



Staff Report

File #: REPORT 17-0491, Version: 1

Honorable Mayor and Members of the Hermosa Beach City Council
Regular Meeting of August 22, 2017

**MEMORANDUM OF UNDERSTANDING BETWEEN THE CITIES OF HERMOSA BEACH,
MANHATTAN BEACH, REDONDO BEACH AND TORRANCE FOR IMPLEMENTATION OF JOINT
REGIONAL PROJECTS WITHIN THE SMB 6-01 ANALYSIS REGION OF THE BEACH CITIES
ENHANCED WATERSHED MANAGEMENT PROGRAM (EWMP), ADOPT A RESOLUTION
AUTHORIZING A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH
AUTHORIZING THE CITY MANAGER TO FILE A FINANCIAL ASSISTANCE APPLICATION WITH
THE STATE WATER RESOURCES CONTROL BOARD TO FUND THE CITY'S GREENBELT
INFILTRATION PROJECT**

(Environmental Analyst Kristy Morris)

Recommended Action:

- 1) Approve a Memorandum of Understanding (MOU) with the cities of Manhattan Beach, Redondo Beach and Torrance ("Beach Cities Group") that establishes the term and conditions for design, administration and cost sharing for the Hermosa Beach Greenbelt Trench Infiltration project.
- 2) Adopt a Resolution Authorizing the City Manager to Sign and File, for and on Behalf of the City, a Financial Assistance Application for an Assistance Agreement from the State Water Resources Control Board for the Planning, Design, and Construction of the Hermosa Beach Greenbelt Trench Infiltration project.

Background:

On November 8, 2012, the Los Angeles Regional Water Quality Control Board (Board) adopted the 2012 National Pollutant Discharge Elimination System Permit (NPDES) for discharges from the municipal separate storm sewer system within the coastal watersheds of Los Angeles County (Permit). The Permit became effective on December 28, 2012. The Permit identifies conditions, requirements and programs that municipalities must comply with to protect regional water resources from adverse impacts associated with pollutants in stormwater and urban run-off. In addition, the Permit includes requirements for Enhanced Watershed Management Plans (EWMP) to be prepared to determine Best Management Practices (BMP) projects needed to comply with applicable Total Maximum Daily Loads (TMDL).

The Cities of Hermosa Beach, Torrance, Redondo Beach, Manhattan Beach and the Los Angeles County Flood Control District have formed the Beach Cities Group to develop a EWMP to comply

with the Board's 2012 NPDES Permit and compliance with Santa Monica Bay Beaches Bacteria (SMBBB) TMDL and Santa Monica Bay Toxics TMDL. On November 26, 2013, Council approved the initial Memorandum of Understanding (MOU) with the Beach Cities Group for Phase I of the EWMP and authorized \$26,222 from the Sewer Fund for Hermosa Beach's contribution of 5.5% of the total cost to develop the EWMP. The final Beach Cities EWMP has been approved by the Board. On February 9, 2016 Council approved the MOU with the Beach Cities Group for implementing the Coordinated Integrated Monitoring Program (CIMP Implementation MOU), a requirement of the Permit, which is in progress. A new MOU with the Beach Cities Group has been prepared (Attachment 1) to fund the design of the Hermosa Beach Greenbelt Infiltration System which is the highest priority joint regional structural project identified within the Herondo Drain Watershed (SMB 6-01 analysis region) of the Beach Cities EWMP area.

Analysis:

The City of Hermosa Beach in partnership with the other Beach Cities EWMP parties submitted a successful application to the State Water Resources Control Board (SWRCB) Division of Financial Assistance under the Water Quality, Supply and Infrastructure Improvement Act of 2014 Storm Water Grant Program Round 1 Implementation funding (Prop 1 Stormwater Implementation Grant) for the design and construction of the Hermosa Beach Greenbelt Infiltration project (Hermosa Greenbelt project) (Attachment 2).

The awarded Prop 1 Stormwater Implementation Grant amount of \$3,099,400 represents approximately one half of the estimated total project cost and as such the balance of the total project cost must be provided as local matching funds. With the approval of the Resolution (Attachment. 3), the City will execute a grant agreement with the SWRCB to accept the grant and to serve as the lead agency for the design and construction of the project and the other parties will contribute a proportionate share of the local matching funds. This project total budget is \$7,336,180 and the cost breakdowns for the design costs MOU and the total project costs are below.

The Beach Cities agreed to proceed with an MOU for design costs only to allow cities to plan and budget for FY18-19 construction phase cost share. A separate MOU is proposed for the construction costs once the design is complete. The cost sharing formula shown below is based on capture responsibility for the tributary area to the project after subtracting the treatment capacity of the City of Torrance Stormwater Basin Enhancement Project. The City of Hermosa Beach's share for design costs is \$115,550.50 (13.6%) and the current estimate for the City of Hermosa Beach share of construction costs is \$460,651.59, for a total project budget of \$576,202.09.

Party	Percent Responsibility as shown in Table A-1	FY17-18 Design Phase Costs	FY18-19 Construction Phase	Total Cost
Hermosa Beach	13.6%	\$ 115,550.50	\$ 460,651.59	\$ 576,202.09
Manhattan Beach	2.5%	\$ 21,240.90	\$ 84,678.60	\$ 105,919.50
Redondo Beach	50.8%	\$ 431,615.05	\$ 1,720,669.18	\$ 2,152,284.23
Torrance	33.1%	\$ 281,229.50	\$ 1,121,144.68	\$ 1,402,374.18
Total Cost Distributed among Parties	100.0%	\$ 849,635.95	\$ 3,387,144.05	\$ 4,236,780.00

Additional information on the cost sharing formula is provided in Exhibit A, Attachment 1

Fiscal Implications:

- The City of Hermosa Beach's share for design costs is \$115,550.50 (13.6%).
- CIP 16-542 Stormwater/ Urban Run-off Diversion Project on Greenbelt has \$180,000 Capital Improvement Funds approved in FY 2017-18 CIP 16-542 for design and engineering costs.

Attachments:

1. MOU between the Beach Cities Watershed Management Group
2. Location of the Greenbelt Infiltration Project
3. Resolution Authorizing the City Manager to file a Financial Assistance Application with SWRCB
4. Grant Award Letter

Respectfully Submitted by: Kristy Morris, Environmental Analyst

Concur: Lucho Rodriguez, Acting Public Works Director

Noted for Fiscal Impact: Viki Copeland, Finance Director

Legal Review: Mike Jenkins, City Attorney

Approved: Sergio Gonzalez, City Manager