



# Administrative Report

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H.7., File # 24-1402

Meeting Date: 11/5/2024

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**To:** MAYOR AND CITY COUNCIL  
**From:** ANDREW WINJE, PUBLIC WORKS DIRECTOR

## **TITLE**

APPROVE A MEMORANDUM OF UNDERSTANDING (MOU) WITH THE CITIES OF HERMOSA BEACH, MANHATTAN BEACH, AND TORRANCE ESTABLISHING THE TERMS, CONDITIONS, AND COST SHARING FOR IMPLEMENTATION OF THE BEACH CITIES REGIONAL GREEN STREETS PROJECT FOR THE BEACH CITIES WATERSHED MANAGEMENT GROUP

## **EXECUTIVE SUMMARY**

The City of Redondo Beach, in collaboration with the cities of Hermosa Beach, Manhattan Beach, and Torrance, along with the Los Angeles County Flood Control District (Group), developed a Watershed Management Plan (WMP) that includes a commitment to install green streets elements in various watersheds in these jurisdictions. The Beach Cities Group committed to working together to develop projects and secure funding. The Group's Regional Green Streets Project (Project) was awarded a \$2,000,000 Proposition 12 grant from the California State Coastal Conservancy and Santa Monica Bay Restoration Commission in 2018. In addition, the Group received a Safe Clean Water Regional Grant of \$5,366,953 for the Project.

In May 2020, the Group entered into a Project design Memorandum of Understanding (MOU) that expired in July 2023. The Group is now ready to enter into an implementation MOU that will enable the Project to be competitively bid, awarded, and constructed, with the City of Torrance continuing as the lead agency. This MOU establishes the terms and conditions for Project implementation. Of the awarded grant funds, \$6,854,735 remains unspent after completion of the design phase. The current estimated Project Construction Cost is \$8,388,716. The MOU addresses the resulting gap in funding by proposing it be funded by a "local match" from each of the various agencies in the MOU in proportion to the value of the construction work in each city. The resulting share stated in the MOU for Redondo Beach is an estimated \$440,107. The actual construction cost will be determined once the Project is competitively bid in 2025 with the final match amount being determined at that time. Payments will then be sent to the City of Torrance, who is acting as lead agency for the Project. The Capital Improvement Program anticipates using annual Measure W - Safe Clean Water Act funds to cover the City's estimated \$440,107 MOU expense.

## **BACKGROUND**

In November 2012, the Los Angeles Regional Water Quality Control Board (Board) adopted the 2012 National Pollutant Discharge Elimination System Permit for discharges from the municipal separate storm sewer system within the coastal watersheds of Los Angeles County. 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. The Permit required the Group to develop an WMP. The most significant component of the WMP is the development of watershed-wide projects with the goal of achieving the desired pollutant reduction levels primarily through the infiltration of large amounts of stormflows.

The City Council approved the original Enhanced WMP in June 2015 and received Board approval in April 2016. The Group submitted a revised WMP to the Board on June 30, 2021 and it was conditionally approved on April 28, 2023. The Group committed to working together to install green streets in the watersheds. In 2018 the Beach Cities, with the City of Torrance acting as the lead agency, successfully applied for a \$2,000,000 Proposition 12 grant from the California State Coastal Conservancy and Santa Monica Bay Restoration Commission. In addition, the Group received a Safe Clean Water Regional Grant of \$5,366,953 for the Project. The cost of Project planning, environmental determination, and design was \$1,001,653 with \$6,854,735 remaining in available grant funding. The estimated Project Construction Cost is \$8,388,716 and the MOU directs that each agency will cover their commensurate share of the currently estimated funding gap with a local match estimated payment to the City of Torrance when the actual construction cost is known. Once the actual construction cost is determined, these contributions will be adjusted to reflect actual local match obligations.

The green street features of Redondo's portion of the Project include eleven dry wells that intercept, filter, and infiltrate storm water from street flow prior to entering the storm drain system. These provide similar benefits to a bioswale but without the need to maintain the landscaping during the dry period. In addition, 78 trees will be planted to intercept rain fall and provide shade to mitigate the urban heat island effects common to our region. Exhibit D of the MOU identifies the streets that are included as part of the Project. The primary streets included in the City of Redondo are Anita, Ford, Steinhart, Goodman, Stanford, Pullman, and Belmont. The Group entered into a Design MOU for the Project on July 9, 2020 that expired on July 9, 2023, with Project design completed by an engineering consultant. This MOU has been prepared to fund the construction phase of the Project in order to meet compliance deadlines outlined in the WMP and grant funding timelines.

The next step in the Project is for the Group to execute a new MOU establishing the terms and conditions for the Project's construction phase and the proportionate cost sharing, if needed. The MOU, which has been approved as-to-form by each Beach City, is being presented to their respective Councils for approval and funding in November 2024.

The Group has agreed that in the event the Project Completion Cost (including construction, construction management, inspection services, and post-construction project performance monitoring) exceeds the grant funding, that the balance will be funded based on each city's proportional share of the Project Completion Cost. The grant funds have been allocated according to each cities proportional share of the Project Completion Cost. The total estimated Project Completion Cost is \$8,388,716 and Redondo Beach will receive \$1,966,657 (28.7%) of the funding with an estimated local match funding requirement of \$440,107. The \$440,107 local match funding is proposed to be funded with the Redondo's Safe Clean Water Municipal funding, which the City receives annually. The MOU shall become effective on the date of execution by all the parties and shall remain in effect for five years, with the option to extend the term by two additional years if approved by all parties.

Of special note, is that in the event that the local match requirement exceeds the amounts shown in Exhibit C, Table 1 (\$440,107 for the City of Redondo), and any city is unable to secure City Council approval for additional funding, such city may withdraw from this MOU without incurring penalties, fines, or interest. Upon withdrawal, the withdrawing city shall be released from all future obligations, liabilities, or responsibilities under the MOU, and any funds already deposited by the withdrawing city will be equitably redistributed among the remaining cities or used for the Project.

Staff recommends that the Council approve the MOU with the Cities of Hermosa Beach, Manhattan Beach, and Torrance for the Project; and authorize the Mayor to execute the MOU on behalf of the City.

### **COORDINATION**

The City Attorney's Office approved the MOU as to form. The MOU is also being considered for approval by the City Councils of Hermosa Beach, Manhattan Beach, and Torrance.

### **FISCAL IMPACT**

Funding for the City's local project matching requirement in the MOU will be available through the municipal FY 2025-26 Safe Clean Water Act funding disbursement. Safe Clean Water Act funds are distributed each year to the City through the countywide Measure W program and are non-competitive. Staff anticipate being invoiced by Torrance for the City's pro-rata expense in the summer of 2025 and therefor no funding appropriation is needed at this time.

#### **Funding**

Annual Safe Clean  
Water Act Funds                 \$440,107  
\$440,107

#### **Expenditure**

Redondo Beach's MOU Share  
of the Project Cost

### **APPROVED BY:**

*Mike Witzansky, City Manager*

### **ATTACHMENTS**

- MOU Between Cities of Redondo Beach, Manhattan Beach, Hermosa Beach, and Torrance