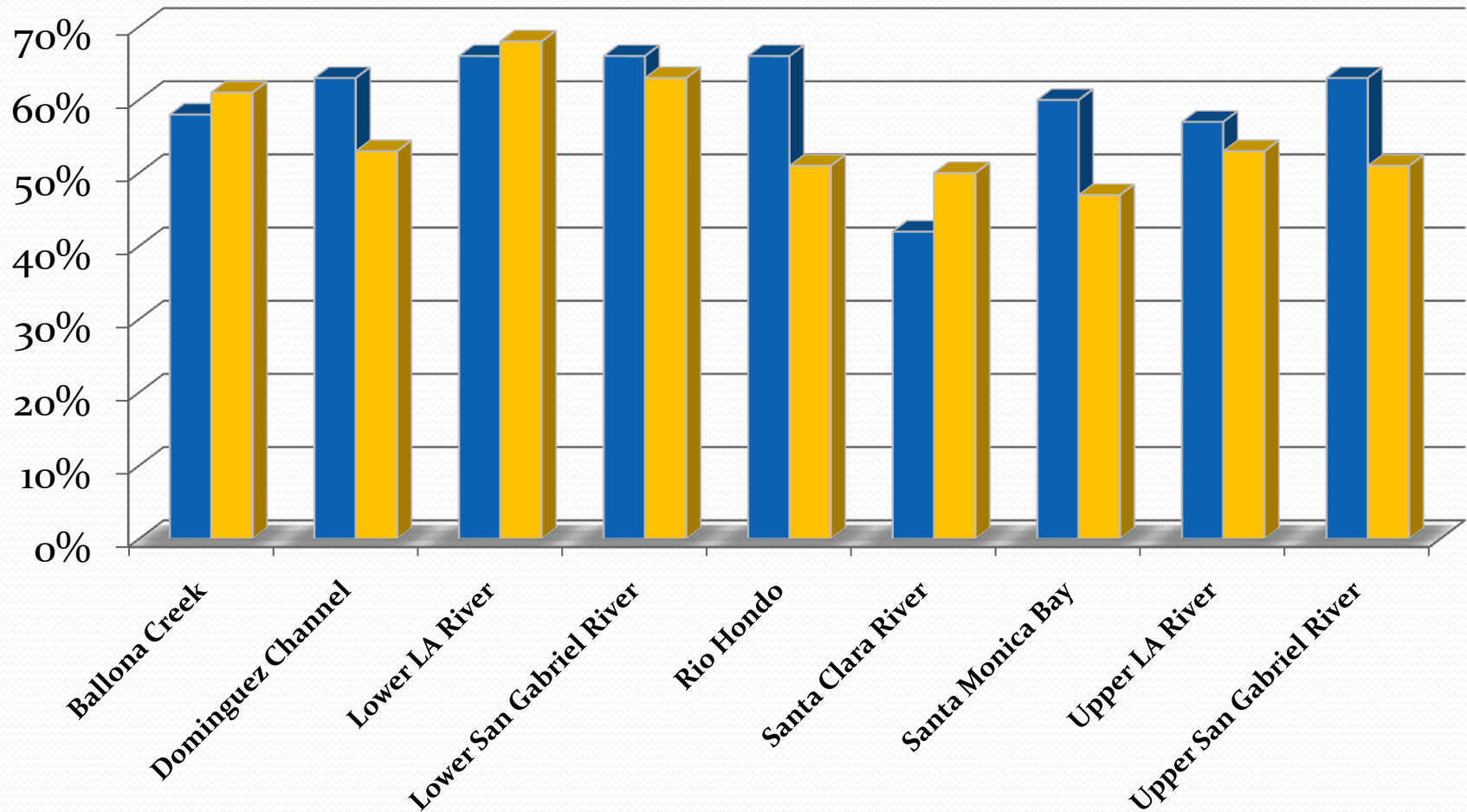


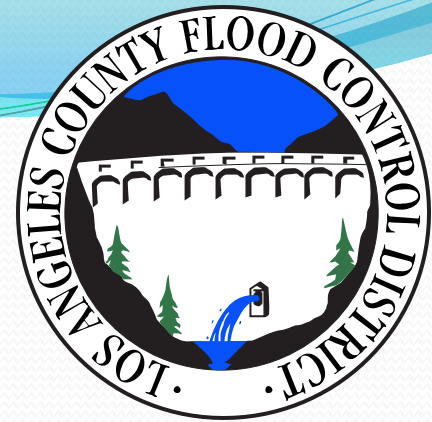
District-wide Support for the Fee



Support by Watershed (2011)

■ Property Owner ■ Voter





➤ Assembly Bill 2554

- ❑ Amended the Los Angeles County Flood Control Act
- ❑ Gives LACFCD authority to charge a water quality fee



- ❑ Fee must be parcel-related
- ❑ Creates 9 regional Watershed Area Groups (WAGs)
- ❑ 50/40/10 revenue allocation formula
- ❑ Requires an implementation ordinance

Parcel Based Fee

- All Parcels Pay
 - Residential
 - Commercial
 - Industrial
 - Government



...If it rains on your parcel, you're likely contributing to water quality issues.

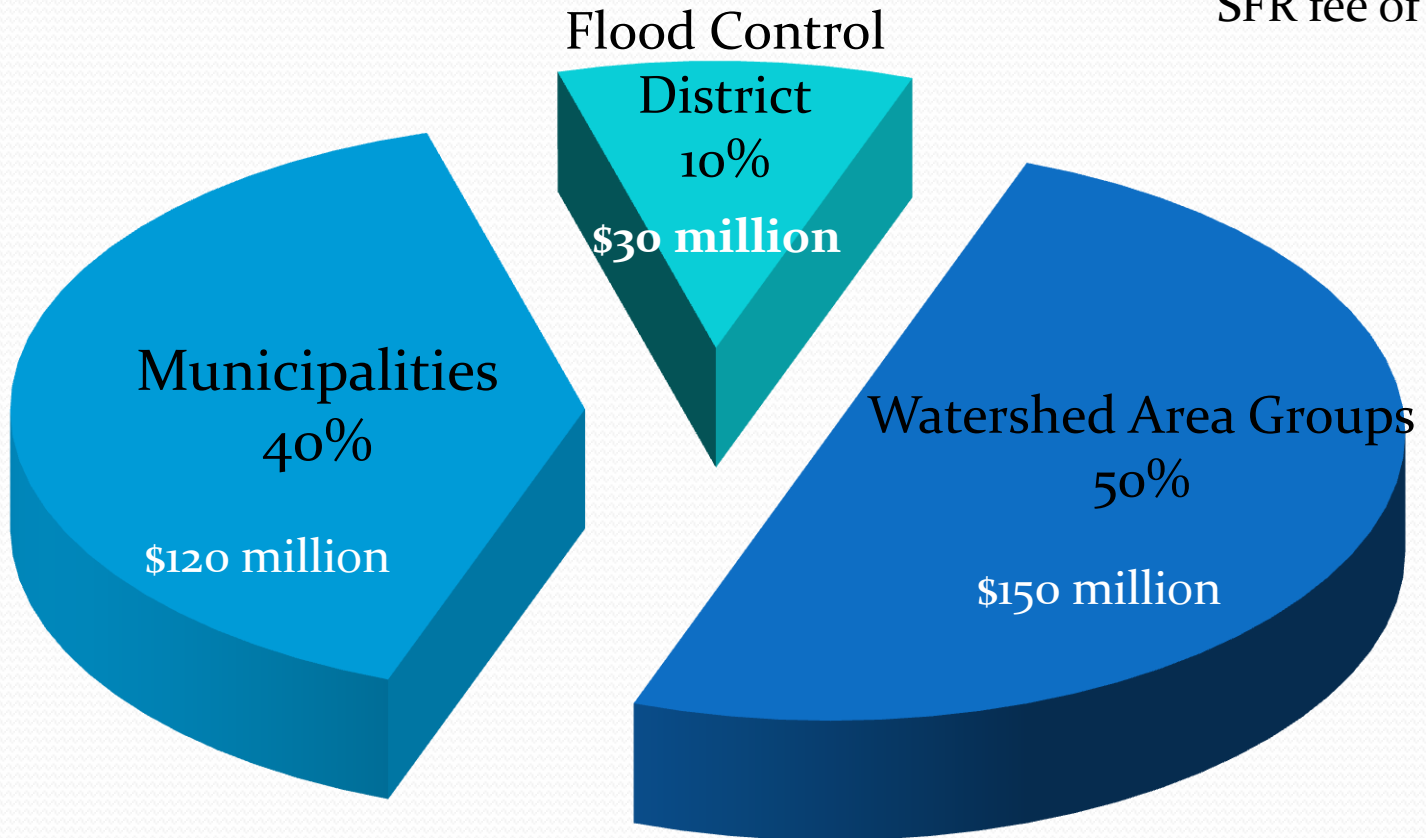
Why do Government Parcels Pay?

- They will receive the benefit
- It's the law:
 - Text of Prop 218
 - Case Law (San Marcus Water District vs. San Marcus Unified School District)
 - Opinion of County Counsel
 - Opinion of State Attorney General

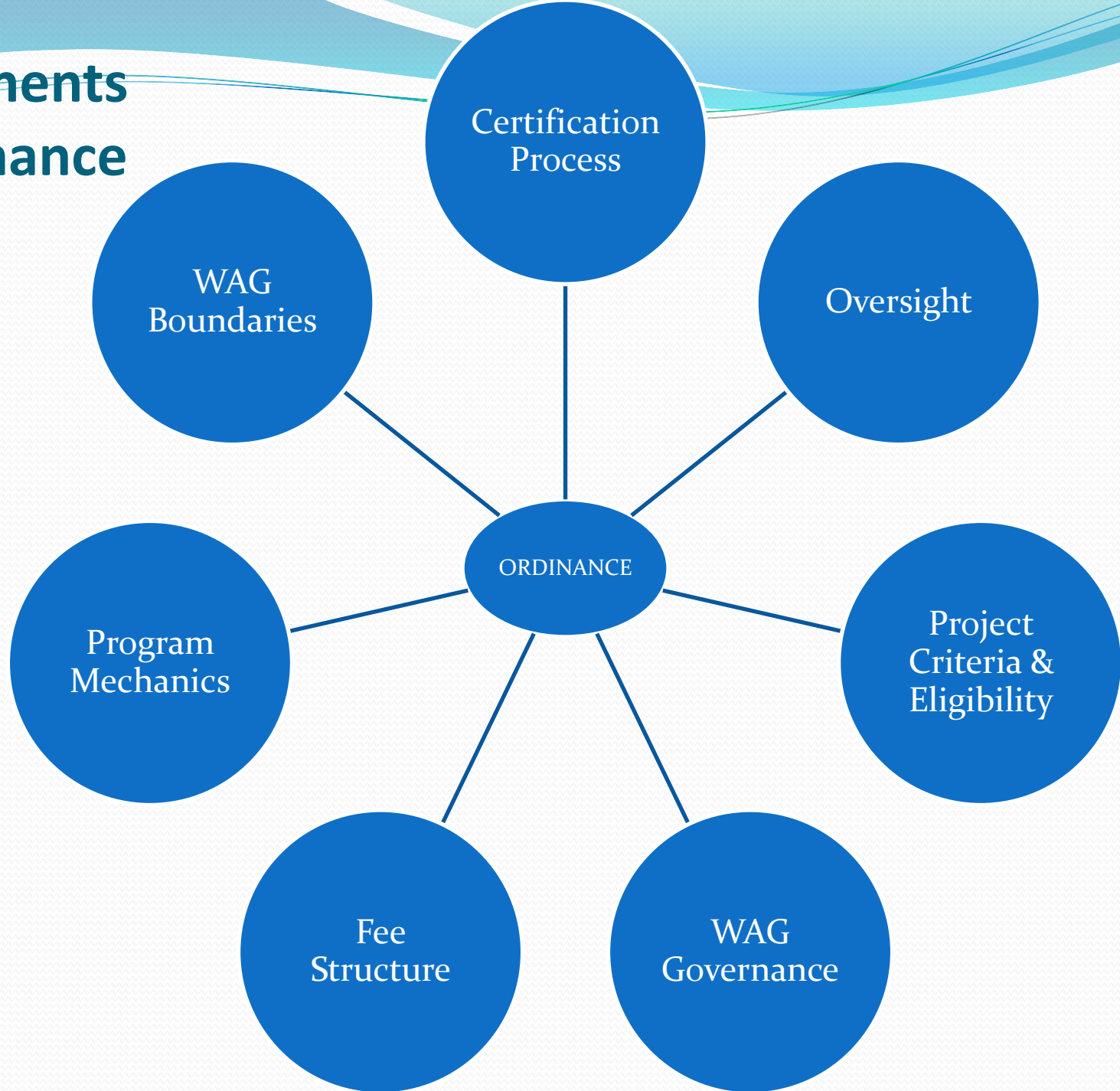


Estimated Annual Revenue*

* Based on typical SFR fee of \$54



Key Components of the Ordinance



General Program Provisions

Eligible Expenditures



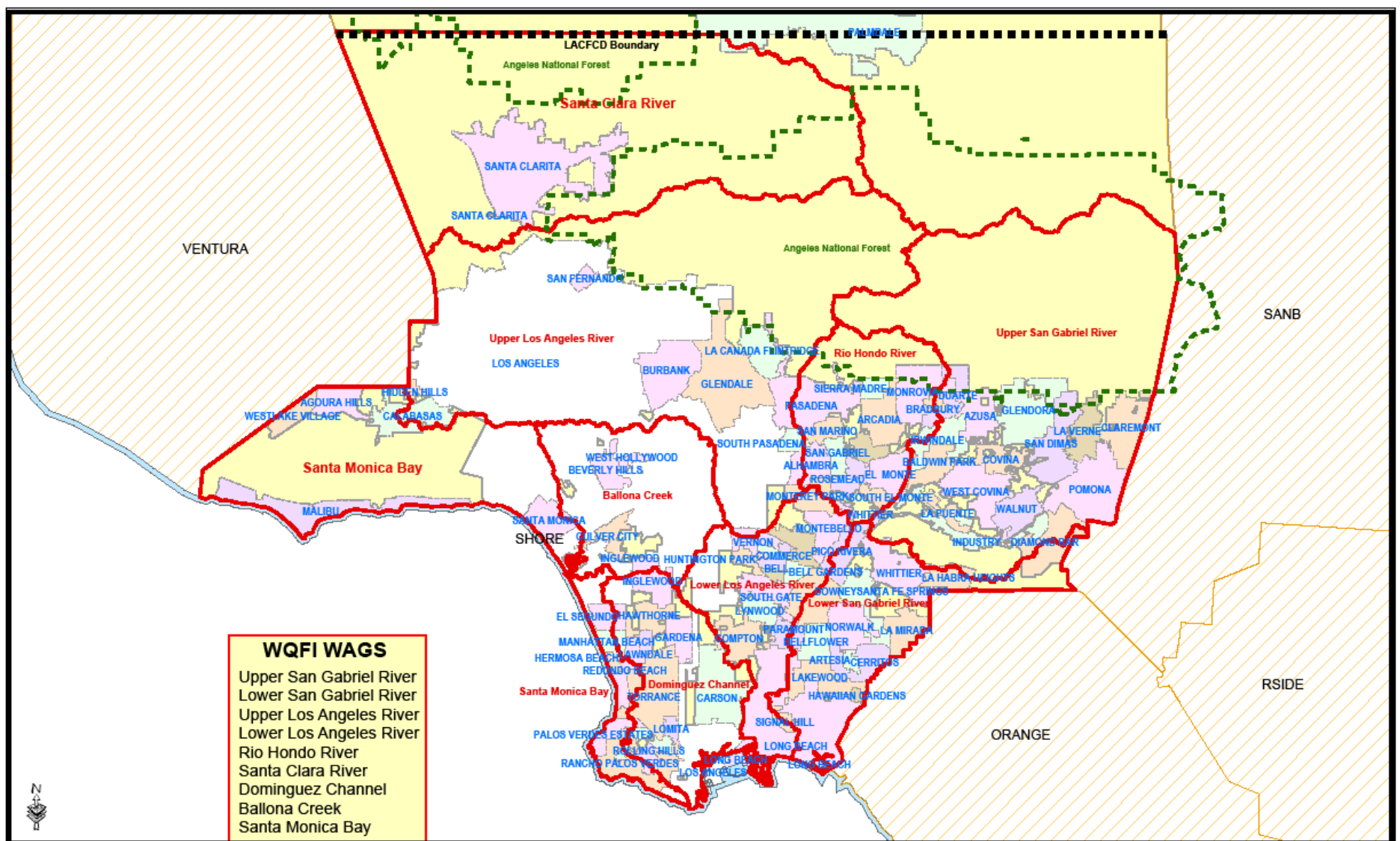
- ❖ Water Quality Projects & Programs
- ❖ Construction, MS4 Permits, Studies, Monitoring
- ❖ Existing Programs/ Maintenance of Existing Projects
- ❖ Education

Ineligible Expenditures



- ❖ Non-water quality components of projects & programs
- ❖ Fines & Violations
- ❖ Any expense associated with litigation

Watershed Area Groups



Watershed Area Groups (WAGs)

50% Return to Watershed Area Groups

- ❖ Made Up of Municipalities within the WAG
- ❖ Regional Projects & Programs
- ❖ Develop and Implement a **Water Quality Improvement Plans (WQIP)**
- ❖ Stakeholder Advisory Panel
- ❖ Annual Report and Audit



Water Quality Improvement Plans (WQIPs)

- ❖ Rolling 5-Year Plan, Updated Annually
- ❖ Identify and Prioritize Regional Projects & Programs
- ❖ Aligned with Other Plans (IRWM, Basin Plans, etc)
- ❖ Plan Reviewed by Oversight Board & Approved by Board of Supervisors



Multi-Benefit Opportunities

- Draft ordinance encourages “Sustainable Solutions” & Multiple Benefits



- Protecting and enhancing available water supply through rain water harvesting and ground water replenishment
- Water conservation/reuse
- Flood protection

- Protection of public health
- Protection of open space and natural areas that provide water quality benefits
- Creation, restoration or improvement of wetlands, riparian and coastal habitats to provide water quality benefits or restore resources damaged by stormwater pollution



Stakeholder Involvement

- Selection of Programs & Projects will be a stakeholder driven process
- Draft ordinance requires WAGs & Municipalities to provide for Stakeholder input into the development of WQIPs and project selection.



- WAGs must establish a Stakeholder Advisory Panels
- Municipalities must develop stakeholder engagement processes



Municipalities

40% Local
Return
to Cities...

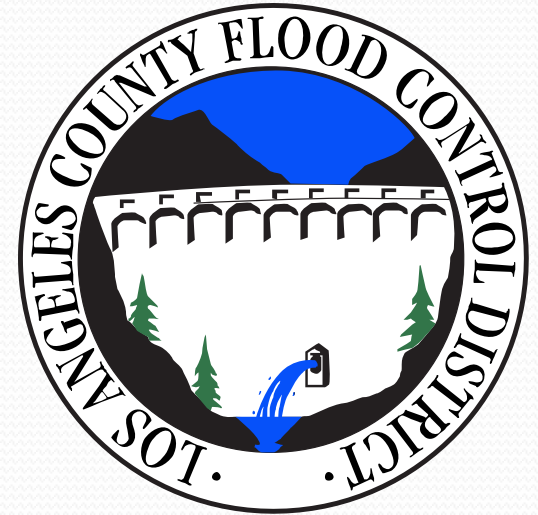


- ❖ Local Projects
- ❖ Maintenance and Upgrade of New & Existing Facilities
- ❖ Annual Report to District & Annual Audit
- ❖ Projects Over \$1 million submitted to Oversight Board for Approval

FLOOD CONTROL DISTRICT

10% to Flood Control District

- ❖ Program Administration
- ❖ Enhanced WQ Monitoring
- ❖ LACFCD WQ Projects & Programs
- ❖ Assistance to Municipalities & WAGs



Oversight Board

Governance

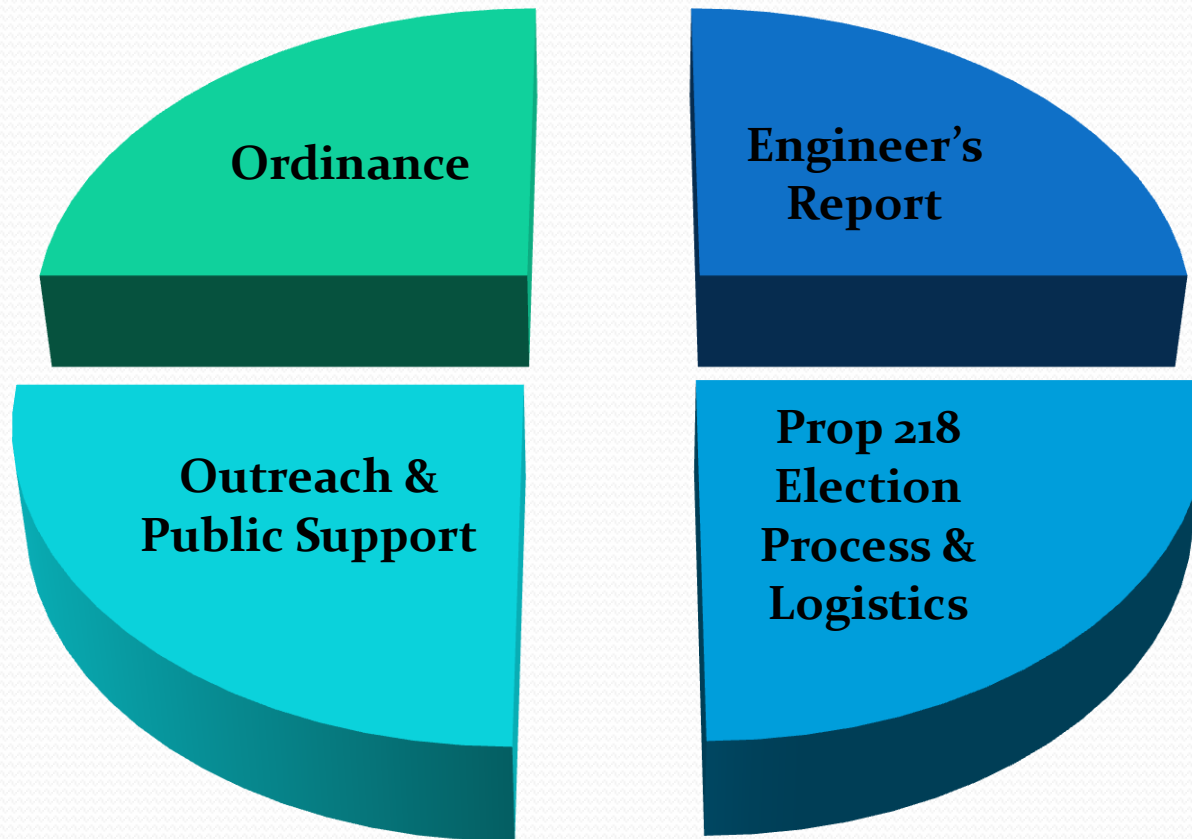
- ❖ Thirteen members:
 - 9 from WAGs (1 each)
 - 1 from FCD
 - 1 from NGOs
 - 2 from Public

Purpose

- ❖ Review WQIPs, make recommendations to BOS on Certification (Project & Program Eligibility)
- ❖ \$1 Million Rule
- ❖ Review Overall Program
- ❖ Specific Technical Qualifications for Members

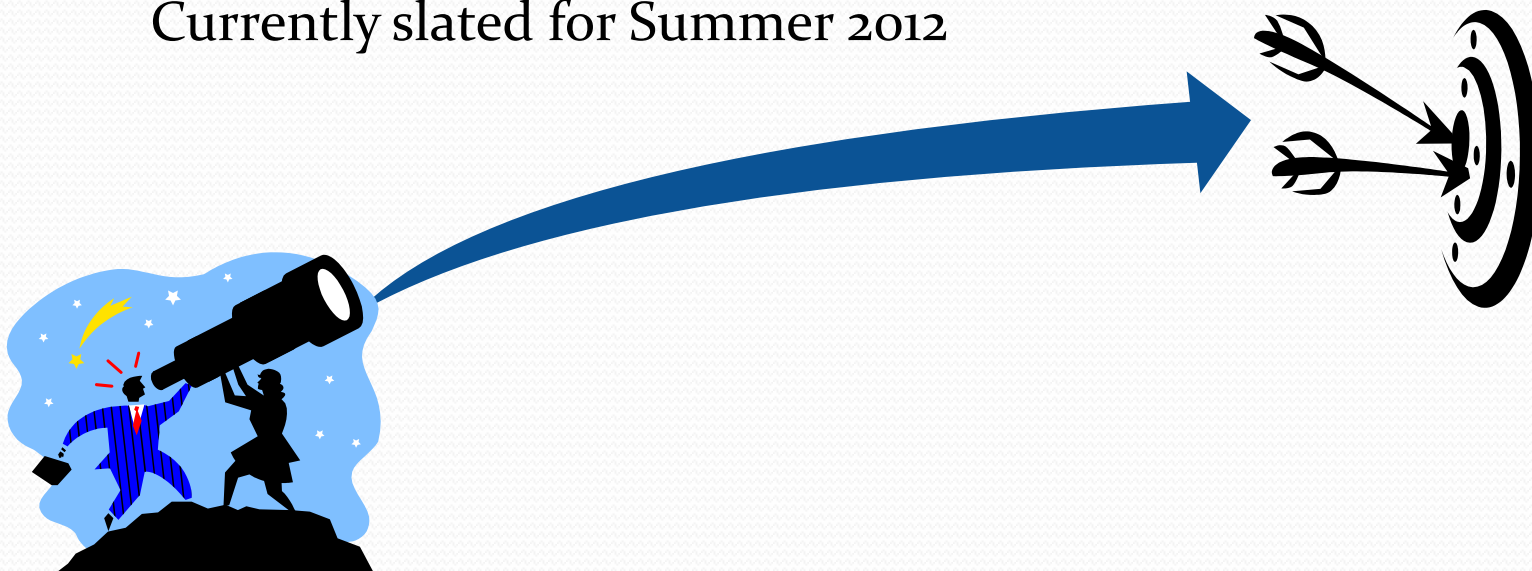


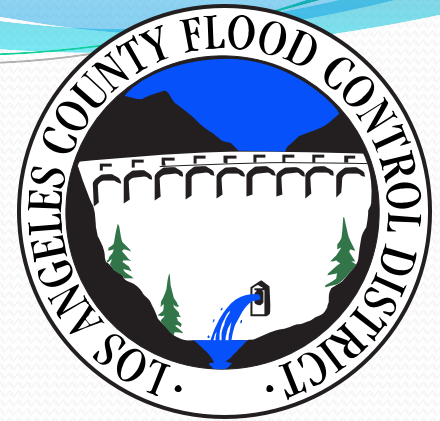
How Do We Make It Happen??



➤ Next Steps

- Draft Ordinance Out for Public Comments
(Comments Due by October 4th)
- Engineer's Report (Fee Calculation/Justification)
- Legal Review, then to Board of Supervisors for Approval
- Election
Currently slated for Summer 2012





Thank You

Questions?

<http://dpw.lacounty.gov/lacfcd/wqfi/>