



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

FROM: City Administrator

SUBJECT: Stormwater Activity Update

MEETING DATE: September 6, 2016

Item No. _____

RECOMMENDATION:

Receive and file a report regarding stormwater activities for the City of Commerce. The Council may take appropriate action as may be deemed necessary.

ANALYSIS:

Background

Every agency that discharges water from its jurisdiction into the stormwater system is regulated under a National Pollution Discharge Elimination System (NPDES) MS4 Permit assigned and enforced by the California Water Quality Resources Control Board (State Water Board) and the Los Angeles Regional Water Quality Control Board (Regional Water Board). 84 cities within Los Angeles County are regulated under the same MS4 Permit. The permit remains in effect for 5 years and reissued generally every five years. The current MS4 Permit went into effect on December 28, 2012. It enforces all applicable Total Maximum Daily Loads (TMDLs) which regulate water quality for trash, metals, nutrients, and bacteria and requires additional compliance activities. The new permit is approximately three times the size of the former permit and requires agencies to do considerably more to attain water quality.

The MS4 Permit requires each agency to institute and enforce:

1. TMDL control measures (i.e. catch basin screen inserts for the Trash TMDL);
2. Non-stormwater discharge measures (i.e. irrigation runoff);
3. Stormwater and Low Impact Development Ordinances;
4. Green Streets Policy;
5. Business inspections for certain types of businesses;
6. Minimum Control Measures (MCMs) for:
 - a. Development Construction Program;
 - b. Industrial/Commercial Facilities Program;
 - c. Illicit Connection and Illicit Discharges Detection and Elimination Program;
 - d. Public Agency Activities Program, and

e. Public Information and Participation Program.

In addition to these individual agency activities, there are regional activities since the current permit, for the first time, allows for the forming of watershed groups to jointly develop a Watershed Management Program (WMP) and Coordinated Integrated Monitoring Program (CIMP). The purpose of the WMP and CIMP is to establish a Program by which individual agencies can work together to make a good faith effort to comply with all applicable TMDL pollutants affecting water quality such as trash, metals and bacteria and other priority water quality standards and share the costs of regional compliance. Compliance with TMDLs requires both infiltration projects in the individual cities and large regional projects to infiltrate stormwater. Ultimately, the CIMP assesses progress of implemented activities and projects to improve water quality.

Council approved the formation of a regional group in 2013 to develop a WMP and CIMP and the Deputy Director of Public Works Operations serves as the Chair. Commerce's regional partners are the Cities of Bell, Bell Gardens, Cudahy, Huntington Park, Maywood, Vernon and LA County Flood Control District. The WMP Group is commonly referred to as the Los Angeles River Upper Reach 2 Sub-watershed (LAR UR2 SW). On May 28, 2013, Council authorized a Memorandum of Understanding (MOU) with the Gateway Water Management Authority (GWMA) for administration and cost-sharing of regional efforts among the LAR UR2 SW members. There are four different WMP groups in the Gateway region and all utilize the GWMA as their fiduciary agent.

GWMA released an RFP on behalf of the LAR UR2 SW to hire a consultant to develop the WMP and CIMP and awarded CWE an agreement on July 15, 2013 for the WMP. On June 17, 2014, CWE and staff presented the WMP's contents to Council who authorized submittal of the WMP to the Regional Water Board at this same meeting. Once the WMP was completed, work began on developing the CIMP and CWE was awarded an agreement for this scope of work on February 19, 2015. The CIMP consist of an expanded monitoring program to include outfall monitoring in each jurisdiction in addition to continuing to monitor the receiving waters, the Los Angeles River.

The Water Board required immediate implementation once the WMP and CIMP were approved. Since the agencies party to the Plans had to be prepared to implement them, on December 2, 2014, Council approved the 1st Amendment to the GWMA MOU for implementation of a new joint monitoring program and cost sharing formula for monitoring and special studies. The Regional Water Board approved the WMP on August 13, 2015 and the CIMP on February 12, 2016 and implementation began shortly thereafter in addition to the individual City compliance activities.

Current activities

Feasibility Study

The GWMA released an RFP and awarded an agreement to Tetra Tech on April 14, 2016 to conduct a Feasibility Study for six regional projects in the LAR UR2 SW's approved WMP. This Feasibility Study includes the following:

1. Environmental requirements evaluation;
2. Field work at each project location;
3. Topographic survey information;
4. Utility search;
5. Geotechnical evaluation for soil types and infiltration rates;
6. Hydrology and water quality analysis to determine volume, flows and infiltration rates for project sizing;
7. GIS maps;
8. Permits;
9. Operation and Maintenance;
10. Monitoring Plan development to determine initial water quality;
11. Project cost and schedule.

The Feasibility Study completion is expected by the end of February 2017. The study's findings will be shared with the Regional Water Board and may result in needing to modify the WMP's projects' size, their proposed locations, and/or schedule. Some of the projects are very large such as the one at Rosewood Park in Commerce and John Anson Ford Park in Bell Gardens. It would be more manageable and less intrusive on each city if these projects were phased. However, ultimately construction of these projects depends on funding.

Monitoring

The LAR UR2 SW is under an agreement with its WMP group members and the GWMA for the annual monitoring required. Monitoring reveals existing water quality and progress towards meeting compliance with TMDLs through various activities. This includes dry and wet weather sampling. The sampling locations are located in both the LA River and outfalls in each member's jurisdiction. The LAR UR2 SW conducted its first dry weather sampling in July 2016. It will require a few years of sampling during summer and winter weather months to assess the current water quality of the LA River, any progress towards TMDL compliance and attempt to identify potential sources of pollutants to address.

Partnerships

1. GWMA, Cities and the LA Flood Control District

On May 28, 2013, the City Council approved an MOU with the GWMA for the administration and cost sharing with aforementioned agencies for the development of a joint WMP and CIMP in accordance with the Los Angeles Regional Water Quality Control Board, National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4) Permit.

2. Caltrans

The GWMA, the Chairs of the four Gateway WMP groups and their consultants have been working on a potential agreement with Caltrans to contribute funding toward monitoring and possibly regional projects. The GWMA proposed to Caltrans' a contribution of 8% of monitoring costs per WMP group and 5% GWMA administrative fee. The details of the agreement are not final yet and the WMP Chairs continue to work through the details with GWMA and Caltrans.

3. City of Los Angeles, Department of Water and Power

The LAR UR2 WMP Chair and consultant presented the WMP's regional projects to the Greater LA Integrated Regional Water Management Plan (IRWMP) Committee for inclusion of the projects for potential State grant funding in the future. Due to this presentation and inclusion of proposed projects, the City of LA's Department of Water and Power (DWP) reached out to the City of Commerce Chair to the LAR UR2 SW. They are looking for potential partners on projects and could fund up to 40% of the construction costs and may be used for planning/engineering. They were very pleased to hear that the WMP's projects are undergoing a Feasibility Study and requested the results when complete. They will use these results to determine the projects value and potential funding amounts. They are most interested in three of the six projects, namely John Anson Ford Park in Bell Gardens, Rosewood Park in Commerce, and the LA DWP Transmission Easement Infiltration Project in Vernon.

4. Private businesses under their own MS4 Permit

The GWMA Board Members are considering allowing private businesses throughout the Gateway region, whose discharges require that they have an individual MS4 Permit, enter into an MOU to share monitoring costs. This could potentially lead to some shared project construction costs to address pollutants in the future. There are 47 active individual Industrial General Permits (IGPs) assigned to businesses in Commerce. These businesses are required to implement similar pollutant control measures and monitoring that cities are already conducting and the Regional Water Board continues to add more industrial permittees each year.

Funding and potential revenue sources

Local governments (cities and the County) are struggling to identify new sources of revenue to meet the requirements imposed by the new permit and more stringent water quality regulations. As a result, impacted jurisdictions are working together to share costs and resources and seek grant funding. However, grants do not always fund planning and engineering costs and there is a significant shortage of funds available for construction and no money available to pay for the ongoing operations and maintenance costs once the projects are completed.

The LAR UR2 SW members agreed to the following cost-share allocation formula for WMP and CIMP development and monitoring and future special studies with a not-to-exceed amount of \$100,000 per year per agency:

Watershed Permittee	Cost Allocation	
LA County Flood Control District	10% contribution of total costs towards WMP/CIMP development and special/feasibility studies 5% for monitoring	
7 participating cities	Equally share 1/7 of 45% or 47.5% of the total costs	
	Remaining 45% or 47.5% paid as follows:	
	Land Area (mi ²)	Cost Allocation Percentage
Bell	2.64	11.90
Bell Gardens	2.49	11.22
Commerce	6.57	29.61
Cudahy	1.12	5.05
Huntington Park	3.03	13.65
Maywood	1.18	5.32
Vernon	5.16	23.25

Cost sharing for the construction and maintenance of regional projects will be determined at a later time. Initial discussions are occurring among the LAR UR2 SW members and between the WMP Chairs in the Gateway region. Staff will return to Council with a recommendation at a later time.

Countywide stormwater fee

As a result of the rising MS4 Permit costs, in 2013 the County proposed a new parcel fee referred to as the Clean Beaches, Clean Water Initiative. The public hearing was held on January 15, 2013 and continued to March 12, 2013 by the Los Angeles County Board of Supervisors to allow additional time to resolve issues related to public outreach, economic impact on property owners, and the most equitable assignment of shared responsibility for pollutant reduction efforts.

The County did not continue pursuing implementation of this parcel fee at that time. However, the County is reconsidering their priorities and a possible renewed effort for some sort of new MS4 fee. Most cities do not have a stormwater fee in place and may consider supporting a Countywide fee in the future.

City stormwater fee

Should the County not implement a stormwater fee; the City may want to consider establishing their own fee. Staff will report to Council any County progress and a recommendation for future course of action at a later time.

Contract Cities

Contract Cities is also attempting to assist in any way possible to provide local agencies some financial relief for MS4 compliance efforts. They are working with the legislature to recognize stormwater as a utility similar to the sewer utility. This could potentially provide a revenue stream.

Grant Funding

The LAR UR2 SW's consultant and WMP group Chair developed a Proposition 1 application for two of its six regional projects, namely John Anson Ford Park (Bell Gardens) and Randolph Street Rail to Green Trail (Maywood) Infiltration Projects. The WMP set an implementation schedule for each of the projects with an implementation date of 2024 for Ford Park and 2028 for the Randolph Trail. The GWMA administratively submitted the application to the State Water Board on July 8, 2016 on behalf of the LAR UR2 SW.

Reporting

The Regional Water Board requires annual reporting of all MS4 Permit activities in December. Last year, the LAR UR2 SW reported its activities in a joint report for the first time. This year, the Regional Water Board provided a new report template resulting in two reports, one for the individual agency activities and a second one for the WMP group regional activities.

Next steps

Complete the Feasibility Study for the regional projects, provide the analysis to DWP for a potential partnership, determine if the WMP needs to be modified to obtain Regional Water Board approval for phasing the regional projects and any other modifications necessary, submit the 2015/16 Fiscal Year Annual Report, enter into an agreement with Caltrans, track County MS4 fee progress, identify potential Commerce green streets projects for infiltration, complete the catch basin screen project, conduct the second round of MS4 inspections of required businesses (over 500), and obtain funding for regional projects.

ALTERNATIVES:

1. Approve staff recommendation
2. Disapprove staff recommendation
3. Provide further direction to staff

FISCAL IMPACT:

The City budgeted \$340,000 in Fiscal Year 2016/17 for MS4 Permit activities in various sub accounts within Environmental Services account number 10-1570 for the watershed management program, project consultant, MS4 business inspections, environmental mitigation and general environmental services. There is no additional fiscal impact at this time. Staff will return to Council separately as necessary and also include MS4 future funding needs as part of the annual budget process.

RELATIONSHIP TO STRATEGIC GOALS:

This item is related to a specific 2012 Strategic Goal to “improve and maintain infrastructure and beautify our community.”

Approved by: Maryam Babaki, Director of Public Works and Development Services

Prepared by: Gina Nila, Deputy Director of Public Works Operations

Reviewed by: Vilko Domic, Finance Director

Approved as to form: Eduardo Olivo, City Attorney

Respectfully submitted: Jorge Rifá, City Administrator

ATTACHMENTS: PowerPoint Presentation