April 30 Editorial

City Isn't Getting Rich off This One

General reactions to the Rancho Palos Verdes City Council's proposal to place a storm-drain user fee on an August ballot to fund needed repairs thus far have varied from "I'm not entirely sold" to "Not on your life," at least from what we read and hear in this newsroom.

It's obvious that in order to get a majority of yes votes on returned ballots to pass the user fee, the city has some more public relations work ahead of it.

However, there is good news for the city: The months ahead give officials and user fee proponents time to dispel some of the misconceptions floating about in the community. Although the Peninsula News hasn't offered its support of the plan, its editors do understand that the repairs are needed to avoid some of the expensive catastrophes that have occurred in recent years due to faulty infrastructure. And, as we editorialized last week, knowledge is the key to making the correct decision about how to pay for the repairs. Untruths, therefore, do a disservice to any discussion.

The first misconception commonly heard among News staffers is that the city will get rich by collecting on average $86 from some 12,000 parcel owners who use the city's dilapidated storm drains. Well, someone is going to get rich, but it isn't the city. In fact, the 30-year, $30-million plan -- a cost that surely will grow with inflation -- doesn't even cover all the necessary projects identified by RPV's Public Works Department. Some council members originally wanted a higher per-average fee to cover all costs, but they decided on a lower fee to make the program more palatable to voters.

Contractors, suppliers and engineers, not the city, will earn a majority of the money collected. User fee money can't be used for anything else, not soccer fields or buying open space. It truly is dedicated to its purpose.

Another misconception is that the only reason the city is pushing for a user fee, as opposed to a parcel tax, is because the former only needs a simply majority to pass, while the latter would require a two-thirds vote.

In truth, the user fee provides the city with collateral to apply for a low-interest loan in case of an emergency repair -- and with recent repairs of San Ramon Canyon at more than $4 million and one Western Avenue sinkhole at $750,000, the city might need to resort to borrowing in the future.

The user fee was suggested not by the City Council but by the Finance Advisory Committee, which looked at a number of funding mechanisms to solve the problem. As the FAC stated, a user fee spreads the costs more fairly because parcel owners who use the storm drains more will pay more,
and those who use theirs less pay less. Even those residents using Los Angeles County storm drains who would be exempt from a user fee would have to pay a parcel tax.

Still, the parcel tax is an option, as is waiting for additional revenues from the languishing coastal resorts of Long Point and Trump National. But not taking care of the problem before more calamities ensue is not an option. And neither is getting the facts wrong.