



STORM DRAINAGE AND FLOOD PROTECTION FEE ELECTION AND NEXT STEPS

CITY COUNCIL MEETING

Jovan D. Grogan, *City Manager*

July 13, 2021



Objective and Agenda

■ Objective

- Receive Oral Report on the Storm Drainage and Flood Protection Fee Election and Provide Direction to Staff Regarding Next Steps

■ Agenda

- Acknowledgements and Thank You
- Overview of the Storm Drainage and Flood Protection Fee Initiative
- Election Results Summary and Recap
- Options and Next Steps Moving Forward



Acknowledgements and Thank You



Thank You

- ❖ Thank You to the San Bruno Community for Participating in this Process
- ❖ Current Fees Have been in Place for Nearly 30 Years
- ❖ Robust Public Education and Outreach Effort
 - Over 12,500 Ballots Mailed to San Bruno Property Owners
 - 5,226 Ballots Received



Overview of the Initiative

Achieving Sustainability in Stormwater

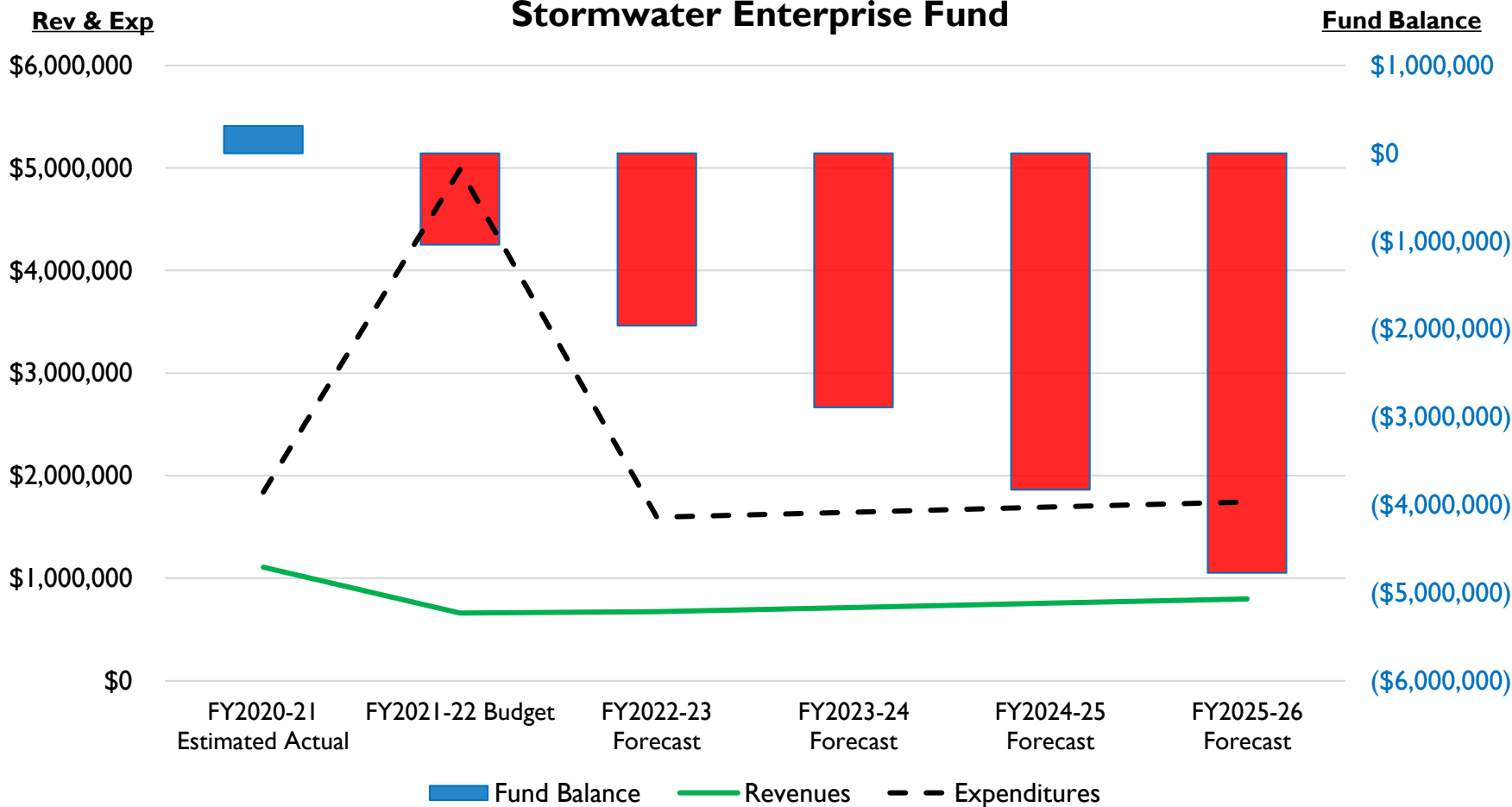


- ❖ Part of the City's Comprehensive Fiscal Sustainability Project
- ❖ Critically important to our overall fiscal health as a service provider
- ❖ Stormwater Fee Study Launched in September 2020
- ❖ Conducted Proposition 218 Mail Ballot Proceeding in March-May 2021
- ❖ Conducted Election through June 15, 2021

Stormwater Long Range Financial Plan



Long-Range Financial Forecast Stormwater Enterprise Fund





Stormwater Enterprise

	FY2020-21 Amended Budget	FY2020-21 Estimated Actual	FY2021-22 Proposed Budget
Beginning Fund Balance	\$1,045,524	\$1,045,524	\$312,335
Total Operating Revenues	693,000	657,009	659,500
Total Operating Expenditures	(1,195,302)	(1,084,502)	(1,534,673)
Operating Surplus / (Deficit)	(502,302)	(427,493)	(875,173)
Total CIP, Debt Proceeds, & Equipment	(575,201)	(305,696)	(476,888)
Ending Fund Balance	(\$31,979)	\$312,335	<u>(\$1,039,726)</u>



Stormwater Projects - Unfunded

- ❖ Collection System boxes
 - Various locations throughout the City
- ❖ Regional Stormwater Capture Project
 - Caltrans right-of-way between I-280/I-380
- ❖ Trash Capture Device Installation



Election Results and Recap



Election Results and Recap

- ❖ Mail-only Ballot Launched in May 2021
- ❖ Election Concluded at 5:00 p.m. on June 15, 2021
- ❖ Ballots Counted on June 16, 2021
 - ✓ Open to the Public at City Hall
 - ✓ Available Online to Observe Remotely

Results	Numbers
Yes	1,833
No	3,310
Rejected	83
Total Ballots Counted	5,226



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❖ Rejected Ballots Included:

- Missing signature on the ballot: 23
- No choice marked: 24
- Unclear Yes or No marked on ballot: 32
- Duplicate Ballots 4
- Empty envelope: 0

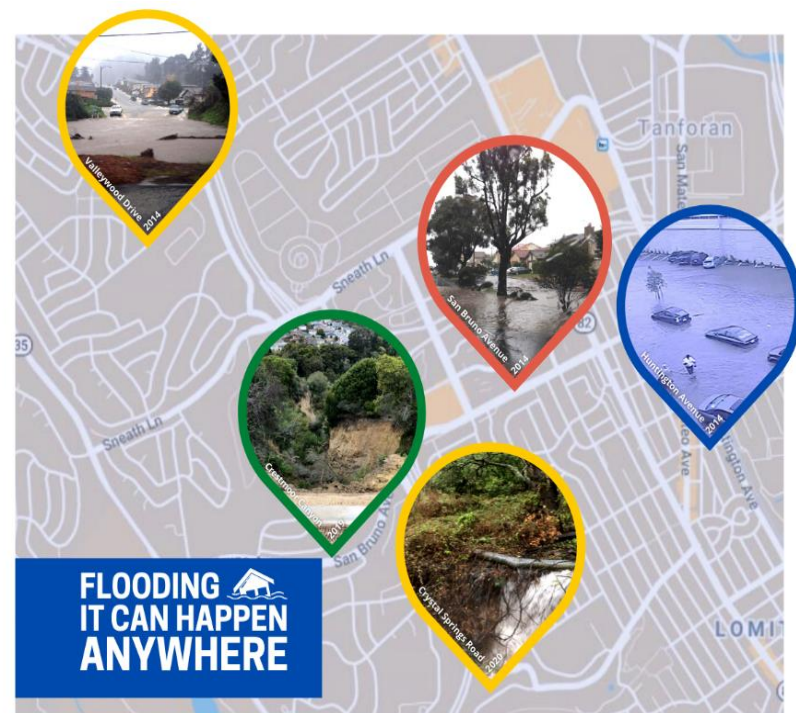
❖ Approximately 220 Ballot Packets Returned to the City by the US Post Office



Options and Next Steps

What's Next?

- ❖ Continuing with the status quo, means that San Bruno's Stormwater System will continue to flood during heavy rainfall causing property damage and risks to public safety
- ❖ We know San Bruno residents want their public infrastructure maintained and staff are committed to identifying a solution
- ❖ We must redouble our efforts to secure the funds to make the improvements





Options and Next Steps

- ❖ **Strategize Most Effective Next Steps and Consider Options to Ensure Fiscal Sustainability of the Stormwater Fund**
 1. **Initiate Analysis of Election Results**
 - Demographic analysis ballot responses (seeking to identify patterns by property type, neighborhood, assessment amount, etc.)
 - Seeks factual data on ballot results and aligns future poll/survey with future efforts
 2. **Return to the Voters with Further Articulation of the Need**
 - Launch Second Proposition 218 Process
 3. **Consider a General Obligation Bond or Parcel Tax**
 - Focused on funding Master Plan Capital Projects, not Operating Expenses
 - Will automatically sunset when bonds are repaid
 4. **Consider Special Stormwater Voter Approved Tax Initiative**
 - Likely November 2022 or 2024 Election
 - Two-thirds Approval Required
 5. **Participate in Possible Future Regional Effort**
 - We're not alone in this issue, several other agencies have same challenge
 - There have been early discussions about a combined effort for regional projects
 6. **Other?**



Staff Recommendation

❖ Strategize Most Effective Next Steps and Consider Options to Ensure Fiscal Sustainability of the Stormwater Fund

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Questions and Discussion

