



Executive Director's
Report to the
Board of Harbor Commissioners

DATE: DECEMBER 4, 2013

FROM: PLANNING & ECONOMIC DEVELOPMENT

SUBJECT: RESOLUTION NO. _____ – ISSUANCE OF A LEVEL III COASTAL DEVELOPMENT PERMIT (NO. 13-09) TO THE CITY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS FOR DEVELOPMENT OF PHASE 2 OF THE ADVANCED WATER PURIFICATION FACILITY AT THE TERMINAL ISLAND WATER RECLAMATION PLANT

SUMMARY:

The City of Los Angeles Department of Public Works is seeking to construct Phase 2 of the Advanced Water Purification Facility (AWPF) located at the Terminal Island Water Reclamation Plant (TIWRP). Phase 2 will increase the plant's water treatment capacity to 12 million gallons per day from its current maximum of 5 million gallons per day. Staff is recommending that the Board of Harbor Commissioners (Board) approve Coastal Development Permit (CDP) No. 13-09, a Level III, appealable permit for the proposed project.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Hold a public hearing for the proposed Level III, appealable Coastal Development Permit No. 13-09;
2. Find that the proposed project conforms with the Port Master Plan and the California Coastal Act of 1976, as amended, and find that this project will have no significant adverse environmental impacts as provided in the California Environmental Quality Act;
3. Upon closure of the public hearing, resolve to approve the issuance of Level III, appealable Coastal Development Permit No. 13-09 to expand the Advanced Water Purification Facility, subject to the standard conditions set forth in the permit, and direct the Director of Planning and Economic Development to issue said permit; and
4. Adopt Resolution No. _____.

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SUBJECT: LEVEL III CDP NO. 13-09 FOR PHASE 2 OF THE ADVANCED WATER PURIFICATION FACILITY

DISCUSSION:

Background/Context – The TIWRP is a City of Los Angeles Bureau of Sanitation owned and operated wastewater reclamation plant located on approximately 21 acres of leased land on Terminal Island in the Port of Los Angeles (Transmittal 1). Currently the TIWRP treats approximately 5 million gallons per day for indirect potable use through its AWPf.

The AWPf (originally named the Advanced Water Treatment Facility) is the final stage of wastewater reclamation at the TIWRP. The AWPf contains a two-stage process that produces water that meets or exceeds state and federal water quality requirements. Water that has been treated to the tertiary level at the TIWRP is then passed through a microfiltration unit and then passed through reverse osmosis membranes. Phase 1 of this project was the construction of the AWPf in 2001 to handle 5 million gallons per day. Phase 2 of the proposed project is to increase the production of advanced purified recycled water from 5 million to 12 million gallons per day and responds to the goals identified in the Los Angeles Department of Water and Power's Urban Water Management Plan which calls for 19.2 billion gallons of potable supplies annually to be replaced by recycled water by 2035. To meet this goal, up to 9.8 billion gallons of purified water from the City's water reclamation plants would be delivered for groundwater replenishment and industrial users annually. The proposed project is a critical element for meeting this goal.

Scope of Work – The advanced water purified system includes a 2 million gallon equalization tank and transfer pump, an 8 million gallon microfiltration system, a reverse osmosis system, an advanced oxidation process system and post treatment system, standby equipment, and pumps. The installation of this equipment will allow the Bureau of Sanitation to increase the production of advanced purified recycled water.

The City of Los Angeles, Department of Public Works will bear the full \$57 million cost of construction and the annual maintenance cost of \$7.4 million of the Phase 2 system. Should the Board approve the issuance of CDP No. 13-09, work would commence in October 2014 and be completed by April 2017.

Coastal Permit Requirements – The proposed project, which is located in Master Planning Area 7, is a Level III, appealable project in accordance with the definitions set forth in the *Guidelines for Implementation of the Port of Los Angeles Certified Port Master Plan*. The proposed Level III permit is one of three levels of permits that the Board can issue (Transmittal 2). Level III permits are required for developments that involve large capital expenditures, have a risk of substantial adverse environmental impacts that can be mitigated, involve the potential for unavoidable adverse impacts that cannot be mitigated, or result in major changes in land and/or water uses.

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The proposed project has been found to be consistent with the Port Master Plan and Chapter 8 policies of the California Coastal Act of 1976, as amended, as it is an institutional use that is permitted in Master Planning Area 7. Specifically, the expansion of the AWPf is consistent with Section 30708 that provides beneficial uses consistent with the public trust.

Under Section 30715 of the Coastal Act, approvals of certain types of development by a port governing body may be appealed to the California Coastal Commission (Coastal Commission). A waste water treatment facility is one such development that is appealable. An appeal to the Coastal Commission may be filed within ten working days of the closure of the Los Angeles City Charter Section 245 review period by the applicant, any aggrieved person, or two members of the Coastal Commission. Should an appeal be filed, the Coastal Commission shall hear the appeal unless it determines that no substantial issue exists as to conformity with the port master plan.

As the proposed project requires a Level III coastal development permit, a public hearing is necessary. On November 27, 2013, the public notice for the public hearing, to be held on December 12, 2013, was published (Transmittal 3).

ENVIRONMENTAL ASSESSMENT:

An Environmental Impact Report (EIR) was prepared for the installation of tertiary treatment filters, Phase 1 construction of the AWPf, construction of a reclaimed water distribution system and relocation of the sewer outfall in the Outer Harbor which was certified in 1993 by the City of Los Angeles Public Works Department (LAPWD), the lead agency for the project. In 1999, a Mitigated Negative Declaration (MND) was adopted by the Board of Public Works to address the changes in the distribution pipeline alignment and was tiered to and incorporated by reference to the 1993 EIR.

For the Phase 2 construction of the AWPf, LAPWD determined the project was exempt from the provisions of the California Environmental Quality (CEQA) pursuant to Class 11 exemptions under CEQA (State CEQA Guidelines Sections 15311) as well as a Class 11, Category 6 exemption under the City of Los Angeles.

The proposed action is the issuance of Level III, appealable Coastal Development Permit to the City of Los Angeles to construct Phase 2 of the AWPf at the Terminal Island Water Reclamation Plant.

After review of all previous studies and data, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of CEQA in accordance with Article III Class 11(6) of the Los Angeles City CEQA Guidelines.

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ECONOMIC BENEFITS:

The project associated with the proposed CDP will have 524 direct and 421 secondary one-year equivalent job impacts for the five-county region.

FINANCIAL IMPACT:

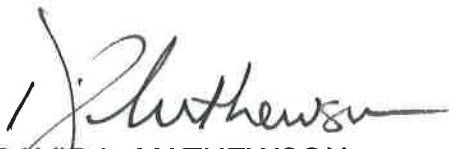
Approval of the Level III CDP is a procedural requirement for the proposed project to continue to proceed. The Department of Public Works currently leases 21 acres of land on Terminal Island from the Harbor Department at an annual rental rate of \$1.2 million. The project consists of two phases. Phase 1 cost was \$26.2 million with an annual operating and maintenance cost of \$5.4 million. Phase 2 cost is estimated at \$57 million with annual operating and maintenance costs estimated at \$7.5 million. At the proposed project completion, costs will total \$83.2 million with annual operating and maintenance cost of \$12.9 million. All costs will be borne by the Department of Public Works.

CITY ATTORNEY:

The Office of the City Attorney has reviewed this Board Report and determined that it raises no legal issues at this time.

TRANSMITTALS:

1. Site Location Map
2. CDP No. 13-09
3. Public Notice



DAVID L. MATHEWSON
Director of Planning & Economic Development

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

APPROVED:



GARY LEE MOORE, P.E.
Interim Executive Director