

A. Municipal Program

1. **Support** - All revenue generated from Municipal Program will be a direct return to municipality.
2. **Support** - The use of the generated funds for new projects will be flexible with water quality being the only project eligibility requirement (with Multi-benefit projects being encouraged).
3. **Oppose** – Section VII.A. (a)(c)(k) regarding stakeholder engagement are redundant and should be eliminated altogether. This added requirement would duplicate the existing process and is not needed in the Municipal Program. Municipalities, by their very definition have publicly elected bodies and have involvement by their citizens’ and local interested stakeholders through existing committee, commission and council structures. For example, municipalities have finance committees, parks and recreation committees, or planning commissions where input and discussion take place.
4. **Oppose with Comment** – Section VII.A. (g) requires that an annual budget of expenditures be prepared prior to each year for the use of the funds. When developing the final ordinance, the prepared budget should not be restrictive and allowed to be flexible throughout the year.
5. **Oppose with Comment** – Section VII.H. This section should be replaced with the following: “Prepare within six (6) months after the end of that Municipality’s fiscal year an annual report that details a program level summary of expenditures and a quantification of Water Quality Benefit. Water Supply Benefit and/or Community Investment shall be included if realized through use of Municipal Program funds.”
6. **Oppose with Comment** – Section VII.C. Maintenance of Effort should not be limited to 70% for new activities and 30% to existing activities. There are too many variables from city to city that require maximum flexibility of use. In some cities, building new projects is not feasible nor do they have existing large scale projects. In other cities, their annual allocation is very low, so they should have flexibility to carryover their funds for up to 5 or more years. In general, allowing municipalities the flexibility to utilize the funds they generate to promote, maintain, and comply with water quality benefit-type projects is the key to success.
7. **Support with Comment** - Section VII.C. Replace this section with specific language regarding annual carryover for municipalities that receive less than a certain amount (i.e., \$250,000) for up to a certain amount of time (i.e., five (5) years).
8. **Oppose** – The use of Los Angeles County contracting requirements within the Municipal Program.

A. District Program

1. **Support with Comment** – Section VIII.B.(a). Stormwater Education Programs using not less than \$20M over 5 years is an excellent concept. However, the program should be developed in a way that it reflects the needs of the local communities and should not be a one-size fits all.

2. **Support with Comment** – Section VIII.B.(a). The role, function and management of the Watershed Coordinators must be further described to better understand the need for this expense. We are concerned that the role will be to solely represent the needs and positions of the County, rather than the local watersheds.
3. **Support** – Section VIII.C.(a). The Los Angeles Regional Water Quality Control Board’s Basin Plan is outdated and should be revised to reflect up-to-date scientific studies. Funds for the use of studies are encouraged and the LACFCD should play a key role in collaborating with the Regional Board to appropriately update the Basin Plan.

B. Regional Program

1. **Support** – Section VI.A. regarding a proposed allocation split of 95% Infrastructure and 5% Scientific Studies and Technical Assistance for Feasibilities Studies is appropriate.
2. **Support** – Section VI.A. The 95% Infrastructure funds which will be split with 90% towards large-scale regional projects and 5% used for small-scale projects with budgets up to \$500,000 is appropriate.
3. **Support with Comment** – Section VI.A. The concept of a funding return of not less than 110% to DACs is good. However, the final ordinance should allow for exceptions, if needed.
4. **Support** – Section VI.A. A minimum of 1% of regional funds is appropriate to ensure that assistance can be given to the development of Feasibility Studies for DACs.
5. **Comment** – Section VI.E. Membership of the Watershed Area Steering Committee should include more details on how non-watershed area members will be nominated/selected.
6. **Support with Comment** – Section VI.I. The Regional Oversight Committee Water Agency representative should be clearly defined. Is the proposal to include a water wholesaler or purveyor? And is it the largest private or public entity?
7. **Support with Change** – Table 3. The draft Regional Program Project Criteria point system should better reflect the significance of a project being a part of an existing Plan, in particular the E/WMPs. It is vitally important that the regional watershed approach required by the LA Regional Water Quality Control Board be supported and encouraged. The E/WMP projects have already gone through many levels of analysis, studies for wet and dry weather benefits and should not be required to be scored in the same way as non-E/WMP projects.
8. **Oppose** – Section VI.H. regarding Watershed Area Steering Committee Conflict of Interest should be more clearly defined. Most Committee Members will have a regional project located in their jurisdiction. They should not be precluded from regional project input and voting.
9. **Oppose** – Sections VI.E-J. In general, the proposed committee structure and their responsibilities are very cumbersome, lengthy and onerous. It will be a very time-consuming and bureaucratic process for Steering Committee members, Regional Oversight Committee members and project applicants. Appointment of the Watershed Area Steering Committee to the Regional Oversight Committee must be a municipal Permittee to ensure balance on the committee. Alternatives to the structure should be

explored and discussed with the Governance Committee which did not review the proposed structure before it was published in the draft program. If this or a similar committee structure stays in the ordinance, parameters for turn-around times should be added in order for the process to not be bogged down with slow turn-around times by all committee, including the Technical Committee (LACFCD Staff).

D. Miscellaneous Provisions

1. **Comment** – Section XI.B. – Current language stipulates Revenues that are not expended within five years by a municipality will revert back to the Watershed Area for reprogramming to a new project. Language should be changed to allow any eligible project (new or existing) to be funded with benefit to that municipality or watershed area with the consensus of that municipality.
2. **Oppose** – Section XI.D.(b). Record retention should always be required. However, it should be reduced from 10 years to a maximum of 7 years.
3. **Support with Comment** – Section XI.D.(d). Examination of projects and documents should be limited to the same number of years as record retention.
4. **Support with Comment** – Section XI.E.(b) – In the event revenues are refunded to the District due to misuse of funds, those funds will be used for municipal or regional projects within the same municipality. Language should be added “with the consensus of the municipality”.