



DATE: MAY 28, 2014

FROM: ENVIRONMENTAL MANAGEMENT

SUBJECT: RESOLUTION NO. _____ - COST SHARE MEMORANDUM OF UNDERSTANDING WITH GATEWAY AUTHORITY AND HARBOR TOXICS TOTAL MAXIMUM DAILY LOAD RESPONSIBLE PARTIES TO CONDUCT REQUIRED MONITORING IN THE GREATER HARBOR WATERS

SUMMARY:

The Total Maximum Daily Load for Toxic Pollutants in Dominguez Channel and Greater Los Angeles and Long Beach Harbor Waters (Harbor Toxics TMDL) was approved by the Los Angeles Regional Water Quality Control Board, the State Water Resources Control Board, and the United States Environmental Protection Agency, becoming effective on March 23, 2012. The City of Los Angeles Harbor Department (Harbor Department) is a named responsible party under the Harbor Toxics TMDL. Requirements under the Harbor Toxics TMDL have the force of law and the required elements of the Harbor Toxics TMDL include sediment, water column and fish tissue monitoring. Named parties must undertake this monitoring individually unless they choose to join a coalition. The Harbor Department has taken a leading role in convening the responsible parties, known as the Regional Monitoring Coalition (RMC). Twelve responsible parties have elected to pool efforts and resources to conduct joint monitoring as a substantial cost saving measure versus conducting individual monitoring. This Memorandum of Understanding (MOU) is for a five-year period and reflects the cost share obligations that the RMC members have agreed to and names the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority (GWMA) as fiduciary.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Approve the cost share Memorandum of Understanding with the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority and Harbor Toxics Total Maximum Daily Load responsible parties for the reimbursement to cover the City of Los Angeles Harbor Department's cost share obligation of \$268,521 over a five-year period;

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2. Authorize the Board Secretary to transmit the proposed cost share Memorandum of Understanding to the Los Angeles City Council for approval in accordance with Charter Section 373 and Los Angeles Administrative Code Section 10.5(a);
3. Authorize the Executive Director to execute and Board Secretary to attest to the proposed cost share Memorandum of Understanding for and on behalf of the Board of Harbor Commissioners; and
4. Adopt Resolution No. _____.

DISCUSSION:

Background/Context - The Harbor Toxics TMDL became effective on March 23, 2012, naming the City of Los Angeles (City) as a responsible party. Other named parties under the Harbor Toxics TMDL include the City/Port of Long Beach, Signal Hill, Los Angeles County Flood Control District, and other cities which drain directly to the harbor complex, including Eastern San Pedro Bay. Parties are individually responsible for conducting the required monitoring; however, they have chosen to form a coalition as a cost-saving measure and to avoid duplication of effort and data. The GWMA has agreed to act as fiduciary for the MOU.

Among the many requirements for responsible parties is the mandate to prepare a comprehensive monitoring and reporting plan and to sample the sediment, water column, and fish tissue in the Greater Harbor Waters area. The three media must be analyzed for an extended list of pollutants, including metals and bioaccumulative organics. In addition, the sediment must be analyzed for toxicity and health of the benthic community. The water column must be sampled in both wet and dry weather.

This is the first Harbor Department stakeholder cost share MOU related to the Harbor Toxics TMDL. The Harbor Department took a proactive role in contributing to the development of the Harbor Toxics TMDL and continues to work closely with regulators to improve the science behind the Harbor Toxics TMDL. The Harbor Department staff also coordinates closely with the City Department of Public Works, Bureau of Sanitation, Watershed Protection Division (BOS/WPD), which is the City's overall lead on TMDL matters. BOS/WPD has entered into several similar MOUs in conjunction with other TMDLs, as the City is named in other sections of the Harbor Toxics TMDL covering areas outside the harbor. Staff from BOS/WPD and the Harbor Department have coordinated on how best to use City resources to comply with the Harbor Toxics TMDL requirements, as well as related requirements under the new Municipal Stormwater Permit.

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Harbor Department and BOS/WPD staff have agreed that the initial costs for developing these plans, as well as initial monitoring activities, should be divided mainly along geographic lines, with the Harbor Department taking the lead for TMDL activities in the harbor area. BOS/WPD will take the lead for areas north of the harbor, including the Dominguez Channel Estuary. BOS/WPD is also leading the efforts and bearing the costs for the Enhanced Watershed Management Plan associated with requirements of the Municipal Stormwater Permit, which includes the harbor area. In this way, City resources will be used efficiently to cover regulatory requirements.

Contractor Selection Process - GWMA has volunteered to select the contractor to perform the monitoring and support services covered by this MOU. GWMA bases their contracting policies on those policies instituted by the City of Long Beach.

Cost Sharing - The cost share MOU identifies GWMA as the fiduciary party, responsible for collection of funds and hiring of contractor(s). The total cost for the program is \$2,664,906, to be shared among participating Harbor Toxics TMDL responsible parties. The cost sharing formula was agreed upon by RMC members and is a combination of jurisdictional land/water area weighting and base cost (60% area, 30% base). The Los Angeles County Flood Control District has agreed to contribute a fixed 10% of the total cost.

The Harbor Department has already contributed in-kind services toward planning efforts and field sampling that needed to take place prior to the MOU. The RMC parties have agreed to credit the Harbor Department for this advance outlay. The in-kind amount totals \$219,909 (a like amount has also been paid in advance by Port of Long Beach) and will be credited against the total Harbor Department and the City of Los Angeles obligation over the five-year period, which is \$488,430. Therefore, the Harbor department will owe \$268,521.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of a cost share MOU with the GWMA, acting as fiduciary for the Harbor Toxics TMDL responsible parties, to perform monitoring and related services required by the Harbor Toxics TMDL. As an administrative activity related to basic data collection that does not result in a serious or major disturbance to an environmental resource, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of CEQA in accordance with Article II, Section 2 (f) and Article III, Class 6 (2) of the Los Angeles City CEQA Guidelines.

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FINANCIAL IMPACT:

Approval of the proposed MOU will allow the Harbor Department and other responsible parties to collaborate in the required monitoring of the Harbor Toxics TMDL and reduce costs and avoid duplication of effort and data. In the absence of a collaborative agreement, each party, per the Harbor Toxics TMDL, is individually responsible for undertaking the monitoring requirements. The cost for just the Harbor Department and City of Los Angeles under such a scenario is estimated to be in excess of \$1,000,000.

The GWMA has agreed to be the fiduciary under the cost-share MOU and will receive monies from all parties and pay contractors. GWMA will take a 3% administrative fee out of the total. The total cost of the project is \$2,664,906, to be shared by all named responsible parties as follows:

Los Angeles Harbor Department (includes City)	\$ 488,430
Los Angeles County Flood Control District	\$ 266,491
Bellflower	\$ 143,245
Lakewood	\$ 198,050
Long Beach	\$ 755,350
Port of Long Beach	\$ 264,723
Paramount	\$ 96,643
Rancho Palos Verdes	\$ 118,984
Rolling Hills	\$ 82,680
Rolling Hills Estate	\$ 72,732
Signal Hill	\$ 104,672
Unincorporated Los Angeles County	\$ 72,906
Total:	<u>\$2,664,906</u>

Taking into account the in-kind services already provided (\$219,909), the Harbor Department will owe \$268,521 over the life of the MOU and funds will be spent as follows:

FY 13/14	\$ 53,704
FY 14/15	\$ 53,704
FY 15/16	\$ 53,704
FY 16/17	\$ 53,704
FY 17/18	\$ 53,705
Total:	<u>\$ 268,521</u>

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The Harbor Department recognized in its FY 13/14 financial statements the TMDL required monitoring as a pollution remediation obligation in the amount of \$700,000. As such, funds in the amount of \$53,704 for this project for FY 13/14 are available in Account 21995, Center 7000, Program 000. Funds for future fiscal years will be requested to be budgeted as part of the annual budget adoption process, upon Board approval. A funding out clause is included in the MOU.

ECONOMIC BENEFITS:

Approval of the proposed resolution will have no employment impact. The project associated with the proposed resolution is anticipated to have a positive employment impact for the five-county region. However, the economic benefits cannot be quantified at present.

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CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the cost share MOU as to form and legality.

TRANSMITTAL:

1. Cost Share MOU with GWMA and Harbor Toxics TMDL Responsible Parties



CHRISTOPHER CANNON
Director of Environmental Management

FIS Approval:  (initials)
CA Approval:  (initials)



MICHAEL R. CHRISTENSEN, P.E.
Deputy Executive Director

APPROVED:



GARY LEE MOORE, P.E.
Interim Executive Director

AUTHOR: ANDREW JIRIK
ADP No.: 970203-532
BOARD MEETING: 06/05/2014

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