

**2015 ANNUAL REPORT ON THE WATER QUALITY
AND FLOOD PROTECTION PROGRAM
May 21, 2015**

INTRODUCTION

A voter proposition established this Oversight Committee and the Committee's duties were elaborated by the Rancho Palos Verdes (RPV) City Council in 2007. The Committee is instructed to annually review project expenditures and plans for the Water Quality and Flood Protection (WQFP) Program and to recommend a User Fee Rate for each fiscal year. The Committee currently consists of the following members:

Elizabeth Sala (Chair)
Yi Hwa Kim (Vice-Chair)
Krista Johnson
Frank Lyon
Mickey Rodich

The Committee met three times with the City's Finance and Public Works staffs in April and May. The Committee reviewed WQFP Program activities in FY14-15, as well as projects planned and budgeted expenditures proposed for FY15-16. Staff also provided the Committee with the proposed Storm Drain Plan through FY19-20, excerpts from the City's 2015 Five-Year Financial Model, the 2015 Capital Improvement Plan (CIP), and Staff's recommendation for the FY15-16 User Fee Rate.

This report conveys the Committee's conclusions and recommendations in accordance with its responsibilities designated by the City Council on May 5, 2009 and documented in RPV Municipal Code Section 3.44.080.

HISTORY OF COMPLETED PROJECTS

During the years this Committee has been in operation since 2007, the Staff has annually projected five-year models for identifying and implementing a list of 38 needed storm drain and water quality projects. The total project costs for the 38 originally-listed projects have been roughly estimated at \$46 million. The respective City Councils, with Staff advice, have set project priorities and implemented projects as funding was approved.

Staff has advised the Committee that of the original 38 projects, 34 have been addressed (through construction or mitigation by another project) at a total cost of about \$39.67 million. In rough order by dollar amount, the money for program initiatives that are completed or in progress has come from the City's General Fund (\$18.6 million), from collections of the Storm Drain User Fee (\$11.61 million), and from state and federal grants (\$9.46 million). Four projects remain unfunded at an estimated cost of at least \$9.37 million (in 2005 dollars). An additional \$2.23 million has been spent or committed for administration of the program, purchase of land and equipment, and an update of the Master Plan of drainage (funded from City's General Fund).

FY14-15 EXPENDITURES

The WQFP Program expenditure plan (i.e. budget) approved by the City Council for FY14-15 totaled \$7.66 million, including carryovers from the prior year. Based upon the staff report dated May 21, 2015, \$3.84 million had been spent or committed through June 30, 2015. Fiscal year expenditures are summarized by the Staff in the Storm Drain Plan through FY19-20 (Attachment A).

Major projects for FY14-15 are described in Attachment B.

Staff estimates a carryover from the FY14-15 budget to the FY15-16 budget of approximately \$3.81 million. Based upon Staff reports to the Committee this variance, between the \$7.66 million FY14-15 budget and the estimated FY14-15 expenditures of about \$3.84 million, is primarily attributable to the following projects (see Attachment C) that were delayed due to wrapping up the San Ramon Canyon stabilization project and staff vacancies:

- Altamira Canyon Drainage Study \$500,000;
- Storm Drain Lining \$799,470;
- Via Colinita & Roan projects \$231,095;
- South Hawthorne/Via Frascati projects \$440,000;
- PVDS projects (East of Barkentine and at Sacred Cove) \$896,000; and
- Marguerite Open Channel \$317,670.

FEE COLLECTIONS FOR FY14-15

User Fee collections are estimated to be about \$1.38 million during FY14-15.

COMMITTEE FINDING CONCERNING USER FEE EXPENDITURES IN FY14-15

The Committee believes that all WQFP Program costs for FY14-15 that included User Fee revenues have been properly committed and spent to discover and mitigate storm drain problems in the City. User Fees have paid for a significant portion of City investment in storm drain rehabilitation and new construction from 2007 to date, supplementing the General Fund from which the majority of such expenditures have been funded.

PLANS FOR FY15-16

Staff presented the Committee with a proposed FY15-16 Storm Drain expenditure plan in the amount of \$1.57 million (see Attachment A for details). These are newly budgeted funds, not including previously authorized but unspent funds (which are referred to above as “carryover” funds). When combined with the expected \$3.81 million in uncommitted funds to be carried forward from FY14-15, the total WQFP Program expenditures in FY15-16 are projected to be about \$5.38 million.

All planned projects appear necessary and are being funded appropriately under the present circumstances.

USER FEE RATE FOR FY15-16

The WQFP Committee recommends (3-2) that the annual Storm Drain User Fee for the FY15-16 be set at the maximum allowable rate of \$96.85/ERU as limited by the 0.1% increase in CPI (see Attachment D).

All members agree there are more known projects important to public safety and the protection of public and private property than there is funding available, even including the maximum user fee. The Committee believes the User Fee is an appropriate, reliable, dedicated funding source, authorized by the voters, which addresses known storm drain problems. Loss of the User Fee will cause storm drain projects to compete with other types of infrastructure needs for City funding.

OTHER COMMENTS

Taking note of the historic importance of the User Fee collections in funding critical WQFP projects, the Committee again recommends the City initiate planning for appropriate funding of the City's storm drain and water quality issues beyond June 30, 2016, when the Storm Drain User Fee sunsets. The last fee collections will occur during FY15-16.

Although storm drains have been the primary focus of WQFP funding since 2007, federal and state laws that are coming to bear on the City mandate expansive, new, water quality control measures which the City must fund.

Future funding of mandatory water quality projects may differ from storm drain issues in one key respect. The existing User Fee is not charged to those of the City's land owners whose parcels are served by County of Los Angeles storm drains. The existing storm drain User Fee is charged on a parcel-by-parcel basis only to that fraction of the City's land owners whose parcels are served by *City-managed* storm drains. Water quality measures, however, will affect all landowners, and, indeed, all residents. Therefore, water quality expenditures should be allocated citywide.

The Committee recommends the following:

1. The continuation of a dedicated funding source for storm drain projects, and;
2. The identification or creation of an appropriate funding source for mandated water quality projects and programs.

Attachments

A: Storm Drain Plan through FY19-20

B: April 9, 2015 Staff Report - STORM DRAIN PROJECT STATUS UPDATE

C: Storm Drain Project Sheets (excerpts from the draft 2015 Five-Year Capital Improvement Plan)

D: "Annual Fee Rate" excerpt from the Annual Report for the Water Quality and Flood Protection Program Storm Drain User Fee FY2015-16 prepared by Harris & Associates

**City of Rancho Palos Verdes
Draft 2015 Five-Year Storm Drain Plan**

Attachment A

Ref. Area	Prior Years' Paid FY05-06 Thru FY13-14	FY14-15 Budget	FY14-15 Spent or Committed	(Memo only) Expected Carryover to FY15-16	FY15-16 Draft Budget	FY16-17 5YR Model	FY17-18 5YR Model	FY18-19 5YR Model	FY19-20 5YR Model	Total Budgeted Projected By Project	Remaining Projects (Original 38)
Backbone Projects											
2	McCarrell Canyon	7,487,716	501,995							7,487,716	
2	McCarrell Canyon, Tarragon Property Acquisition	1,403,500								1,403,500	
1	Sunnyside Ridge	417,361								417,361	
A	3 Lower San Ramon Canyon Stabilization	16,505,919	2,775,934	2,386,053						19,281,853	
5	PVDE Miraleste Canyon System	-								-	2,839,637
B	6 PVDE San Pedro Canyon System	251,878	7,996							259,874	2,438,992
C	Altamira Canyon Drainage Study	-	500,000	500,000						500,000	1,750,000
	Paintbrush Canyon Drainage Study	-							120,000	120,000	
										-	
Pipe Lining											
D	12 Storm Drain Lining	3,996,696	799,470	799,470	340,836	347,653	350,000	350,000	350,000	6,534,655	
										-	
Capacity & Secondary System Projects											
E	7 Via Colinita & Roan Projects	210,329	231,095	231,095						441,424	
	Hawthorne Blvd. (closed FY10-11, re-allocated to the San Pedro Canyon Storm Drain Project)	-								-	
9	PVDE Lower Switchbacks	19,575								19,575	
F	6 South Hawthorne/Via Frascati	-	440,000	440,000						440,000	
11	Middlecrest Road Project	-								-	139,160
G	11 PVDS (East of Barkentine)	-	446,000	446,000						446,000	
H	11 PVDS at Sacred Cove	-	450,000	450,000						450,000	
										-	
Filtration Systems											
I	12 Catch Basin Filtration Devices	438,255	53,000	53,000						491,255	
2	30502 PVDW Catch Basin	8,600								8,600	
										-	
Other Projects											
2	McCarrell Canyon Interim, Barkentine/Seacove	135,000								135,000	
2	McCarrell Canyon Interim, Gabion & Timber Walls	119,213								119,213	
2	Palos Verdes Bay Club Interim Improvements	185,000								185,000	
10	PVDS Salvation Army Outlet	26,000								26,000	
6	Bronco Drive	66,000								66,000	
5	Noble View Canyon	27,000								27,000	
12	Citywide Interim, Other	7,400								7,400	
10	Alida Place Storm Drain Relocation	98,480								98,480	

**City of Rancho Palos Verdes
Draft 2015 Five-Year Storm Drain Plan**

Attachment A

Ref. Area	Prior Years' Paid FY05-06 Thru FY13-14	FY14-15 Budget	FY14-15 Spent or Committed	(Memo only) Expected Carryover to FY15-16	FY15-16 Draft Budget	FY16-17 5YR Model	FY17-18 5YR Model	FY18-19 5YR Model	FY19-20 5YR Model	Total Budgeted Projected By Project	Remaining Projects (Original 38)	
	3 Tarapaca Landslide Study	6,377								6,377		
	6 PVDE Engineering Reserve	20,360								20,360		
	6 PVDE Inlets	-								-		
	10 Mossbank Storm Drain Rehabilitation	245,885								245,885		
	4 PVDS @ Altamira Canyon	-								-		
	5 Via Canada	89,334								89,334		
J	12 Marguerite Open Channel	64,040	330,685	13,015	317,670					394,725		
K	12 Point Repair Projects	-	150,000		150,000	900,000				1,050,000		
	Miscellaneous Repairs & Maintenance									-		
	12 Miscellaneous Repairs	145,470								145,470		
	Storm Drain/Filtration Maintenance (includes Hawthorne, Montemalaga & Video											
L	12 Inspection/Cleaning)	785,153	725,286	347,306	266,029	245,544	250,455	250,000	250,000	250,000	2,756,438	
	Subtotal Project & Maintenance Costs	32,760,541	6,909,466	3,248,369	3,653,264	1,486,380	598,108	600,000	600,000	720,000	43,674,495	7,167,789
	12 Purchase of Push Camera	11,813								11,813		
	12 Administration (contract/staff engineer)	1,227,446	162,200	170,033		79,736	70,994	72,998	74,977	77,076	1,765,427	
M	12 Drainage Master Plan Program	226,384	583,616	424,360	159,256						810,000	
	12 Storm Water Enterprise Asset Registry	-									-	
	12 Asset Maintenance Management System	-									-	
	12 Hydrologic, Hydraulic & Pollutant Modelling	-									-	
	12 Analysis & Prioritizing of Deficiencies	-									-	
	12 Capital Improvement Programming	-									-	
	12 Land Acquisition	19,750									19,750	
	Total Program Costs	34,245,934	7,655,282	3,842,762	3,812,520	1,566,116	669,102	672,998	674,977	797,076	46,281,485	7,167,789
<p>Note: This schedule reflects actual costs and does not include depreciation or capitalization of storm drain improvements, which are included in the City's financial statements.</p>												



MEMORANDUM

**TO: HONORABLE CHAIR & MEMBERS OF THE
OVERSIGHT COMMITTEE FOR THE WATER QUALITY
& FLOOD PROTECTION PROGRAM**

FROM: KATHRYN DOWNS, ACTING DIRECTOR OF FINANCE

DATE: APRIL 9, 2015

SUBJECT: STORM DRAIN PROJECT STATUS UPDATE

RECOMMENDATION

Receive and file the storm drain project status update.

BACKGROUND & DISCUSSION

The FY14-15 budget includes total appropriations of \$7,655,282 for various projects, maintenance, and planning efforts; including \$2.8 million to complete the Lower San Ramon Canyon stabilization project. Staff expects to propose about \$1.5 million of additional appropriations for FY15-16.

Public Works Staff has prepared an update of all FY14-15 appropriated projects and FY15-16 proposed projects (see Attachment A). Staff will be prepared to present the status update and answer Committee Member questions.

PROJECT STATUS UPDATE**ATTACHMENT A**

Page 1 of 9

PROGRAM HIGHLIGHTS – PROJECTS INCLUDED IN FY14-15 BUDGET**San Ramon Canyon (PVDE/PVDS Roadway) Stabilization Project**

The San Ramon Canyon Project was completed in November 2014. The contractor completed the original scope of the project for less than the bid price due to the value engineered change orders approved shortly after the contract was awarded, favorable conditions in the field and effective construction management. The contractor was then asked to increase the scope to include improvements to the drainage along the switchbacks, which was on the City's list of storm drain projects. This additional work brought the value of the contractor's work to about \$15.3M, less than 2% over the bid. However, because this included an extra project and because this project would be eligible for 50% reimbursement from the State grant awarded to the City, it was not a hard decision to include it. The total of the overall costs for the San Ramon Project that are eligible for 50% grant reimbursement (dating back to September 2009 and including the extra work) have not exceeded the capacity of \$18.94M as stipulated by the grant awarded to the City. Therefore, with the State's permission, we are also contracting for additional work that will be grant eligible. This work is to restore the lining of the 66-inch McCarrell Canyon pipe which was installed in 2007. This steel pipe, very similar to the San Ramon Pipe, had been installed with a coal tar epoxy liner that did not stand up to the abrasion and impact of the debris laden storm water it conveyed to the ocean from Barkentine Canyon. A polyurethane liner, which is more flexible and resistant to impacts, will be used. This technology was used for the San Ramon pipe.

Master Plan of Drainage Program

The Master Plan of Drainage (MPD) was awarded to RBF Consulting (now called Baker Consulting) in October 2013. The city received its first draft report in January 2015, which has been reviewed and returned with comments. The draft included the identification of potential capacity deficiencies that will be cost estimated and prioritized in the final draft. The City also asked Baker to include results of a yearlong pipe inspection program, performed by a different City contractor, so that the list of prioritized projects will consider both capacity and condition deficiencies. We expect to have a final report later this spring.

Storm Drain Lining and Inspection

Costs to line the McCarrell Canyon pipe, that exceed funds budgeted to the San Ramon project will be accounted for under this item. The engineer's estimate for this work is \$620,000 and bids be received later in April.

When the last major lining project was completed in 2013, there remained a number of pipes though could not be lined due to the need for point repairs. Several of these have been addressed this year and work has been completed as a part of the PVDE Arterial Roadway Rehabilitation Project. The remaining pipes, those not in the PVDE project, are slated for design in this fiscal year and we expect to be under contract for design work by

PROJECT STATUS UPDATE**ATTACHMENT A****Page 2 of 9**

the end of the year. Construction of these repairs will likely occur in FY 2015-2016.

In addition, a 3-year contract was also awarded last year to inspect and clean storm drain pipes along Western Avenue, on the City's west side and on the east side. While giving the City valuable information about the next set of pipes that need to be lined, the results will also enable the Master Plan of Drainage to include condition assessments in its prioritized list of projects.

The City is currently preparing a small system to be lined in this fiscal year. These pipes were not earlier identified and only came to our attention after a small soil collapse in the back yard of a resident. Although the collapse is small in size and stabilized, this is considered an urgent repair and will be completed as soon as possible

Marguerite Channel and PVDS (East of Barkentine)

These two projects were combined in one feasibility study that was also completed this year. A preliminary design report is now underway and will be used to develop a scope of work for the final design projects. At this time we will separate the projects and proceed with construction as resources allow. The work at Marguerite Channel is a fairly straightforward effort to stabilize the eroding channel walls and reduce flow velocity in the channel. The work at the PVDS site is more complex as it involves several pipelines, open channels, crossing of PVDS, private property, the city's nature preserve and a nearby mapped landslide.

Altamira Canyon

Planning, research and scoping of a project to address continuing erosion of the Altamira Canyon are underway. City Staff anticipates issuing an RFP and bringing on a design consultant after preliminary project limits are established and initial public outreach for this privately owned land that handles City runoff is completed.

PVDS at Sacred Cove

There is a need for work identified at this location and it is being incorporated into the work to maintain the roadway along PVDS through the landslide area. In addition, some very large ground fissures have opened up beneath the pipe and have caused the area to be closed for safety. Work is pending, but the changing nature of the landslide's effects on the road and the pipe infrastructure, keep it from being easily scoped for a design consultant, resulting in delays. Consultant proposal for new scope are expected soon.

A summary of on-going projects and proposed projects for FY15-16 follows. The alphabetical reference for each project described below has also been added to the Five Year Storm Drain Plan Through FY19-20 schedule.

PROJECT STATUS UPDATE**ATTACHMENT A**

Page 3 of 9

PROJECT UPDATES - PROJECTS IN FY14-15 BUDGET**A. San Ramon Canyon Flood Reduction Project**

Spent in Prior Years:	\$16.5 MM
FY14-15 Budgeted:	\$ 2.8 MM
FY14-15 Budget Adjust:	\$ 0.4 MM
Expected Carryover:	\$ 0 MM
Total/Estimated Costs:	\$19.7 MM
Percentage Completion:	100%

Description/Status:

Project to stabilize PVDE and PVDS, eliminate flooding on 25th Street and divert storm water around Tarapaca landslide by installation of a 4,000 LF steel pipeline, restoring streambed and mitigating environmental impacts. City Council awarded construction and professional service contracts on March 5, 2013, as well as a budget resolution for \$17,949,603. Groundbreaking was held on April 16, 2013. Construction completed in November 2014.

Staff expects to request a budget adjustment of about \$0.4 million to provide for the switchbacks work that was added to the scope of the project. The FY13-14 budget included \$465,425 of available money for the PVDE Lower Switchbacks project, which was not carried forward to FY14-15 in error.

B. San Pedro Canyon Storm Drains

Spent in Prior Years:	\$251,878
FY14-15 Budgeted:	\$ 7,996
Funds Encumbered:	\$ 0
Expected Carryover:	\$ 0
Total/Estimated Costs:	\$251,878
Percentage Completion:	100%

Description/Status:

This project includes several pipe systems that are tributary to San Pedro Canyon. Staff has completed construction of drainage improvements to the Miraleste Plaza (in prior years) and along PVDE this year. While there is additional work to do in this area, the remaining funds are not sufficient for a stand-alone project and will be returned to the overall program for re-allocation. The new Master Plan of Drainage will inform future project descriptions and estimated costs.

C. Altamira Canyon Drainage Project Study Report

FY14-15 Budgeted:	\$500,000
Funds Encumbered:	\$ 0
Expected Carryover:	\$500,000
Total/Estimated Cost:	TBD
Percentage Completion:	0%

PROJECT STATUS UPDATE**ATTACHMENT A**

Page 4 of 9

Description/Status:

Altamira Canyon is located on the south side of the Peninsula and runs from south of Crest Road, through the Abalone Cove community, across PVDS and to the ocean. This PSR will investigate design requirements and alternative solutions for the Altamira Canyon drainage system. Hydrology, hydraulics, scour analysis, design parameters, maintenance economy, land ownership, easement requirements, constructability, environmental regulation, permits and costs will all be addressed.

D. Storm Drain Lining, Other

Spent in Prior Years:	\$3,996,696
FY14-15 Budgeted:	\$ 799,470
Encumbered Funds:	\$ 0
Expected Carryover:	\$ 799,470
Total/Estimated Cost:	\$4,796,166 (to date)
Percentage Completion:	Ongoing

Description/Status:

Costs to repair the liner to the McCarrell Canyon pipe will be covered here. The Engineer's estimate for this work is \$620,000 and a better cost estimate will be known in mid-April 2015 as bids are opened. Additional work to make an emergency repair to a pipe in the back yard of a resident where a soil collapse occurred is also expected in this fiscal year, but so far the work has not been priced.

E. Via Colinita and Roan Projects

Spent in Prior Years:	\$210,329
FY14-15 Budgeted:	\$231,095
Encumbered Funds:	\$ 0
Expected Carryover:	\$231,095
Total/Estimated Cost:	\$441,424
Percentage Completion:	50%

Description/Status:

The majority of the Via Colinita segment of this project was completed in prior years at a cost of about \$210,000, however, drainage issues on Via Colinita are only partially analyzed at this time. Additional work there will be deferred pending modeling results from the Master Plan of Drainage. A project to repair the Roan Road system is currently underway. Bidding of this project is anticipated in April resulting in a construction contract award in May and construction beginning and ending this summer.

PROJECT STATUS UPDATE**ATTACHMENT A**

Page 5 of 9

F. South Hawthorne / Via Frascati

FY14-15 Budgeted:	\$440,000
Encumbered Funds:	\$ 0
Expected Carryover:	\$440,000
Total/Estimated Cost:	TBD
Percentage Completion:	0%

Description/Status:

This “project” is actually two projects that have been bundled together at the initiation of the WQFP program and carried forward. They are not significantly related. South Hawthorne has historically experienced some flooding but development of the Oceanfront Estates neighborhood entrance and improvements to Golden Cove Shopping Center may have alleviated them. Staff proposes using information developed in the master plan to confirm or deny the need for further investigation. On Via Frascati, flooding has been infrequent and seems to have been solved with installation of curb and gutter along a portion of the road.

G. PVDS (East of Barkentine)

FY14-15 Budgeted:	\$446,000
Encumbered Funds:	\$ 0
Expected Carryover:	\$446,000
Total/Estimated Cost:	\$446,000
Percentage Completion:	10%

Description/Status:

This project is located along PVDS in the Seacove area. A preliminary design report for this project, combined with a similar report for Marguerite Channel, is being developed and final design will begin this year. (Funds were encumbered against the Marguerite Channel project for this and last year.) Final design and construction of improvements will likely be constructed in FY2015-16.

H. PVDS at Sacred Cove Project

FY14-15 Budgeted:	\$450,000
Encumbered Funds:	\$ 0
Expected Carryover:	\$450,000
Total/Estimated Cost:	TBD
Percentage Completion:	0%

Description/Status:

This project will seek to reestablish and improve drainage adjacent to PVDS in the Sacred Cove (landslide) area. The existing system has been rendered ineffective due to misalignment over time from land movement and will need to be rebuilt.

PROJECT STATUS UPDATE**ATTACHMENT A**

Page 6 of 9

I. Catch Basin Screening Devices

Spent in Prior Years:	\$438,255
FY14-15 Budgeted:	\$ 53,000
Encumbered Funds:	\$ 0
Expected Carryover:	\$ 53,000
Total/Estimated Cost:	\$491,255
Percentage Completion:	75%

Description/Status:

Retrofitting of catch basins with full capture pipe screens is required by the Regional Board for the Machado Lake watershed and now the Santa Monica Bay watershed. The final 40 or so catch basins draining to Machado Lake will be retrofitted in Spring of 2015 with no further cost to the City for construction. The new MS4 Permit requires the City to retrofit the basins in the City that drain to the ocean, however, it is not clear if this will mean all basins or only a portion. It is recommended to roll any unused funds forward year by year to achieve permit compliance.

J. Marguerite Open Channel

Spent in Prior Years:	\$ 64,040
FY14-15 Budgeted:	\$330,685
Encumbered Funds:	\$ 13,015
Expected Carryover:	\$317,670
Total/Estimated Cost:	\$394,725
Percentage Completion:	10%

Description/Status:

This project is located adjacent to Calle Entradero. It is currently being studied by a consultant to determine extent and nature of flood control improvements needed. A preliminary design report is underway, which will lead to final design beginning later this fiscal year. Construction is anticipated in FY 2015-16. Spent and encumbered funds include study and preliminary design of both this and the PVDS East of Barkentine projects.

K. Point Repair Projects (Legacy to 2012 Lining Project)

FY14-15 Budgeted:	\$ 150,000
Encumbered Funds:	\$ 0
Expected Carryover:	\$ 150,000
Total/Estimated Cost:	\$1,050,000
Percentage Completion:	0%

Description/Status:

After completion of the 2012 Lining Project, five pipes remained that could not be lined because point repairs needed to be made. The difficulty of executing these repairs required the pipes be pulled from that project. This new project intends to accomplish the repairs needed making the pipes ready for the next lining project, if in fact a lining

PROJECT STATUS UPDATE**ATTACHMENT A**

Page 7 of 9

is needed after the repair. The budget in FY2014-15 is for design of repairs and establishment of access rights. Design contract is expected to be awarded in this FY with carryover into next year, with construction to follow.

L. Miscellaneous Repairs / Inspection and Cleaning

FY14-15 Budgeted:	\$725,286
Encumbered Funds:	\$496,619
Expected Carryover:	\$228,667
Percentage Completion:	On-going

Description/Status:

These projects typically address smaller maintenance improvements, repairs and emergency work. About \$350,000 of the encumbered funds for this year are for inspection and cleaning to assist in planning the next lining project. Some emergency work will be needed at a location where a small soil collapse occurred in the back yard of a resident. Some of this work may be lining, which will be included in the "Storm Drain Lining" category.

M. Drainage Master Plan Program

Spent in Prior Years:	\$226,384
FY14-15 Budgeted:	\$583,616
Encumbered Funds:	\$424,360
Expected Carryover:	\$159,256
Total/Estimated Cost:	\$810,000
Percentage Completion:	80%

Description/Status:

RBF Consulting Engineers (now Baker Consulting) was awarded the contract to develop a new Master Plan of Drainage. The GIS-based master plan will be a living document that catalogues all existing facilities, allows for changes resulting from maintenance activities and improvement projects that are completed, provides for modeling and what if scenarios, and identifies project priorities to meet discovered deficiencies. Baker anticipates delivery of a final draft in late FY 2014-15. It is recommended to roll any unused funds forward year by year to enhance and maintain this living document.

NEW PROJECTS INCLUDED IN DRAFT FY14-15 BUDGET**Storm Drain Lining, Other (Item D)**

FY15-16 Proposed:	\$ 340,836
Total/Estimated Cost:	\$5,137,002 (projected through FY 2015-16)
Percentage Completion:	Ongoing

Description:

Continuing program to install liners and rehabilitate existing pipes.

PROJECT STATUS UPDATE**ATTACHMENT A**

Page 8 of 9

Point Repair Projects (Item K)

FY15-16 Proposed:	\$ 900,000
Total/Estimated Cost:	\$1,050,000
Percentage Completion:	0%

Description:

This new project intends to accomplish the repairs needed making the pipes ready for the next lining project, if in fact a lining is needed after the repair. Design was initiated in FY2014-15 and will carryover. These new funds will be added for construction.

Miscellaneous Repairs / Inspection and Cleaning (item L)

FY15-16 Proposed:	\$ 245,544
Total/Estimated Cost:	\$1,755,983 (projected through FY 2015-16)
Percentage Completion:	On-going

Description:

Continuing program allocation to perform smaller repairs and maintenance, for inspection and cleaning.

WATER QUALITY CONSIDERATIONS

The City is currently preparing, in collaboration with other peninsula watershed management agencies, an Enhanced Watershed Management Plan (EWMP) in response to MS4 Permit requirements from the Regional Water Quality Control Board, Los Angeles (Regional Board). The EWMP will identify the activities required to determine what pollutants of concern to address, what specific pollutant levels are allowed to be discharged from the storm drains, how, where and when to monitor storm water and dry weather flow samples, and what programmatic efforts (e.g. public outreach and education) and structural projects (BMPs) the City will need to implement to meet these limits. In addition to projects in the Water Quality Flood Protection program, the CIP is carrying about \$1.2 million worth of water quality structural improvements that are anticipated as a result of these regulations. Of course, if pollutant loads are higher than anticipated, or if regulations tighten further, additional projects may be necessary.

Historically, the City has not used WQFP funds to cover requirements of the MS4 Permit, with an exception for installation of treatment hardware, typically connector pipe screens in catch basins. In future years, the percentage of funds expended on structural BMPs as compared to programmatic BMPs (education and outreach) in response to the MS4 Permit is expected to grow. Future expenditures from the WQFP fund, and any subsequent funding schemes to address storm water infrastructure should consider the impacts of these more stringent regulations and the need for projects to address them.

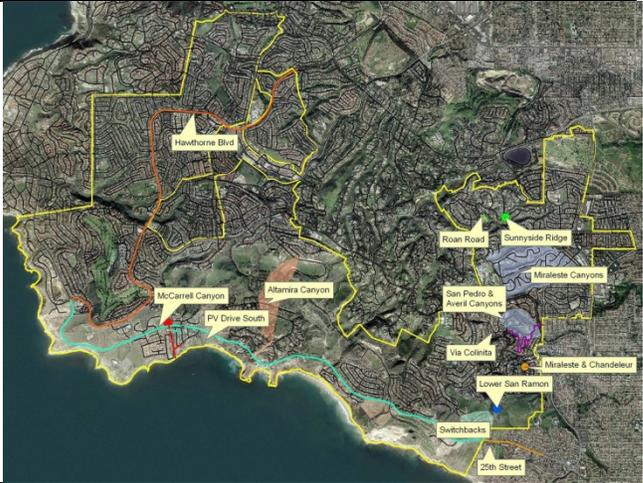
PROJECT STATUS UPDATE

ATTACHMENT A

Page 9 of 9

INFRASTRUCTURE MANAGEMENT PLAN

After its establishment by the City Council earlier this fiscal year, the Infrastructure Management Advisory Committee held its first meeting on January 15, 2015. The committee is tasked with, among other things, consideration of drainage infrastructure needs in the context of other infrastructure needs in the City and development of an Infrastructure Management Plan (IMP), which is intended to be a comprehensive financial planning tool for all of the City's publicly held infrastructure. This committee will assist Public Works and Finance Staff to develop an IMP to address the long-term capital needs of the City. Staff expects that the IMP will provide a roadmap for future systematic replacement, refurbishment, and financing of City infrastructure, including drainage facilities.

PROJECT:	STORM DRAIN LINING				
TYPE:	Storm Drain System				
LOCATION:	Project Area 12				
DEPARTMENT:	Public Works				
DESCRIPTION:	<p>All Corrugated Metal Pipe storm drain lines within the City have reached their design life expectancy and need to be lined to extend their life another 30+ years. CMP dating back to the 1940s has been discovered and requires rehabilitation, along with those most recently installed in the 1970s. A large number of drainage problems citywide can be overcome by relining deteriorated pipes and improving inlet and outlet structures.</p>				
PROJECT COST ESTIMATES (IF KNOWN)					
CATEGORY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
ACQUISITION					
ENGINEERING/DESIGN					
CONSTRUCTION	\$340,836	\$347,653	\$350,000	\$350,000	\$350,000
PROJECT MANAGEMENT/OVERSIGHT					
LEGAL					
TOTAL	\$340,836	\$347,653	\$350,000	\$350,000	\$350,000
IMPACT ON OPERATING BUDGET					
<p>Funding and/or Grant Information: WQFP user fees through FY15-16 and the CIP Reserve funds (General Fund money) thereafter. Ongoing maintenance costs should decrease, as pipes which have been lined generally require less maintenance, resulting in a cost savings. Because the Storm Drain User Fee sunsets in FY15-16, lining projects will compete with other infrastructure rehabilitation projects for funding from the CIP Reserve in the future.</p>					
JUSTIFICATION FOR INCLUSION ON 5 YEAR CIP					
SAFETY	X	ECONOMY AND EFFICIENCY			
SUPPORTS ESSENTIAL CITY SERVICES	X	OUTSIDE FUNDING COMMITTED/ELIGIBLE			
SUPPORTS CITY COUNCIL GOALS	X	COMMUNITY QUALITY/SUSTAINABILITY			X
OTHER PROJECT INFORMATION:					
LOCATION PHOTO			MAP		
					

PROJECT:	PAINTBRUSH CANYON DRAINAGE PROJECT STUDY REPORT				
TYPE:	Storm Drain System				
LOCATION:	Project Area 11				
DEPARTMENT:	Public Works				
DESCRIPTION:	The Project Study Report is expected to include: 1) a study of the drainage area; 2) a study of the drainage needs; 3) multiple design alternatives; 4) identification of environmental requirements; 5) identification of right-of-way needs; and 6) a recommended scope for development of an engineering design leading to construction of drainage improvements. Any improvements to drainage in Paintbrush Canyon will be complex due to right-of-way and landslide issues.				
PROJECT COST ESTIMATES (IF KNOWN)					
CATEGORY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
ACQUISITION					
ENGINEERING/DESIGN					\$120,000
CONSTRUCTION					
PROJECT MANAGEMENT/OVERSIGHT					
LEGAL					
TOTAL					\$120,000
IMPACT ON OPERATING BUDGET					
Funding Information: WQFP user fees and CIP Reserve funds (General Fund money).					
JUSTIFICATION FOR INCLUSION ON 5 YEAR CIP					
SAFETY	X	ECONOMY AND EFFICIENCY			
SUPPORTS ESSENTIAL CITY SERVICES	X	OUTSIDE FUNDING COMMITTED/ELIGIBLE			
SUPPORTS CITY COUNCIL GOALS	X	COMMUNITY QUALITY/SUSTAINABILITY			X
OTHER PROJECT INFORMATION:					
Preventing runoff water from entering the landslide has been shown to directly affect land movement in landslide areas. This project is expected to help slow movement within the Portuguese Bend landslide, eventually affecting the land movement on Palos Verdes Drive South.					
					

PROJECT:	STORM DRAIN POINT REPAIR PROJECTS				
TYPE:	Storm Drain System				
LOCATION:	Citywide				
DEPARTMENT:	Public Works				
DESCRIPTION:	During the 2012 Storm Drain Lining and Rehabilitation Project, several pipes were unable to be lined due to local structural failure of the pipes. This project will provide funds to correct the deficient locations in these pipes to prepare them for lining in the future.				
PROJECT COST ESTIMATES (IF KNOWN)					
CATEGORY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
ACQUISITION					
ENGINEERING/DESIGN					
CONSTRUCTION	\$900,000				
PROJECT MANAGEMENT/OVERSIGHT					
LEGAL					
TOTAL	\$900,000				
IMPACT ON OPERATING BUDGET					
Funding Information: WQFP user fees.					
JUSTIFICATION FOR INCLUSION ON 5 YEAR CIP					
SAFETY	X	ECONOMY AND EFFICIENCY			
SUPPORTS ESSENTIAL CITY SERVICES	X	OUTSIDE FUNDING COMMITTED/ELIGIBLE			
SUPPORTS CITY COUNCIL GOALS	X	COMMUNITY QUALITY/SUSTAINABILITY			X
OTHER PROJECT INFORMATION:					
Many of these point repairs are difficult to access and may require acquisition of temporary or permanent access easements to address current and future maintenance needs. Locations include Santa Rena pipe inlet, Enrose Avenue CMP, Via Colinita north of Maine, Vista Mesa, and PVDE at Marion Drive.					
LOCATION PHOTO			MAP		
					

PROJECT:	ALTAMIRA CANYON				
TYPE:	Storm Drain System				
LOCATION:	Project Area 4				
DEPARTMENT:	Public Works				
DESCRIPTION:	<p>A project within lower Altamira Canyon to aid in slowing the damage being caused by storm water runoff through the entire reach of the Canyon is needed. The installation of Gabion-type erosion control structures within lower Altamira Canyon are needed to help control runoff velocities and minimize erosion within the canyon.</p> <p>This project includes the installation of protective measures to minimize further erosion in Altamira Canyon. This project could range from stabilization at bends in stream beds, with limited velocity controls, to channel stabilization.</p>				
PROJECT COST ESTIMATES (IF KNOWN)					
CATEGORY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
ACQUISITION					
ENGINEERING/DESIGN					
CONSTRUCTION					
PROJECT MANAGEMENT/OVERSIGHT					
LEGAL					
TOTAL					
IMPACT ON OPERATING BUDGET					
To be assessed.					
JUSTIFICATION FOR INCLUSION ON 5 YEAR CIP					
SAFETY	X	ECONOMY AND EFFICIENCY			
SUPPORTS ESSENTIAL CITY SERVICES	X	OUTSIDE FUNDING COMMITTED/ELIGIBLE			
SUPPORTS CITY COUNCIL GOALS	X	COMMUNITY QUALITY/SUSTAINABILITY			X
OTHER PROJECT INFORMATION:					
<p>Note: The Altamira Canyon project has been studied and analyzed over the past decades; however the need to minimize runoff from entering the ground in Altamira Canyon still remains. A project study report has been funded for FY14-15.</p> <p>This estimate does not include right-of-way costs. A previously designed and funded project was abandoned due to right-of-way issues and owners lack of support.</p> <p>Estimated Cost: \$1,600,000 - \$5,350,000</p>					

PROJECT:	PAINTBRUSH CANYON DRAINAGE				
TYPE:	Storm Drain System				
LOCATION:	Portuguese Bend				
DEPARTMENT:	Public Works				
DESCRIPTION:	The Paintbrush Canyon Drainage System project will capture runoff at the head of the Portuguese Bend landslide in three locations, transfer that runoff via surface-mounted High Density Polyethylene (HDPE) pipe under Palos Verdes Drive South, (through an existing steel tunnel), and continue the flow along the existing storm drain pipe alignment to the ocean.				
PROJECT COST ESTIMATES (IF KNOWN)					
CATEGORY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
ACQUISITION					
ENGINEERING/DESIGN					
CONSTRUCTION					
PROJECT MANAGEMENT/OVERSIGHT					
LEGAL					
TOTAL					
IMPACT ON OPERATING BUDGET					
TBD					
JUSTIFICATION FOR INCLUSION ON 5 YEAR CIP					
SAFETY	X	ECONOMY AND EFFICIENCY			
SUPPORTS ESSENTIAL CITY SERVICES	X	OUTSIDE FUNDING COMMITTED/ELIGIBLE			
SUPPORTS CITY COUNCIL GOALS	X	COMMUNITY QUALITY/SUSTAINABILITY			X
OTHER PROJECT INFORMATION:					
Preventing runoff water from entering the landslide has been shown to directly affect land movement in landslide areas. This project is expected to help slow movement within the Portuguese Bend landslide, eventually affecting the land movement at Palos Verdes Drive South. A project study report has been proposed for FY19-20.					
Estimated Cost: \$2,568,000					

PROJECT:	PVDE- MIRALESTE CANYON				
TYPE:	Storm Drain System				
LOCATION:	Project Area 5				
DEPARTMENT:	Public Works				
DESCRIPTION:	Work within this project area includes storm drainage systems along Palos Verdes Drive East at the northern end of PVDE, South Coach, Rocking Horse, Clevis, North Colt, South Colt, Via Canada, and South Via Canada. This project includes the installation of a number of pipelines and re-setting surface drainage systems to drain into Miraleste Canyon.				
PROJECT COST ESTIMATES (IF KNOWN)					
CATEGORY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
ACQUISITION					
ENGINEERING/DESIGN					
CONSTRUCTION					
PROJECT MANAGEMENT/OVERSIGHT					
LEGAL					
TOTAL					
IMPACT ON OPERATING BUDGET					
TBD					
JUSTIFICATION FOR INCLUSION ON 5 YEAR CIP					
SAFETY	X	ECONOMY AND EFFICIENCY			
SUPPORTS ESSENTIAL CITY SERVICES	X	OUTSIDE FUNDING COMMITTED/ELIGIBLE			
SUPPORTS CITY COUNCIL GOALS	X	COMMUNITY QUALITY/SUSTAINABILITY			X
OTHER PROJECT INFORMATION:					
Estimated Cost: \$2,500,000 - \$3,200,000					

PROJECT:	SAN PEDRO & AVERILL CANYONS				
TYPE:	Storm Drain Systems				
LOCATION:	Project Area 6				
DEPARTMENT:	Public Works				
DESCRIPTION:	Work within this project area would include storm drainage systems at Miraleste, South Miraleste, North Corsini, Via Colinita, La Vista, Vista Mesa, and a curb and gutter project on Via Frascati. This project would include the installation of a number of pipelines and regrading of roads and surface drainage systems to drain into the San Pedro and Averill Canyons. A project at Miraleste Plaza has been completed.				
PROJECT COST ESTIMATES (IF KNOWN)					
CATEGORY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
ACQUISITION					
ENGINEERING/DESIGN					
CONSTRUCTION					
PROJECT MANAGEMENT/OVERSIGHT					
LEGAL					
TOTAL					
IMPACT ON OPERATING BUDGET					
TBD					
JUSTIFICATION FOR INCLUSION ON 5 YEAR CIP					
SAFETY	X	ECONOMY AND EFFICIENCY			
SUPPORTS ESSENTIAL CITY SERVICES	X	OUTSIDE FUNDING COMMITTED/ELIGIBLE			
SUPPORTS CITY COUNCIL GOALS	X	COMMUNITY QUALITY/SUSTAINABILITY			X
OTHER PROJECT INFORMATION:					
Estimated Cost: \$2,700,000 - \$3,300,000					

PROJECT:	CATCH BASIN SCREEN INSTALLATION				
TYPE:	Storm Drain System				
LOCATION:	Citywide				
DEPARTMENT:	Public Works				
DESCRIPTION:	In order to comply with certain water quality regulations imposed by the Regional Water Control Board, the City will need to install catch basin screens to prevent trash and debris from entering the Santa Monica Bay and LA Harbor. It is not clear yet how many of the City's catch basins will require the retrofit or how intense the implementation scheme will be.				
PROJECT COST ESTIMATES (IF KNOWN)					
CATEGORY	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
ACQUISITION					
ENGINEERING/DESIGN					
CONSTRUCTION					
PROJECT MANAGEMENT/OVERSIGHT					
LEGAL					
TOTAL					
IMPACT ON OPERATING BUDGET					
Funding Information: WQFP (Storm Drain User Fee) Fund and CIP Reserve funds (General Fund money).					
JUSTIFICATION FOR INCLUSION ON 5 YEAR CIP					
SAFETY	X	ECONOMY AND EFFICIENCY			
SUPPORTS ESSENTIAL CITY SERVICES	X	OUTSIDE FUNDING COMMITTED/ELIGIBLE			
SUPPORTS CITY COUNCIL GOALS	X	COMMUNITY QUALITY/SUSTAINABILITY			X
OTHER PROJECT INFORMATION:					
The City has installed these screens in about 100 catch basins (for the Machado Lake watershed) at a recent cost of about \$700 each (not including permitting). There are up to 1,200 catch basins remaining that may require this retrofit. Estimate cost: \$600,000 - \$900,000.					
					

Annual Fee Rate

Table 4 provides the calculation of the Maximum Annual Fee Rate for FY 2015-16 and shows the actual proposed Fee Rate.

Table 4 –Annual Fee Rate

	CPI Increase	CPI Rate	2% Rate	Max. Rate	Actual Rate
Base Year - FY 2006-07				\$86.00	\$86.00
FY 2007-08	3.8%	\$89.27	\$87.72	\$87.72	\$87.72
FY 2008-09	3.3%	\$90.61	\$89.47	\$89.47	\$89.47
FY 2009-10	0.0%	\$89.47	\$91.26	\$89.47	\$89.47
FY 2010-11	1.4%	\$90.72	\$91.26	\$90.72	\$90.72
FY 2011-12	2.3%	\$92.81	\$92.53	\$92.53	\$92.53
FY 2012-13	2.1%	\$94.47	\$94.38	\$94.38	\$92.53
FY 2013-14	2.2%	\$96.46	\$96.27	\$96.27	\$96.27
FY 2014-15	0.5%	\$96.75	\$98.20	\$96.75	\$96.75
FY 2015-16	0.1%	\$96.85	\$98.69	\$96.85	\$96.85

The maximum rate will increase automatically on an annual basis by an amount equal to the annual change in Consumer Price Index for all Urban Consumers (CPI) for the Los Angeles, Riverside, Orange County Areas including all items as published by the U.S. Bureau of Labor Statistics as of March 1 of each year (12 months ended February), not to exceed a maximum increase of two percent (2%) per year.

The actual rate to be levied each year will be as approved by the City Council at a public hearing, after they consider an Annual Fee Report outlining the estimated annual costs of the program.

Table 5 provides sample fee calculations for various land uses and parcel sizes based on the proposed Actual Fee Rate.