



DISCUSSION ITEMS

Agenda Item # 8

AGENDA REPORT SUMMARY

Meeting Date: May 22, 2018

Subject: Clean Water and Storm Drainage Public Opinion Survey

Prepared by: Susanna Chan, Public Works Director

Approved by: Chris Jordan, City Manager

Attachment(s):

1. Survey Information Fact Sheet and Survey Forms
2. Survey Summary and Recommendations

Initiated by:

City Council

Previous Council Consideration:

April 26, 2016

Fiscal Impact:

The current contract with SCI Consulting Group to develop project approach, conduct pre-polling stakeholder interviews, and conduct community opinion survey is \$62,557. Additional funding allocation may be required depending on Council direction on next steps.

If a funding measure is pursued and supported by the community, it will create a dedicated funding source for the stormwater program that is currently funded by General Fund.

Environmental Review:

This agenda item is merely presenting public opinion results. However, any future stormwater fee would be exempt from environmental review under the California Environmental Quality Act ("CEQA") pursuant to CEQA Guideline 15378 as the adoption of any fee does not meet the definition of a "project" because it serves as the creation of new government funding mechanism or constitutes other government fiscal activities that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. Further, any fee adoption would also be exempt under CEQA Guideline 15273(a)(4) as rates or charges to obtain funds for capital projects.

Policy Question(s) for Council Consideration:

- Does Council desire to consider proposing a funding measure for clean water and storm drainage based on the community opinion survey results?
- If Council desire to consider proposing a funding measure, should the City launch an information outreach effort to inform property owners about the proposed funding measure?



Subject: Clean Water and Storm Drainage Public Opinion Survey

Summary:

- The current stormwater program is funded by General Fund
- A citywide clean water and storm drainage opinion polling was conducted in April 2018 with 10,491 surveys mailed to all property owners in the City
- Three survey versions were mailed, each with a unique set of proposed storm drainage services and improvements and a corresponding proposed fee rate
- A total of 2,124 surveys were returned for a return rate of 20.6%
- The survey found that Los Altos property owners strongly desire increased investment in storm drainage infrastructure, and are willing to pay for it especially at a rate less than \$100 per year per parcel

Staff Recommendation:

Receive a report on the clean water and storm drainage public opinions survey results and provide staff direction on next steps



Subject: Clean Water and Storm Drainage Public Opinion Survey

Purpose

Receive a report on the clean water and storm drainage public opinions survey results and provide staff direction on next steps

Background

Stormwater management is one of the core functions of the City. The Public Works Department is responsible for the operation and maintenance of a network of stormwater conveyance facilities that deliver stormwater runoff to the four creeks in Los Altos which terminate at the San Francisco Bay. The estimated replacement value of the stormwater conveyance network is approximately \$170 million in current dollars.

In addition to operation and maintenance responsibilities, the City is required to comply with the Municipal Regional Permit (MRP) under the National Pollutant Discharge Elimination System (NPDES) permit issued by USEPA through the San Francisco Regional Water Quality Control Board (Water Board). The program aims to improve stormwater runoff quality and protect local creeks, channels and the San Francisco Bay. Compliance with the MRP requires a significant level of City resources.

The stormwater program is currently funded by General Fund with annual allocation of approximately \$470,000 for operation, maintenance, and regulatory compliance and \$300,000 for capital improvements. On April 26, 2016, the City Council adopted the Stormwater Master Plan which determined the appropriate service levels for operation and maintenance as well as identified and prioritized capital improvement needs. As part of adopting the Master Plan, the council expressed interest to explore options to develop a dedicated revenue source to fully or partially fund the stormwater program.

Discussion/Analysis

The City issued a Request for Proposal (RFP) in 2017 to seek technical assistance to evaluate available funding options for the stormwater programs, gauge public support, provide public outreach and education, and implement the preferred funding mechanism based on polling results and direction from the City Council. Two proposals were received and SCI Consulting Group (SCI) was selected based on their expertise in this area. SCI's contract with the City is structured in two phases, with Phase I for community opinion survey and Phase II for implementation based on the outcome of Phase I. Currently SCI is only authorized for Phase I work.

In February 2018, SCI conducted a series focused pre-polling interviews with city staff and selected community members to help preliminarily identify the elements for a successful measure and develop the most-desirable key message. The selected community members have basic understanding of city operation but with limited knowledge on stormwater issues. The feedback received from the pre-polling interviews informed the development of the community survey questions.



Subject: Clean Water and Storm Drainage Public Opinion Survey

On April 2, 2018, SCI mailed 10,491 surveys to property owners in Los Altos. There were three different survey versions mailed, each with a unique set of proposed storm drainage services and improvements and a corresponding fee rate and detailed questionnaire. The rates associated with the three versions are \$39.57, \$71.57, and \$134.36.

A total of 2,214 surveys were returned for a return rate of 20.6%. The survey found that Los Altos property owners strongly desire increased investment in storm drainage infrastructure and are willing to pay for it especially at a rate less than \$100 per year per parcel. The support levels for each of the three rates surveyed are:

	Proposed Rate	Support Level
Survey 1 (O&M Only)	\$39.57	66.6% support
Survey 2 (O&M and High Priority CIP)	\$71.57	57.9% support
Survey 3 (O&M and High and Medium Priority CIP)	\$134.36	53.5% support

Other key findings from the survey include:

1. Both operation and maintenance and capital improvements of the storm drainage system are desired
2. Support is strong for all three major goals of stormwater program, including effective infrastructure, prevention of local flooding, and improved water quality
3. Property owners desire more information, especially detailed information that is quantitative and describes specific services
4. Strong fiscal controls and accountability are key provisions
5. A strong, effective, and comprehensive information outreach effort would be required

Based on the findings from the survey, SCI recommends that the City consider proposing a funding measure for clean water and storm drainage at a rate less than \$100 per year per parcel. A rate of \$100 per year would generate approximately \$1.2 million each year. Additionally, SCI recommends that City launch a robust informational outreach to inform property owners about the activities and projects that the measure would fund and to answer questions property owners may have related to the proposed measure. More details of the survey results are provided in Attachment 2.

Nest Steps

If the Council decides to pursue a funding measure, staff can authorize SCI to initiate their Phase II work. Phase II includes financial engineering study, community education, and balloting.



Subject: Clean Water and Storm Drainage Public Opinion Survey

Options

- 1) Pursue a funding measure for the stormwater program at a rate less than \$100 per year per parcel

Advantages: Create a dedicated funding source for the stormwater program and allow General Fund currently allocated for this program to be used for other city priorities.

Disadvantages: New property related fee for Los Altos property owners

- 2) Not pursue a funding measure for the stormwater program

Advantages: No new property related fee for Los Altos property owners

Disadvantages: No dedicated funding source for the stormwater program. The program must compete for General Fund dollars which is the same funding source for general City Services and emergency services

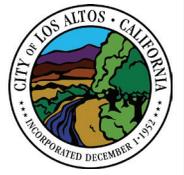
Recommendation

The staff recommends Option 1.

CITY OF LOS ALTOS OFFICIAL SURVEY

Clean Water and Storm Drainage Infrastructure

Information Fact Sheet



Why Am I Receiving This Survey?

All of us in Los Altos are dependent on our local storm drainage system to keep our streets, homes, and property safe from local flooding primarily due to seasonal rain storms. However, this critical infrastructure system is aging and in need of improvements, replacement, repair, and maintenance. It is crucial for our safety - particularly keeping our streets dry and safely navigable - and the protection of our property, that our local storm drainage system be effective and well-maintained. Also, in addition to being able to protect our streets and property from local flooding, this system must effectively ensure trash and other harmful pollutants are removed from storm water runoff before it flows into our local creeks (Adobe, Hale, Permanente, and Stevens) and San Francisco Bay.

In 2016, the City of Los Altos completed a comprehensive Storm Drainage System Master Plan (led by Schaaf and Wheeler Civil Engineers) which determined the appropriate service levels for operations and maintenance, confirmed to ensure clean water, and identified several High Priority system deficiencies including undersized pipes. As a result, the City of Los Altos is considering proposing a funding measure to help pay for these critical infrastructure needs, and seeks input from local property owners on your priorities for local flood protection and clean water projects. Please read the following information, then complete the enclosed survey and mail it back in the postage paid envelope as soon as possible. Your answers will help guide our efforts towards protecting the City and its residents from local flooding and protecting water quality.



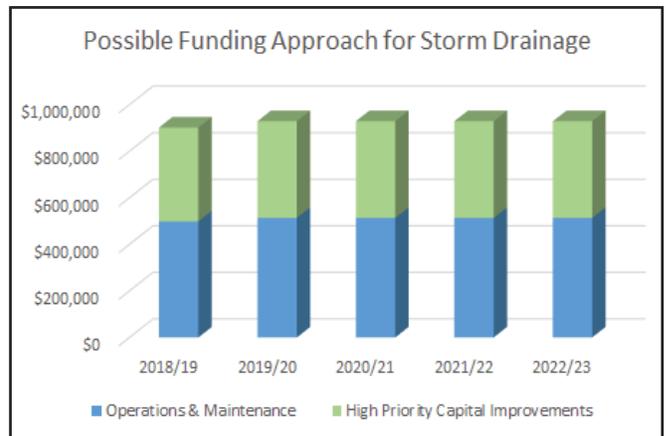
Los Altos planners and engineers implement "green" infrastructure solutions to ensure pesticides, trash and other pollutants do not enter our local creeks or San Francisco Bay.

Clean Water in Los Altos

The safety and quality of life of our residents, wildlife and environment are our top priorities. One of the best ways to achieve this is by ensuring safe, clean, healthy water in our community and natural habitats. Trash, such as plastics, cigarette butts, and other non-biodegradable products, gets swept into drainage systems with storm water runoff and drains directly into local creeks and the Bay. Chemical and bacterial contaminants such as fertilizer, pesticides, and animal waste are also spread through and pollute this untreated runoff. The City of Los Altos continues to install trash-capture devices and "green" infrastructure such as rain gardens that will minimize trash flowing through our storm drainage system and enhance the quality of our local waterways.

Investing in Local Infrastructure

Based upon the analysis in the City's 2016 Storm Drainage System Master Plan, City engineers and field staff expend \$495,000 annually on storm drainage operations and maintenance and clean water protection to comply with strict Federal standards (i.e., National Pollutant Discharge Elimination System ("NPDES") requirements). The Master Plan describes \$4.0 million in High Priority and \$12.2 million in Medium Priority capital improvements which the City plans to address over the next 7 to 10 years.



City engineers are considering various funding strategies to address storm drainage operations and capital improvements. One funding strategy being considered, as shown above, includes funding of annual operations and maintenance and High Priority capital improvements.

Preventing Local Flooding

The City owns, maintains and operates over 1,300 inlets, catch basins and outfalls and over 55 miles of underground storm drainage pipes. The City has 12 "hot spot" areas which are particularly susceptible to seasonal local flooding and operates a robust wet weather preparation and response program. The much-needed High Priority capital improvements are dispersed throughout Los Altos and include projects at Fremont Avenue, Loucks Avenue, Milverton Road, Payne Drive, Stonehaven Drive, Summerhill Avenue, and Woods Lane.

Wet Weather Flood Prevention Team

When a storm is forecast, a team of City engineers and maintenance staff proactively cleans drains and performs other preventative maintenance before the rain even starts. Once the storm arrives, this team patrols known problem areas, making sure inlets and catch basins are clear, and taking other action as necessary to prevent flooding. They also respond to calls from the public as needed.

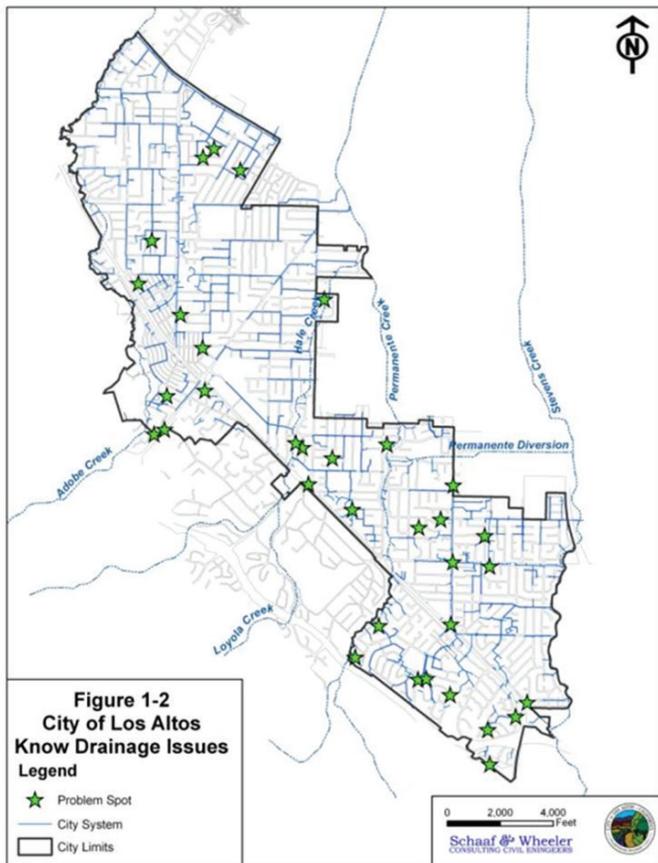


The Creek Clean Up Program keeps our local creeks litter-free.

CITY OF LOS ALTOS OFFICIAL SURVEY

Clean Water and Storm Drainage Infrastructure

Information Fact Sheet



City engineers and planners are implementing long-term, sustainable solutions to known drainage issues.

Protecting Our Local Neighborhoods

In order to ensure protection from damaging flooding in Los Altos, the City has given the following critical projects and programs priority to meet current needs:

- Maintain and rehabilitate pipes, catch basins and drain inlets to reduce the risk of local flooding and sink holes
- Improve watershed planning activities including plans for creek restoration projects and floodplain management activities
- Protect our creeks and the Bay from trash and pollution by installing and maintaining trash capture devices to cleanse the water before it enters local waterways
- Construct sustainable green infrastructure such as rain gardens to capture and treat polluted water from streets and parking lots



The new rain garden along Fremont Avenue demonstrates green infrastructure working to reduce flooding while ensuring clean water.

It is extremely important that the City of Los Altos is able to operate, maintain and upgrade our storm drainage infrastructure while ensuring our creeks and the Bay are well-protected from water pollution. The City is considering a ballot measure to provide funding to meet these goals and priorities.

Funds from a local flood protection and clean water ballot measure could only be used for local flood prevention and pollution control services. A ballot measure would include strict fiscal safeguards and annual audits. Your confidential survey responses will help shape the City's program priorities for this measure. Please complete and return the enclosed survey in the provided envelope as soon as possible.

Long-Term Financial Sustainability

Like most municipalities in California, the City of Los Altos is working to implement a dedicated, annual funding mechanism for clean water and storm drainage, similar to the fee structure that exists for our sewer and water services. This fee structure would guarantee long-term, sustainable funding for clean water and storm drainage, protected from near-term political cycles and financial challenges to the City's general fund.

Clean Water Services

While ensuring the City's storm drainage system keeps our streets and properties safe and dry, Los Altos city staff also coordinates creek clean ups; reviews new development projects to ensure water quality standards; responds to local flooding; makes emergency repairs and inspects commercial facilities to prevent water pollution.

System Deficiencies To Be Addressed

City engineers and maintenance crews have effectively maintained our storm drainage system on a limited budget for many years. However, much of the system is now over 50 years old, and reaching the end of its design-life. Also, much of the system was designed in the 1950's based upon standards that are inadequate today for overall capacity. Accordingly, our storm drainage system currently has issues with blocked inlets, ineffective drywells, undersized pipes, ponding, settlement, and a small number of streets with inlets or pipe systems.

Strict State & Federal Water Standards

The National Pollutant Discharge Elimination System (NPDES) Permit Program controls water pollution by regulating sources which discharge pollutants into our creeks and the Bay. As an NPDES permit holder, the City of Los Altos can be charged fines if it violates the terms of its permit. Funds from this measure will help to ensure the water that flows into our creeks and the Bay is clean and will help keep the City in compliance with NPDES requirements.

CITY OF LOS ALTOS OFFICIAL SURVEY

Clean Water and Storm Drainage



This survey has been mailed to property owners in the City of Los Altos to gather important information and opinions. Please fill out and return this survey as soon as possible. Your responses will help the City of Los Altos make decisions about vital clean water and storm drainage infrastructure.

PROPERTY OWNER NAME
 MAILING ADDRESS
 MAIL CITY, STATE, ZIP

Survey Instructions:

- 1) Read each question listed below.
- 2) Fill in the circle for your response. Please use a pen and completely fill in the circle.
- 3) Detach the bottom portion of this sheet containing your answers.
- 4) Place the bottom portion of this sheet in the return envelope and mail (no postage needed).

Detach Here Fill in Lower Portion, Detach at this Line, and Mail Back in Return Envelope Detach Here

Property owners in your area may be asked to vote on a local ballot measure. Following is a summary of the proposal:

- In order to protect our streets and properties from local flooding, and ensure clean water in our creeks and the Bay by:
- Maintaining, cleaning, repairing, rehabilitating and operating our storm drainage infrastructure; and
 - Making High Priority and Medium Priority capital upgrades to our storm drainage infrastructure; and
 - Protecting water quality into the future using sustainable, green infrastructure and operations; and
 - Establishing a dedicated storm drainage rate structure, similar to sewer and water rates, that reliably funds this infrastructure

would you support an annual fee on your property(s)* in the amount of \$134.36 on your property tax bill?

Definitely YES **Probably YES** **Probably NO** **Definitely NO** *0000104698*

*Fee amount is the proposed total combined annual amount for all properties you own in the City.

Now, please read the following statements regarding the proposed Clean Water and Storm Drainage ballot measure. For each one, please indicate whether they make you more or less likely to support the fee:

	Much More Likely	Somewhat More Likely	No Impact	Somewhat Less Likely	Much Less Likely
1. This measure would help protect the City of Los Altos from local street and property flooding by properly maintaining and rehabilitating its aging stormwater capture infrastructure.....	<input type="radio"/>				
2. This measure would protect one of the City's most critical infrastructure investments	<input type="radio"/>				
3. This measure would decrease flooding on local properties after rainstorms to protect homes, landscaping, businesses and schools.....	<input type="radio"/>				
4. This measure would pay for the maintenance of trash capture devices in storm drains which remove trash and pollution before they enter our local creeks.....	<input type="radio"/>				
5. This fee structure would guarantee long-term sustainable funding for clean water and storm drainage that protects from short-term political cycles and financial challenges to the City's general fund.....	<input type="radio"/>				
6. The City plans to address its storm drainage challenges in a way that is environmentally sustainable, including constructing green infrastructure and protecting sources of water	<input type="radio"/>				
7. Climate change is causing more severe storms in the U.S. than we have seen in the past. This measure will help minimize this risk and ensure quality of life for our residents.....	<input type="radio"/>				
8. The City of Los Altos must actively address its High Priority (\$4.0 million) and Medium Priority (\$12.2 million) capital improvements as described in the 2016 Storm Drainage System Master Plan. This is good government and makes sense.....	<input type="radio"/>				
9. This fee would be fully dedicated to clean water and storm drainage, and could not be used for any other reason by the City Council. It could not be taken away by the County or State governments....	<input type="radio"/>				

Please use the space below to write any reasons why you support or oppose this proposed measure. Also, please describe which issues are most important to you:

Summary and Recommendations
Storm Drainage Public Opinion Survey
City of Los Altos

Background

On April 2, 2018, SCI mailed 10,491 surveys to property owners in Los Altos. A total of 2,124 were returned by property owners for a return rate of 20.6% with a 1.90% margin of error. There were three different survey versions mailed, each with a unique set of proposed storm drainage services and improvements, and a corresponding proposed fee rate and detailed questionnaire. The rates associated with the three versions were \$39.57, \$71.57 and \$134.36.

The survey respondent pool closely parallels the likely universe of property owners who would probably vote in a mailed-ballot proceeding, and the survey results presented in the Report have been adjusted to account for the projected ballot participation for the proposed measure. Therefore, the overall results presented in this survey should be reflective of the actual ballot outcome from a property-related fee ballot proceeding for storm drainage, assuming the measure does not receive organized opposition.

Overall Results

This survey found that Los Altos property owners strongly desire increased investment in storm drainage infrastructure, and are willing to pay for it especially at a rate less than \$100 per year per parcel.

Based on these results, and as described in more detail below, SCI recommends that the City strongly consider proposing a funding measure for improved storm drainage operations, maintenance and capital improvements.

SCI makes the following additional recommendations:

1) Both Operations & Maintenance and Capital Improvement of the Storm Drainage System Are Desired.

The survey findings indicate that operations and maintenance (“O&M”), and capital improvements of the City’s storm drainage system is currently desired by a significant proportion of property owners in the City. Many of the comments spoke about the importance of flood control, as well as the importance of cleaning pollutants from the water flowing to the City’s creeks and the San Francisco Bay. The comments show property owners support improvements to, and maintenance of, the City’s storm drainage infrastructure in order to achieve these goals.

2) Support is Strong for all Three Major Goals of Storm Drainage: a.) Effective Infrastructure; b.) Prevention of Local Flooding; and c.) Improved Water Quality.

The survey found that there is broad-based support for support is strong for all three major goals of storm drainage:

- a.) Effective Infrastructure;
- b.) Prevention of Local Flooding; and
- c.) Improved Water Quality, a funding measure for storm drainage for all the rates tested.

3) Property Owners Desire More Information – Especially Detailed Information that is Quantitative and Describes Specific Services.

Whether they said they were in support of the proposed funding measures or not, property owners want more detailed and quantitative information about the measures before they make up their mind about whether to support them. The comments sections contained many questions about these proposed measures. In particular, property owners want to know details about how the funds will be spent, and about the City's current budget.

4) Strong Fiscal Controls and Accountability Are Key Provisions.

In addition to the questions noted in number 3 above, property owners also indicated they want assurances that the money from these measures will be spent on the projects the City says it will. Property owners want to be sure these new funds won't be mingled with the general fund and won't be spent on other projects.

5) A Strong, Effective and Comprehensive Informational Outreach Effort would be Required.

Although the survey indicates strong support for increased local investment in storm drainage infrastructure, an overall understanding of storm drainage is needed to assure overall support.

6) Overall Recommendations.

The survey found there is a strong desire for the City's services.

Support Levels were as follows:

Survey 1 (O&M Only)	\$39.57 per year	66.6% support
Survey 2 (O&M and Hi Priority CIP)	\$71.57 per year	57.9% support
Survey 3 (O&M and Hi & Med Priority CIP)	\$134.36 per year	53.5% support

Based on the findings from the survey, SCI recommends that the City consider proposing a funding measure for storm drainage at a rate less than \$100.00 per year per parcel. A rate of \$100 per year would raise approximately \$1.2 million in dedicated storm drainage funding per year.

In addition, SCI recommends that the City launch a strong informational outreach effort, in order to inform property owners about the specific projects the measure would fund, and to answer the other questions property owners have raised about the potential measure.