

# 34253

## COOPERATIVE IMPLEMENTATION AGREEMENT

THIS AGREEMENT, ENTERED INTO EFFECTIVE ON April 19, 2016 is between the State of California acting by and through its Department of Transportation, referred to herein as CALTRANS and the City of Long Beach, a body politic and a municipal corporation (chartered City) of the State of California, referred to herein as "AGENCY". CALTRANS and AGENCY are together referred to as PARTIES.

### RECITALS

1. CALTRANS and AGENCY, pursuant to California Streets and Highways Code (SHC) Sections 114 and 130, are authorized to enter into a Cooperative Agreement for improvements to the State Highway System (SHS) as a watershed stakeholder within AGENCY's jurisdiction.
2. As per Attachment IV of the Caltrans National Pollutant Discharge Elimination Permit Order 2012-0011-DQW (NPDES Permit), Section I.A, CALTRANS and AGENCY are to collaboratively implement the NPDES Permit requirements as they have been identified as stakeholders in the Total Maximum Daily Load (TMDL) for the LONG BEACH MUNICIPAL URBAN STORMWATER TREATMENT Project (hereinafter referred to as "LB-MUST"). CALTRANS has agreed to contribute an amount not to exceed Twenty-Eight Million (in English) Dollars (\$28,000,000) to AGENCY for AGENCY to construct the LB-MUST Project, within the regional area under the jurisdiction of AGENCY to comply with the Lower Los Angeles River TMDL. The NPDES Permit (including Attachment IV) is located at:  
[http://www.waterboards.ca.gov/water\\_issues/programs/stormwater/caltrans.shtm](http://www.waterboards.ca.gov/water_issues/programs/stormwater/caltrans.shtm)
3. AGENCY has agreed to implement the LB-MUST Project (hereinafter referred to as the "PROJECT") subject to the terms and conditions of this Agreement including all attached hereto that are incorporated herein and made a part of this Agreement (collectively referred to as the "AGREEMENT").
4. AGENCY will be responsible for all management, maintenance and operations, including costs of the constructed Water Capture Facility.
5. CALTRANS will be credited with one (1) Compliance Unit (CU) for each Eighty Eight Thousand Dollars (\$88,000) paid to AGENCY. A compliance unit is defined as one (1) acre of CALTRANS's Right-of-Way (ROW) from which the runoff is retained, treated, and/or otherwise controlled prior to discharge to the relevant reach. The financial equivalent as submitted by CALTRANS is One Hundred Seventy Six Thousand Dollars (\$176,000) per CU. The State Water Resources Control Board ("State Water Board") is encouraging collaborative efforts and Cooperative Implementation Agreements, and uses a 50% discount for CU in dollars contributed to the Cooperative Implementation. This sets the CU equivalent at Eighty Eight Thousand Dollars (\$88,000).
6. Cooperative Implementation has the following advantages: (i) allows for retrofit projects off the ROW, at locations that may otherwise have space, access, or safety limitations within the ROW; (ii) provides for the involvement of local watershed partners who have an interest and expertise in the best way to protect, manage, and enhance water quality in

the watershed; (iii) allows for implementation of Best Management Practices (BMPs) and other creative solutions not typically available to CALTRANS; (iv) allows for larger watershed-scale projects; and (v) leverages resources from other entities.

7. All services performed by AGENCY pursuant to this AGREEMENT are intended to be performed in accordance with all applicable Federal, State and AGENCY laws, ordinances, regulations, and CALTRANS published manuals, policies, and procedures. In case of conflict between Federal, State and AGENCY laws, ordinances, or regulations, the order of precedence applicability of these laws shall be Federal, State and then AGENCY laws and regulations, respectively.
8. Project funding is as follows:

<u>FUND TITLE</u>	<u>FUND SOURCE</u>	<u>DOLLAR AMOUNT</u>
SHA	State of California	\$TBD

## SECTION I

All sections of this agreement including the recitals are enforceable.

1. AGENCY has agreed to implement PROJECT in accordance with Attachment II-SCOPE SUMMARY. The SCOPE SUMMARY that is attached to and made a part of this AGREEMENT defines in detail the PROJECT's scope of work, description, timeline, location and budget.
2. AGENCY will be responsible for all management, maintenance and operations, including costs of the constructed Water Capture Facility.
3. AGENCY will develop and construct the Water Capture Facility in accordance with the applicable laws, policies, practices, procedures and standards. This applies to all procurements, including land acquisitions, licenses and permits.
4. AGENCY shall prepare initial engineering and geotechnical assessments, and detailed design as well as acquire environmental reviews and Right-of-Way need for the PROJECT. This work is the AGENCY equivalent to Caltrans process of Project Initiation Document (PID), Project Approval & Environmental Document (PA & ED) and Plans, Specification and Estimate (PS&E). AGENCY will pay for coordinate, prepare, obtain, implement, renew, and amend all any permits needed to complete the PROJECT. AGENCY will prepare CEQA environmental documentation to meet CEQA requirements and will be the lead agency for CEQA processes.
5. AGENCY will advertise, open bids, award, and approve the construction contract in accordance with the California Public Contract Code and the California Labor Code and will be responsible for the administration, acceptance, and final documentation of the construction contract.
6. AGENCY shall be reimbursed for actual costs not exceeding the amount provided in the AGREEMENT herein
7. CALTRANS shall have the right to inspect the work to be performed hereunder at any time during its progress and to make final inspection upon completion thereof. Failure of CALTRANS to object within 30 days after final inspection shall indicate satisfactory performance of the AGREEMENT by AGENCY.
8. The total amount reimbursable to AGENCY pursuant to this AGREEMENT by CALTRANS shall not exceed \$28,000,000 ("Contract Sum"). Costs incurred by AGENCY for PROJECT work under this AGREEMENT in excess of the Contract Sum will be borne by AGENCY. It is understood and agreed that this AGREEMENT fund limit is an estimate and that CALTRANS will only reimburse the cost of services actually rendered as authorized by the CALTRANS Contract Manager or designee at or below the fund limitation amount set forth in this AGREEMENT and in accordance with the Budget included in Attachment II.
9. All administrative draft and administrative final reports, studies, materials, and documentation relied upon, produced, created or utilized for PROJECT will be held in confidence to the extent permitted by law, and where applicable, the provisions of

California Government Code section 6254.5(e) shall govern the disclosure of such documents in the event said documents are shared between the Parties. Parties will not distribute, release, or share said documents with anyone without prior written consent of the party authorized to release said documents except: (i) to employees, agents, and consultants who require access to complete the work described herein this Agreement; or(ii) release is required or authorized by law.

10. HM-1 is defined as hazardous material (including but not limited to hazardous waste) that requires removal and disposal pursuant to Federal or State law, whether it is disturbed by PROJECT or not. HM-2 is defined as hazardous material (including but not limited to hazardous waste) that may require removal and disposal pursuant to Federal or State law, only if disturbed by PROJECT.
  11. CALTRANS independent of PROJECT costs, is responsible for any HM-1 found within existing CALTRANS Right-of-Way (ROW). CALTRANS will undertake HM-1 management activities with minimum impact to PROJECT schedule and will pay all costs associated with HM-1 management activities.
  12. CALTRANS has no responsibility for management activities or costs associated with HM-1 found outside the CALTRANS existing ROW. AGENCY, independent of PROJECT costs, is responsible for any HM-1 found within PROJECT limits outside existing CALTRANS ROW, and will pay, or cause to be paid, all costs associated with HM-1 management activities. AGENCY will undertake, or cause to be undertaken, HM-1 management activities with minimum impact to PROJECT schedule.
  13. If HM-2 is found within the limits of PROJECT, the AGENCY responsible for advertisement, award, and administration (AAA) of the PROJECT construction contract will be responsible for HM-2 management activities. Any management activity cost associated with HM-2 is a PROJECT construction cost.
  14. CALTRANS will provide encroachment permits to AGENCY, their contractors, consultants, and agents at no costs, for encroachment into CALTRANS right of way for the PROJECT.
  15. This AGREEMENT may only be amended or modified by mutual written agreement of the parties.
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**SECTION II – GENERAL PROVISIONS.**

**1. TERMINATION**

- A. This AGREEMENT may be terminated by PARTIES upon mutual written agreement. In the event of a termination CALTRANS will reimburse AGENCY all allowable, authorized, and non-cancelable obligations and prior costs incurred by AGENCY.
- B. CALTRANS reserves the right to terminate this agreement before the AGENCY awards the construction contract or begins to do project work. CALTRANS will reimburse AGENCY reasonable, allowable, authorized and non-cancelled costs up to the date of termination that are attributable to the PROJECT.
- C. This Agreement will terminate upon completion of PROJECT that all parties have met all scope, cost, and schedule commitments included in this agreement and have signed a closure statement, which is a document signed by the parties that verifies the completion of PROJECT, except for all indemnification, document retention, audit, claims, environmental commitment, legal challenge, hazardous material, operation, maintenance and ownership articles will remain in effect until terminated or modified in writing by mutual agreement.
- D. AGENCY has sixty (60) days after the effective date of AGREEMENT termination, or such other time agreed upon in writing by PARTIES, to submit invoices to CALTRANS to make final allowable payments for Project costs in accordance to the terms of this AGREEMENT. Failure to submit invoices within this period may result in a waiver by AGENCY of its right to reimbursement of expended costs.

**2. BUDGET CONTINGENCY CLAUSE**

All OBLIGATIONS of CALTRANS under the terms of this Agreement are subject to the appropriation of resources by the Legislature, the State Budget Act authority. It is mutually agreed that if the State Legislature does not appropriate sufficient funds for the program, this Agreement shall be amended if possible to reflect any reduction in funds, but nothing herein obligates parties to provide additional funding or proceed if sufficient funding is unavailable

**3. ALLOWABLE COST, PAYMENTS AND INVOICING**

- A. The method of payment for this Agreement will be based on actual allowable costs. CALTRANS will reimburse AGENCY for expended actual allowable direct costs and indirect costs, including, but not limited to labor costs, employee benefits, travel (overhead is reimbursable only if the Agency has an approved indirect costs allocation plan) and contracted consultant services costs incurred by AGENCY in performance of the PROJECT work, not to exceed the cost of the Contract Sum.
- B. Reimbursement of AGENCY expenditures will be authorized only for those allowable costs actually incurred by AGENCY in the performance of the PROJECT WORK. AGENCY must not only have incurred the expenditures on or after the Effective Date of this AGREEMENT and before the Termination Date, but must have also paid for those costs to claim any reimbursement.

- C. Travel, per diem, and third-party contract reimbursements are an OBLIGATIONS COST only after those hired by AGENCY to participate in OBLIGATIONS incur and pay those costs. Payments for travel and per diem will not exceed the rates paid rank and file state employees under current California Department of Human Resources rules current at the effective date of this Agreement.
- D. CALTRANS will reimburse AGENCY for all allowable PROJECT costs no more frequently and no later than monthly in arrears and as promptly as CALTRANS fiscal procedures permit upon receipt of itemized signed invoices. Invoices shall reference this AGREEMENT Number and shall be signed and submitted to the Contract Manager at the following address:

**California Department of Transportation**  
Division of Environmental Analysis – Stormwater Program  
Attention: Constantine Kontaxis, MS 27  
P.O. Box 942874  
CA, 94271-0001

- E. Invoices shall include the following information:
- 1) Invoice Cover Sheet The invoice cover sheet summarizes the previous, current and total amounts billed for the agreement. Details included on the cover sheet are:
    - a. Invoice Date
    - b. Contract Number
    - c. Invoice Number
    - d. Billing period (performance period), specified with beginning and ending dates. Best towards top of page.
    - e. Brief description of the work performed
    - f. Summary of total dollar amount billed to date
      - i. Previous month invoice balance
      - ii. Amount billed this month
      - iii. Total amount billed including current invoice amount
    - g. Total amount due
    - h. Summary of charges
      - i. Agency (city) Labor Costs
      - ii. Sub-Vendor Labor Costs (consultant)
      - iii. Sub-Vendor Direct Costs (materials, equipment, miscellaneous itemized costs)
      - iv. Other Direct Costs
    - i. Discounts (if applicable)
    - j. Remittance information including name and address
    - k. Agency Contract Manager's name, address and phone number
    - l. Agency Contract Manager's signature and signature block
    - m. Caltrans Contract Manager's name and address

n. Caltrans Contract Manager's signature block (optional)

2) Invoice and Supports

All invoice charges must match the rates on the contract cost proposal and personnel request. (Changes in billing rates must be approved BEFORE billing.) The Caltrans' Contract Manager needs an invoice with sufficient detail to verify the charges are allowable under the agreement with sufficient support to allow them to verify charges. Supporting documentation, such as receipts, is required for all costs included on the invoice that are not for hourly or sub-contract labor.

Agency labor charges need to show person's name, hours worked, billing rate and brief description of work performed. Supporting documents (timesheet or payroll report) need to be provided. These documents need to include:

- a. Name (first and last)
- b. Hours charged
- c. Brief description -- identify the work is for the project funded by the Cooperative Implementation Agreement
- d. Month, day and year of the charges
- e. Worker and supervisor's signatures (Exceptions can be made for electronic timesheets.) All overtime must be approved in advance by the Caltrans Contract Manager

Direct costs (such as material costs, vehicle rental) are reimbursable. These costs need to be verified, therefore, a copy of the receipt, paid purchase order or other documentation that shows the items and cost needs to be attached to the invoice.

Agency personnel travel costs may be reimbursed according to the Consultant and Contractor travel guidelines located on the Caltrans' website at: <http://www.dot.ca.gov/hq/asc/travel/ch12/1consultant.htm>. Attached is the Travel Expense Claim (TEC) form.

Subcontractor costs are reimbursed after providing a copy of the paid invoice. This invoice needs to show the AGENCY contract manager reviewed and approved the payment. Caltrans requires its vendors to submit proof of costs incurred, such as timesheet or payroll records, travel reimbursement form (that includes the reason and dates for travel) with receipts, receipts for materials, lab services or other items) and assumes the agency has similar requirements that are documented.

3) Progress Reports

Each invoice needs to be accompanied by a Progress Report for the billing period. This report includes:

- a. Work performed during the billing period (can be in a bullet format)

- b. Contract progress estimate -- percentage of work completed (not dollar based)
- c. Work anticipate during the next billing cycle (can be in a bullet format)
- d. Total amount spent during the billing period (agency personnel, agency direct costs, subcontractor costs and total)
- e. Total amount spent to date (agency, subcontractor, total)
- f. Percentage of Caltrans Interagency Agreement (CIA) funds used to date.  
[Total (agency and subcontractor)/CIA not to exceed amount]

4. **COST PRINCIPLES**

- A. If PARTIES fund any part of OBLIGATIONS with state or federal funds, each PARTY will comply, and will ensure that any sub-recipient, contractor or subcontract hired to participate in OBLIGATIONS will comply with the federal cost principles of 2 CFR, Part 225, and administrative requirements outlined in 49 CFR, Part 18. These principles and requirements apply to all funding types included in this Agreement.
- B. Any Project costs for which AGENCY has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, and/or Part 48, Chapter 1, Part 31, are subject to repayment by AGENCY to CALTRANS. Should AGENCY fail to reimburse moneys due CALTRANS within thirty (30) days of discovery or demand, or within such other period as may be agreed in writing between the parties hereto, CALTRANS is authorized to intercept and withhold future payments due AGENCY from CALTRANS.
- C. PARTIES will maintain and make available to each other all PROJECT related documents, including financial data, during the term of this AGREEMENT. PARTIES will retain all PROJECT-related records for three (3) years after the final voucher.

5. **MUTUAL INDEMNIFICATION**

- A. Neither CALTRANS nor any officer or employee thereof is responsible for any injury, damage, or liability occurring by reason of anything done or omitted to be done by AGENCY, its contractors, sub-contractors, and/or its agents under or in connection with any work, authority, or jurisdiction conferred upon AGENCY under this Agreement. It is understood and agreed that AGENCY, to the extent permitted by law, will defend, indemnify, and save harmless CALTRANS and all of its officers and employees from all claims, suits, or actions of every name, kind, and description brought forth under, but not limited to, tortious, contractual, inverse condemnation, or other theories and assertions of liability occurring by reason of anything done or omitted to be done by AGENCY, its contractors, sub-contractors, and/or its agents under this Agreement.
- B. The PARTIES do not intend this Agreement to create a third party beneficiary or define duties, obligations, or rights in the parties not signatory to this Agreement.
- C. The PARTIES will not assign or attempt to assign obligations to parties not signatory to this Agreement.



**6. RETENTION OF RECORDS/AUDITS**

- A. AGENCY, its contractors, subcontractors and sub-recipients shall establish and maintain an accounting system and records that properly accumulate and segregate incurred PROJECT costs. The accounting system of AGENCY, its contractors, all subcontractors, and sub-recipients shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices. All books, documents, papers, accounting records and other supporting papers and evidence of performance under this AGREEMENT of AGENCY, its contractors, subcontractors and sub-recipients connected with PROJECT performance under this AGREEMENT shall be maintained for a minimum of three (3) years from the date of final payment to AGENCY and shall be held open to inspection, copying, and audit by representatives of CALTRANS, the California State Auditor, and auditors representing the federal government during business hours with appropriate notice. Copies thereof will be furnished by AGENCY, its contractors, its subcontractors and sub-recipients upon receipt of any request made by CALTRANS or its agents. In conducting an audit of the costs and under this AGREEMENT, CALTRANS will rely to the maximum extent possible on any prior audit of AGENCY pursuant to the provisions of State and AGENCY law. In the absence of such an audit, any acceptable audit work performed by AGENCY's external and internal auditors may be relied upon and used by CALTRANS when planning and conducting additional audits.
- B. AGENCY, its sub-recipients, contractors, and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other AGENCY of the State of California designated by CALTRANS, for the purpose of any investigation to ascertain compliance with this AGREEMENT.
- C. This AGREEMENT be subject to a pre-award audit prior to execution of the AGREEMENT to ensure AGENCY has an adequate financial management system in place to accumulate and segregate reasonable, allowable and allocable costs.
- D. CALTRANS, the state auditor, Federal Government, (if the PROJECT utilizes federal funds), will have access to all PROJECT-related records and any party hired by AGENCY to participate in PROJECT, for audit, examination, excerpt, or transcription.
- E. The examination of any records will take place in the offices and locations where said records are generated and/or stored and will be accomplished during reasonable hours of operation.
- F. Upon completion of the final audit, AGENCY has thirty (30) calendar days to refund or invoice as necessary in order to satisfy the obligation of the audit.

7. **ADJUDICATION OF DISPUTES**

A. CALTRANS hereby sets up an Administrative Procedure for Adjudication of disputes that may arise.

AGENCY agrees to exhaust the CALTRANS administrative remedy prior to resorting to legal remedies. In case of disputes with CALTRANS, AGENCY shall submit to the CALTRANS' Contract Manager or designee with a written demand for a decision regarding the disposition of any dispute, arising under this agreement. The CALTRANS' Contract Manager shall make a written decision regarding the dispute and will provide it to the AGENCY. The AGENCY shall have an opportunity to challenge the CALTRANS' Contract Manager's determination but must make that challenge in writing, within ten (10) working days to the CALTRANS DIVISION CHIEF (Division of Environmental) or his/her designee. If the challenge is not made by AGENCY within the ten (10) day period, the CALTRANS' Contract Manager's decision shall become the final decision of the CALTRANS. If such a challenge is made, CALTRANS' Contract Manager and AGENCY shall submit written, factual information and supporting data in support of their respective positions to CALTRANS DIVISION CHIEF. The decision of the CALTRANS DIVISION CHIEF or his/her designee shall be final, conclusive and binding regarding the dispute, unless AGENCY commences an action in court of competent jurisdiction to contest the decision in accordance with Division 3.6 of the California Government Code.

B. The venue for civil suits or writs will be Superior Court of Los Angeles County.

C. Additional Dispute Remedies. PARTIES maintain the ability to unanimously pursue alternative or additional dispute remedies.

8. **RELATIONSHIP OF PARTIES**

It is expressly understood that this AGREEMENT is an agreement executed by and between two independent governmental entities and is not intended to, and shall not be construed to, create the relationship of agent, servant, employee, partnership, joint venture or association, or any other relationship whatsoever other than that of an independent party.

9. **NOTIFICATION OF PARTIES**

- A. AGENCY Project Manager name, title and phone number
- B. CALTRANS's Contract Manager name, title and phone number
- C. All notices herein provided to be given, or which may be given, by either party to the other, shall be deemed to have been fully given when made in writing and received by the parties at their respective addresses:

City of Long Beach  
Public Works, Stormwater Management Division  
Attention: Anthony Arevalo

California Department of Transportation  
043/Environmental  
Attention: Constantine N. Kontaxis  
1120 N. St. MS 27  
Sacramento, CA 95814  
Mail to: P.O. Box 942874, 92427

**SECTION III - ATTACHMENTS**

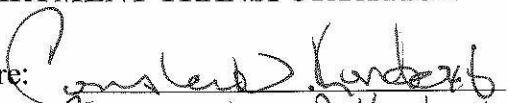
The following attachments are incorporated into and are made a part of this AGREEMENT by this reference and attachment.

- I. AGENCY Resolution, Certification of Approval, order, motion, ordinance or other similar document from the local governing body authorizing execution of the agreement
- II. Scope of Work, Description, Timeline, Location and Budget

**SECTION IV- SIGNATURES**

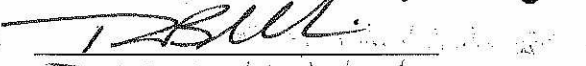
Signatories may execute this AGREEMENT through individual signature pages provided that each signature is an original. This AGREEMENT is not fully executed until all original signatures are attached. PARTIES are empowered by California Streets and Highways Code (SHC) sections 114 and 130 to enter into this AGREEMENT and have delegated to the undersigned the authority to execute this AGREEMENT on behalf of the respective agencies and covenant to have followed all the necessary legal requirements to validly execute this AGREEMENT.

**STATE OF CALIFORNIA  
DEPARTMENT TRANSPORTATION**

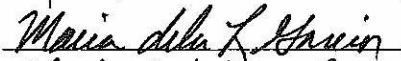
Signature:   
Print Name: Constantine N. Kortaxis  
Title: Watershed Manager  
Date: May 6, 2016

**AGENCY**

**Assistant City Manager**


Signature:   
Print Name: Patrick H. West  
Title: City Manager  
Date: 4/29/16

EXECUTED PURSUANT  
TO SECTION 301 OF  
THE CITY CHARTER.

Signature:   
Print Name: Maria de la Luz Garcia  
Title: City Clerk  
Date: 5/2/16

APPROVED AS TO FORM

4-22-2016  
CHARLES PARKIN, City Attorney

By   
AMY R. WEBBER  
DEPUTY CITY ATTORNEY



## CITY OF LONG BEACH

### DEPARTMENT OF PUBLIC WORKS

333 WEST OCEAN BOULEVARD • LONG BEACH, CA 90802 • (562) 570-6383 • FAX (562) 570-6012

April 19, 2016

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

#### RECOMMENDATION:

Authorize the City Manager to execute all documents necessary to enter into a Cooperative Implementation Funding Agreement between the City of Long Beach and the California Department of Transportation, for the Long Beach Municipal Urban Stormwater Treatment Recycle Facility project, and any necessary amendments regarding the scope and or term. (Citywide)

#### DISCUSSION

The California Department of Transportation (Caltrans) is willing to partner with the City and provide up to \$28 million for the design and construction of the Long Beach Municipal Urban Stormwater Treatment (LB-MUST) Recycle Facility. This project will result in the creation of a facility that will provide treatment of urban runoff prior to going into the Los Angeles River. Water traveling through the City's storm drain system typically consists of various types of pollutants, such as bacteria, hydrocarbons, metals and trash. While the City does provide trash screening at its various pump stations, currently there is no treatment of other pollutants. The LB-MUST Recycle Facility will meet the Federal and State compliance regulations that mandate cleanup of the Los Angeles River, and are in accordance with the City's National Pollutant Discharge Elimination System (NPDES) permit. Caltrans' partnership in the LB-MUST project will provide them with "compliance unit" credits toward their NPDES permit requirements.

Long Beach is an ideal location to build an urban runoff and treatment facility because of its proximity to the Los Angeles River. The proposed site is located near the existing Shoemaker Bridge, at Sixth Street and Shoreline Drive (Exhibit A). The pump stations are aligned along the Los Angeles River right-of-way, allowing for easier diversion and subsequent treatment. This location also allows the opportunity to expand treatment capacity as additional pump stations are added to the LB-MUST network (Exhibit B). The water produced by the LB-MUST Recycle Facility would be treated to meet Title 22 regulations for recycled water, as required by the State of California. The recycled water could be used to irrigate the City's facilities, parkways and parks, such as the Cesar Chavez-Drake Park Wetlands and riparian habitat within the park complex.

HONORABLE MAYOR AND CITY COUNCIL

April 19, 2016

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On December 15, 2015, the City Council authorized a grant application to the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC) for \$2 million to put towards the planning, design and construction of the wetlands surrounding the LB-MUST project. While the RMC grant, if awarded, has no connection to the Caltrans agreement, it would be utilized to further enhance the planned project. As the development of the LB-MUST project moves forward, additional contracts for design and construction will return for City Council review and approval.

This matter was reviewed by Deputy City Attorney Amy R. Webber on March 7, 2016 and by Budget Management Officer Victoria Bell on March 8, 2016.

### SUSTAINABILITY

The LB-MUST project will improve the water quality within the Los Angeles River, the Los Angeles River estuary, and the City's beaches. In addition to water quality improvement, educational features will be incorporated to inform the public of the project benefits.

### TIMING CONSIDERATIONS

City Council action is requested on April 19, 2016, to enter into the Cooperative Implementation Funding Agreement with Caltrans and secure funding for the LB-MUST project.

### FISCAL IMPACT

The proposed Agreement with Caltrans will reimburse the City a maximum of \$28 million for eligible project expenditures toward the design and construction of the LB-MUST facility. Once the facility is constructed, the City will be responsible for ongoing maintenance and operating costs, which cannot be projected at this time. When the ongoing facility costs are known, a funding source will be identified and requested through the annual budget process. Additional funding opportunities may also become available as the design of the project moves forward, allowing for additional features to be added.

### SUGGESTED ACTION:

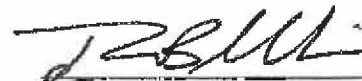
Approve recommendation.

Respectfully submitted,



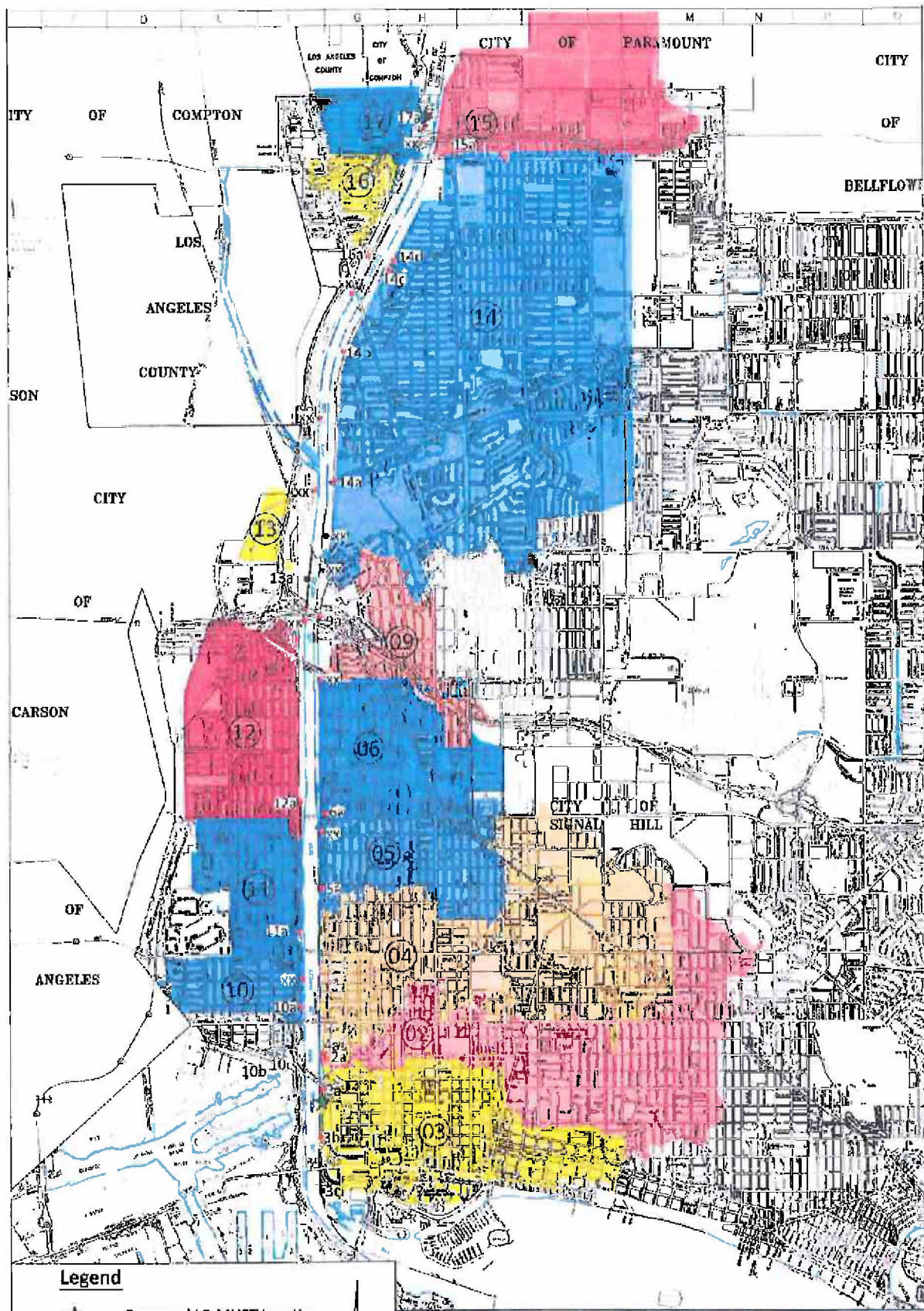
CRAIG A. BECK  
DIRECTOR OF PUBLIC WORKS

APPROVED:

  
\_\_\_\_\_  
PATRICK H. WEST  
CITY MANAGER

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CB:SC:AA:la:jc

Attachments: Exhibit A- Potential Watershed Major Basins  
Exhibit B- Site Facility Location



**Legend**

- ★ Proposed LB-MUST Location
- XX-XX Outfall/Pump Station
- ⊙ XX Watershed Basin

NO SCALE

Potential Watershed Major Basins for LB-MUST Facility




Exhibit A





## Attachment II – Scope Summary

### Long Beach Municipal Urban Stormwater Treatment Facility

The City of Long Beach is a member of the Lower Los Angeles River Watershed Group that has an approved Watershed Management Program (WMP). The Watershed Group has been working toward the goal of a clean Los Angeles River for several years. The highest priority pollutants addressed by the WMP are the metals in the Los Angeles River Metals TMDL, the bacteria in the Los Angeles River Bacteria TMDL, the nitrogen compounds in the Los Angeles River Nitrogen TMDL, trash in the Los Angeles River Trash TMDL, metals and legacy organics in the Harbor Toxics TMDL, and the bacteria in the Long Beach Beaches and Los Angeles River Estuary Bacteria TMDL. The Reasonable Assurance Analysis prepared for the WMP indicates that the total critical year stormwater target for capture for the Cities of Long Beach and Signal Hill within the Lower Los Angeles River Watershed totals 4,100 acre-feet. To capture this volume of water during the year would require an estimated total best management practice (BMP) capture volume of 341 acre-feet if TMDL compliance were totally dependent on water capture.

The proposed Long Beach Municipal Urban Stormwater Treatment (LB-MUST) Project is being designed to divert and treat 100% of non-stormwater urban runoff that would otherwise discharge into the Los Angeles River from the tributary areas within the Cities of Long Beach and Signal Hill.

In addition, the first flush of stormwater discharges would be diverted and treated. There are 31 major basins within the City of Long Beach, of which 14 are tributary to the Los Angeles River (see *Figure 1 and Figure 2*). The diversion would be accomplished through construction of an interception pipeline system that would initially collect flows from Long Beach Watershed Basins 2, 4, 5, and 6 (an initial tributary area of 3,882 acres). It could be expanded through additional phases to serve basins, 3, 9, 10, 11, 12, 13, 14, 15, 16, and 17 (a total tributary area of 11,771 acres). This expansion is currently planned to occur in four additional phases through 2024.

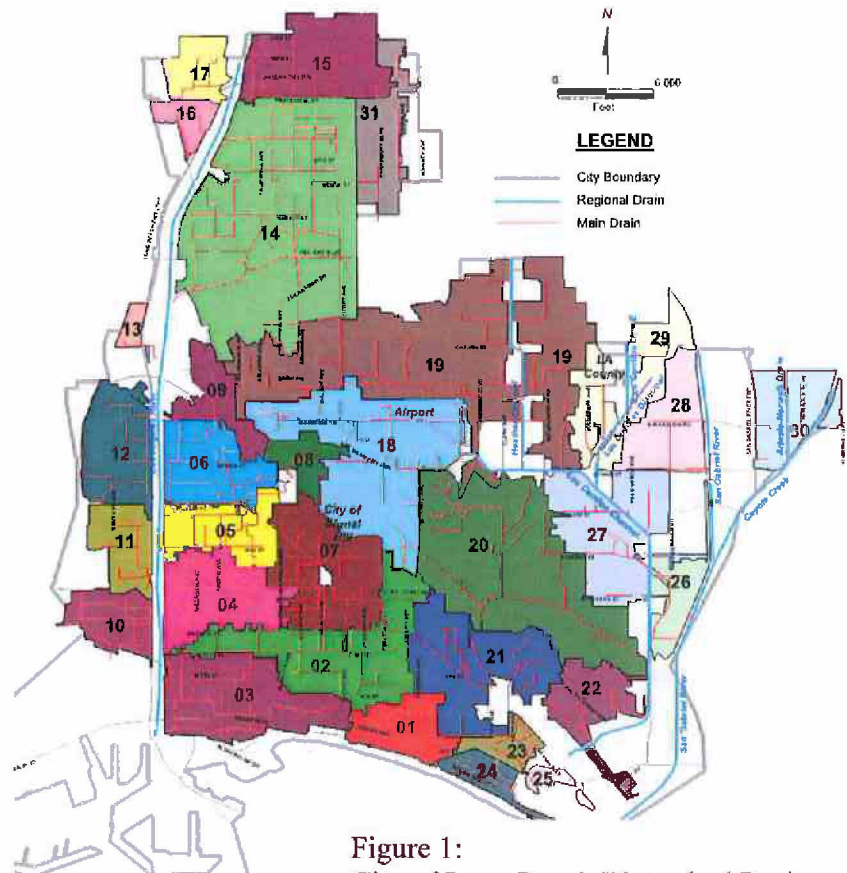
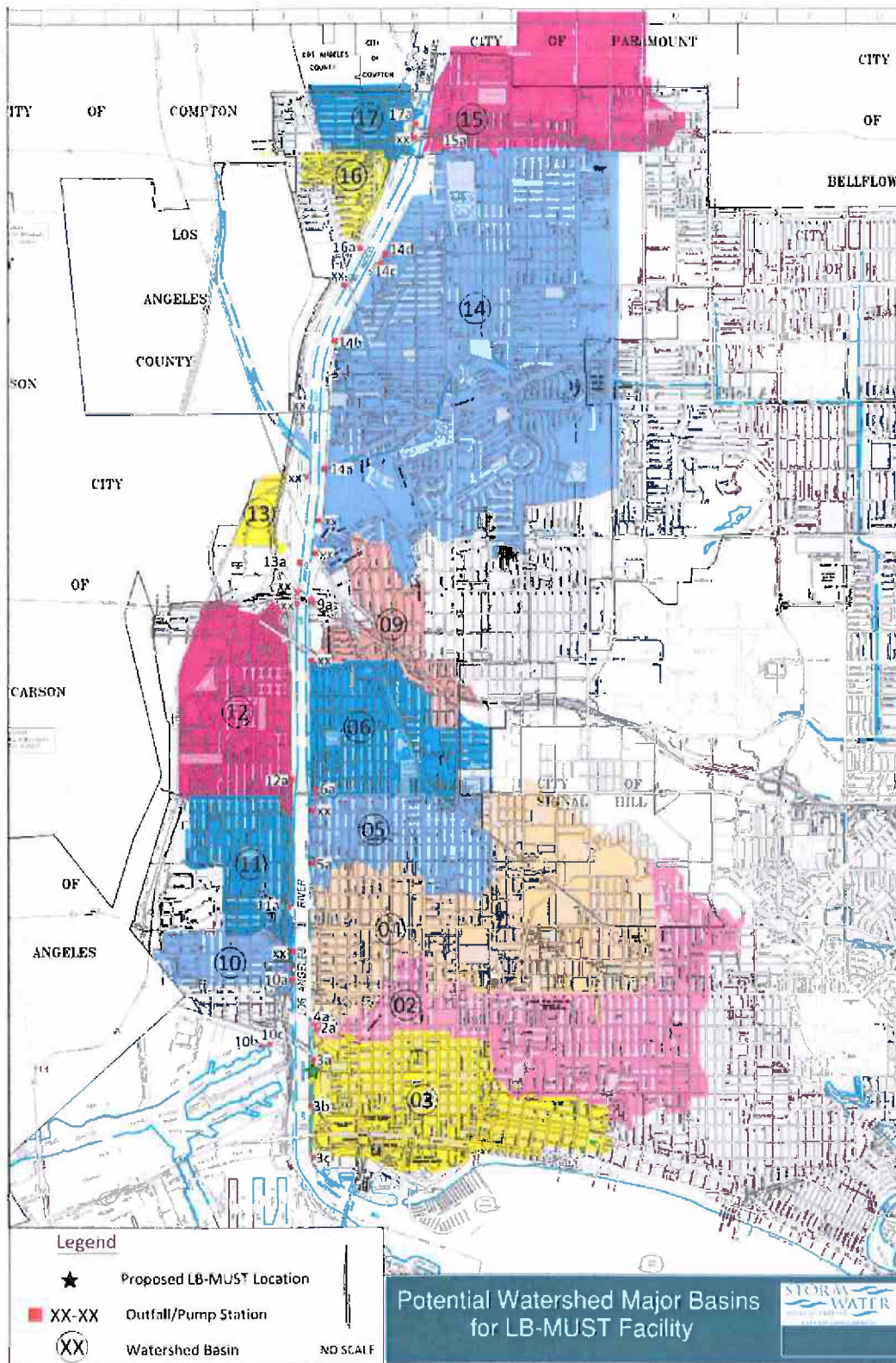


Figure 1:  
City of Long Beach Watershed Basins

# Long Beach - Municipal Urban Stormwater Treatment

Figure 2:  
Long Beach Watershed Basins for LB-MUST



## **Long Beach – Municipal Urban Stormwater Treatment**

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In times of drought when the amount of runoff water is reduced, an additional line is proposed to intercept water from the low flow channel in the Los Angeles River in order to maintain the target levels of water treated through the LB-MUST facility. The proposed project will have a capacity to divert and treat approximately 2.3 acre-feet of water per day during both dry-weather and wet-weather. This would result in approximately 839 acre-feet of water being treated and used or discharged to the Los Angeles River Estuary each year. This treatment would make the Lower Los Angeles River Watershed Group less dependent on storm water capture for TMDL compliance and reduce the stormwater capture target within the watershed by approximately 20%.

The first phase of the project, which is the subject of this Cooperative Implementation Agreement, includes design of the project and construction of the treatment plant, construction of the first phase of the interception system, and construction of a clean water discharge drain to the Los Angeles River Estuary. The first phase of the project is estimated to cost \$28 million. Later phases are planned to include expansion of the interception system to divert water from an additional 7,889 acres currently discharging to the Los Angeles River and the Los Angeles River Estuary, construction of a storage/treatment wetlands, construction of a distribution system for distribution of the treated stormwater for use in lieu of potable water.

### **Cost Estimates**

A planning-level cost estimate is presented for designing the LB-MUST project and constructing Phase one of the project, as shown in Figure 1. During the preliminary concept phase, it is difficult to produce a precise cost estimate because the specific details pertaining to the project have not been determined; therefore, the costs are presented as a preliminary estimate. The cost estimate considers the costs associated with planning, design, permits, an environmental assessment, construction, operation and maintenance, construction administration and inspections, post-construction effectiveness monitoring, contingency, and mobilization. Land acquisition costs may be of importance for other projects, but are not considered in the cost estimates presented, because the site is on publicly controlled land. The following generally accepted costs were used for the cost estimate presented:

- Project Management – 3 percent of total cost
- Project Approval & Environmental Documents (PA&ED) - 8 percent of construction cost
- Plans, Specifications, & Estimate (PS&E) – 10 percent of construction cost
- Permitting – 24 percent of engineering design cost
- Contingency - 10 percent of construction cost

The cost estimate for Phase I of the LB-MUST Project to be funded through this Cooperative Implementation Agreement will be subject to adjustment as more information becomes available during the preparation of the Project Approval & Environmental Documents and additional project concept details are developed.

## Long Beach – Municipal Urban Stormwater Treatment

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### Preliminary Budget

These preliminary costs will be adjusted after the PA&ED are complete and construction drawings have reached the 25% milestone.

• Project Management	\$ 870,000
• Environmental Documents	\$ 1,670,000
• Plans, Specifications, & Estimate	\$ 2,080,000
• Permitting	\$ 500,000
• Construction	\$ 20,800,000
• <u>Contingency</u>	<u>\$ 2,080,000</u>
• <i>Total Project Costs:</i>	\$28,000,000

The above construction costs are based on the following cost estimates for the major construction components:

Treatment Plant	\$ 15,781,000
<u>Interception Lines</u>	<u>\$ 5,019,000</u>
<i>Total Construction Costs:</i>	\$ 20,800,000

### Preliminary Timeline

These dates are subject to refinement as the project gets underway. The complete construction dates will be dependent on receipt of the balance of the project funding from Caltrans.

<u>Activity</u>	<u>Start Date</u>	<u>Completion Date</u>
Execute Funding Agreement		04-05-2016
Issue RFQ/RFP for Engineering Consulting		04-15-2016
Receive Qualifications/Proposals		07-01-2017
Review Qualifications/Proposals and Select Environmental/Engineering Consultant	07-15-2016	08-01-2016
Award Contract for Engineering/Environmental Consultant		09-13-2016
Issue Notice to Proceed for Preliminary Engineering Design Report		10-03-2016
Preparation of CEQA Environmental Document	10-04-2016	03-01-2017
Preparation of Final Design	1-02-2017	08-01-2018
Construction Drawings – 30% Design Milestone		05-31-2017

## Long Beach – Municipal Urban Stormwater Treatment

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Construction Drawings – 60% Design Milestone		11-17-2017
Construction Drawings – 90% Design Milestone		04-30-2018
*Deadline to Invoice Caltrans for FY 15-16 Funding		04-30-2018
Construction Drawings – 100% Complete		08-01-2018
Advertise for Construction Bids		10-01-2018
Receive Bids for Construction		10-31-2018
Review Bids and Select Construction Contractor(s)	11-01-2018	11-30-2018
Award Contract to Construction Contractor		12-18-2018
Execute Construction Contract and Issue Notice to Proceed		01-15-2019
Construction	01-15-2019	07-30-2020
*Deadline to Invoice Caltrans for FY 16-17 Funding		04-30-2019
*Deadline to Invoice Caltrans for FY 17-18 Funding		04-30-2020
*Deadline to Invoice Caltrans for FY 18-19 Funding		04-30-2021
* Deadline to Invoice Caltrans for FY 19-20 Funding		04-30-2022

*\*City may request adjustments to the schedule line items except for the four deadlines to expend Caltrans funding allocations.*