



Office of the City Manager

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May 16, 2019

Suja Lowenthal
City Manager
City of Hermosa Beach
1315 Valley Drive
Hermosa Beach, CA 90254

Dear Ms. Lowenthal:

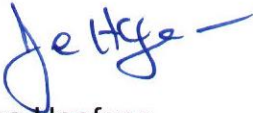
As you are aware, the City of Redondo Beach received a letter dated April 11, 2019 from Hermosa Beach Mayor Stacy Armato requesting transfer of the infiltration project's lead agency designation to the City of Redondo Beach and approval of an amended Memorandum of Understanding (MOU) prior to beginning work on the feasibility study of an alternative infiltration project location along North Francisca Avenue. Mayor Armato's letter was discussed with our City Council subcommittee recently, along with this response on behalf of our City.

We believe it is premature to transfer the lead agency status or to amend the MOU before a feasible project alternative is identified and a planning level project design and cost estimate can be developed. In addition, the Beach Cities Watershed Group partners would need to agree on the alternative regional project and lead agency before an amended MOU can be taken to our City Council. Once the City of Hermosa Beach completes the feasibility study for the proposed North Francisca Avenue Project location, and if the project is found to be feasible, the City of Redondo Beach will then be willing to work with the Beach Cities Watershed Group to consider an amendment to the MOU, including potential lead agency status.

In short, we reiterate the stipulations outlined in our letter dated March 26, 2019 – a copy of which is attached. The City of Redondo Beach agrees to allow the City of Hermosa Beach access to investigate the feasibility of the North Francisca Avenue Infiltration Project alternative if the City of Hermosa Beach provides assurance that other alternative sites within Hermosa Beach will also be studied for their potential to meet the EWMP group's infiltration targets, since it is unknown if North Francisca will provide enough room to meet compliance requirements. Furthermore, we insist that the City of Hermosa Beach, as the current lead agency under the adopted EWMP, take the lead on working with the Regional Board to negotiate approval of a modified EWMP and address the revised project descriptions, goals and compliance dates once these are known. After this work is complete, we will consider placing this matter on our agenda for City Council review and action.

If the City of Hermosa Beach decides to move forward with the investigation of North Francisca as an alternative location with the above conditions, please contact Geraldine Trivedi at Geraldine.trivedi@redondo.org or 310-318-0661 x2036 to coordinate the work and obtain an encroachment permit.

Sincerely,

A handwritten signature in blue ink, appearing to read "Joe Hoefgen", with a horizontal line extending from the end of the signature.

Joe Hoefgen
City Manager

Cc: Redondo Beach City Council
Hermosa Beach City Council

Enclosure – Copy of March 26, 2019 Letter



Bill Brand
Mayor

415 Diamond Street, P.O. BOX 270
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March 26, 2019

Mayor Stacey Armato
City of Hermosa Beach
1315 Valley Drive
Hermosa Beach, CA 90254

Dear Ms. Armato;

The City of Redondo Beach received your letter dated March 13, 2019 requesting authorization for Tetra Tech, Inc. to investigate the feasibility of North Francisca Avenue in Redondo Beach as an alternative location for the Hermosa Greenbelt Infiltration Project (Project). As you know, the Project's location on the Greenbelt was identified in the Enhanced Watershed Management Program (EWMP), approved by the Council or Board of each agency in the Beach Cities Watershed Management Group (Beach Cities) in late spring of 2015 and approved by the Regional Board on April 18, 2016.

The EWMP was developed in response to the requirements of the Los Angeles Regional Board's 2012 National Pollutant Discharge Elimination System (NPDES) Permit requirements for agencies that operate storm drain systems in Los Angeles County and adherence to the same is required to remain in compliance. The four Beach Cities, Redondo Beach, Hermosa Beach, Torrance and Manhattan Beach started collaborating in 2013 to develop the EWMP, and identify regionally beneficial projects that when built would meet the new permit obligations. The City of Redondo Beach led the development of the EWMP beginning in 2013 and with the concurrence of the other agencies, engaged a consulting firm, Geosyntec, to help develop the technical portions of the Program. The next phase of Permit compliance, the Coordinated Integrated Monitoring Plan, is being led by the City of Manhattan Beach on behalf of the Beach Cities.

The EWMP includes several regional projects that were agreed to by each participating agency. The Project is the first of the regional projects and arguably the most important. The Hermosa Beach City Council approved the Greenbelt Infiltration Project Design MOU on September 26, 2017 and agreed to be the lead agency.

The Project is a critical component of the approved EWMP since it's the highest ranked regional project that would achieve the greatest reduction in indicator bacterial levels at the Herondo Drain Outfall in the Santa Monica Bay. This 9.2-foot x 11-foot reinforced concrete box culvert (at Valley Drive) drains over 2,960 acres, our biggest shared watershed, and the Project as planned is an excellent location to treat water from four

cities in the most economical, efficient, and effective way. In other words, because of its location near the outfall end of the pipe, this location does the most to achieve the reductions in bacteria levels at the outfall at the least cumulative cost. Moving the project upstream may not achieve the same reductions and certainly not with the same cost efficiencies. Replacement projects that do not meet the prescribed reduction levels according to the Permit compliance deadlines, and delays to this Project jeopardize the Beach Cities compliance with the Permit and expose each agency to penalties associated with non-compliance. Non-compliance risks potential fines from the Regional Board of up to \$50,000 per day for "knowing violations" of any of the provisions of the NPDES Permit and Clean Water Act.

Hermosa Beach became the lead agency for this Project because it is located in Hermosa Beach. In addition to the EWMP, Hermosa Beach's obligations for the project were codified in the MOU which was approved by each of the Beach Cities governing bodies in July 2017 and by your City Council on September 26, 2017. Per the MOU, Hermosa Beach accepted funding from each of the involved agencies, proportioned according to their tributary drainage area, including \$431,615 from Redondo Beach. So far, we understand, \$255,529 of this money (\$129,809 of Redondo's \$431,615) has been spent for design of the project at the agreed upon greenbelt location.

The estimated cost to implement the Project is a hefty \$7,336,180. For most of the Beach Cities, this funding will come from our already burdened General Funds. Fortunately, the Beach Cities Group worked together to receive a Proposition 1 Grant in the amount of \$3,099,400, which reduces, by nearly half, the General Fund money required for the Project. An alternate project, especially one located outside of Hermosa Beach may not meet the Project's bacteria reduction goals and may jeopardize the \$3,099,400 in grant funding.

For these reasons, the City of Redondo Beach is highly concerned that if the Greenbelt Infiltration Project is canceled or modified so late in the project's completion timeframe, it may result in the dissolution of the MOU, a loss of the funds already spent on Project design, and a relinquishment of the \$3,099,400 grant. Such an action may jeopardize each agency's compliance status with the Regional Board, and may require each agency to invest additional funds to develop alternative projects to meet the reduction goals of our MS4 Permits. In addition, this action would include the uncertainty surrounding requesting Regional Board approval of EWMP modifications and extended compliance dates.

That said, the City of Redondo Beach is committed to working together with our EWMP partners to complete projects that will help preserve and enhance the beneficial uses of our receiving waterbodies and ensure compliance with our NPDES permit with the following conditions:

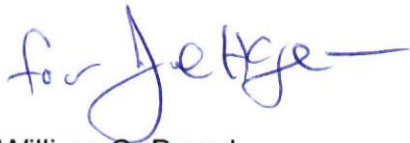
- 1) If the agencies in the Beach Cities Group collectively agree to support and fund, or the City of Hermosa Beach solely funds, the exploration of North Francisca in

Redondo Beach as a potential alternative project site, the City of Redondo Beach will provide the Right of Way permits needed to perform the study.

- 2) If the exploration of North Francisca does not receive approval from the Beach Cities EWMP Group or the City of Hermosa Beach does not agree to individually and separately fund the study, the City of Redondo Beach will be forced to consider other compliance options that may not include continued partnership with the City of Hermosa Beach.
- 3) Additionally, the City of Redondo Beach would request that the City of Hermosa Beach provide assurance that other alternative sites within Hermosa Beach also be studied to possibly meet the EWMP group's infiltration targets as it is unknown if North Francisca provides enough room to meet compliance requirements.
- 4) The City of Redondo Beach would also request that the City of Hermosa Beach take the lead on working with the Regional Board to negotiate approval of a modified EWMP and address the revised project descriptions, goals and compliance dates.

If the Hermosa Beach City Council decides to move forward with the investigation of North Francisca as an alternative location with the above conditions, please contact Geraldine Trivedi at Geraldine.Trivedi@redondo.org or 310-318-0661 x2036 to coordinate the work and obtain all necessary permits.

Sincerely,



William C. Brand

Cc: Redondo Beach City Council