

Agenda Report

October 29, 2012

TO: Honorable Mayor and City Council

FROM: Water & Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO MEMORANDUMS OF UNDERSTANDING WITH THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT AND THE ARROYO SECO FOUNDATION TO IMPLEMENT PROPOSITION 84 GRANT

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the subject Memorandums of Understanding are exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061(b)(3) (General Rule);
2. Approve shifting the total \$3,271,000 Proposition 84 Integrated Resources Water Management Plan Grant Fund Award to the Canyon component of the Hahamongna Basin Multi-Use Project;
3. Authorize the City Manager to enter into a Memorandum of Understanding with the Los Angeles County Flood Control District to receive \$3,271,000 in Proposition 84 grant funds; and
4. Authorize the City Manager to enter into a Memorandum of Understanding with the Arroyo Seco Foundation, without competitive bidding pursuant to City Charter Section 1002 (F), contracts for professional or unique services, for the implementation of the Hahamongna Basin Multi-Use Project for a fee not to exceed \$250,000. It is further recommended that the City Council grant this contract an exemption from the competitive selection process pursuant to Pasadena Municipal Code Section 4.08.049B, contracts for which the City's best interests are served.

HAHAMONGNA WATERSHED PARK ADVISORY COMMITTEE RECOMMENDATION:

On October 9, 2012, the Hahamongna Watershed Park Advisory Committee recommended that the City Council support a staff recommendation to:

- (a) Shift the total Proposition 84 Integrated Resources Water Management Plan Grant Fund Award to the Canyon component of the Hahamongna Basin Multi-Use Project in the Hahamongna Watershed Park; and
- (b) Enter into Memorandums of Understanding with the Los Angeles County Flood Control District to receive the grant and with the Arroyo Seco Foundation to implement the project.

BACKGROUND:

The Arroyo Seco Foundation (“ASF”) approached the City of Pasadena (“City”) in 2006 to submit the Hahamongna Basin Multi-Use Project for Round 1 of the Integrated Resources Water Management (“IRWM”) Project Implementation for Proposition 84 monies funded by the California Department of Water Resources (“DWR”). Proposition 84 is the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act that was passed by California voters in 2006. In 2010, the City was notified that the Hahamongna Basin Multi-Use Project was selected to receive \$3,271,000 in Proposition 84 grant funds.

The Hahamongna Basin Multi-Use Project incorporates features such as increasing water supply, restoration of riparian habitat, installation of a public restroom, enhancement of water quality, improvement of open space, and expansion of passive recreational opportunities. The project is comprised of two components: the Hahamongna Basin (Basin component) managed by the Public Works Department and the Arroyo Seco Canyon (Canyon component) managed by the Water and Power Department. Figure 1 depicts the project’s location map.

Originally, \$981,300 in Proposition 84 grant funds were allocated for the Basin component for habitat restoration work including removing existing vegetation, raising the elevation out of the frequent inundation area by placing fill soils, and replanting the area with native plants to establish a different habitat. The remaining \$2,289,700 in funds were allocated to the Water and Power Department for the Canyon component, which is further described below.

The existing vegetation in the Arroyo Seco Basin has matured since the completion of the 2003 Arroyo Seco Master Plan. During the CEQA Initial Study comment period for the Basin component, significant opposition to the dated proposed plans was received. The removal of mature habitat for raising the elevation and planting new immature vegetation was opposed by the public and ASF. Therefore, staff is recommending that all of the \$3,271,000 be allocated to the Canyon component. A schematic clarifying the status of funding for the project components is provided as Attachment A and Figure 2 provides the new proposed project’s location map. This change of scope in the Basin component would require re-starting the current environmental review process. A new project description would be drafted and a new Initial Study would be prepared.

The Los Angeles County Flood Control District (“LACFCD”) is administering \$25.6 million of Proposition 84 grant funds through the Greater Los Angeles County IRWM, of which Hahamongna Basin Multi-Use Project is one of thirteen. The LACFCD is

currently finalizing its agreement with the DWR and has requested the City also execute a Memorandum of Understanding, which is provided as Attachment B, in order to receive the award.

A separate Memorandum of Understanding has been drafted between ASF and the City to allow the entities to cooperate in making the improvements to City-owned property in the Upper Arroyo Seco as part of the Canyon component. The Memorandum of Understanding with ASF includes only the Canyon component. Project coordination will be accomplished with the agreement to achieve the vision shared by both the City and the ASF for reducing dependence on imported water, restoring riparian habitat, and improving water quality.

The ASF will represent the City as a consultant for a fee not to exceed \$250,000 and assist in items such as planning, permitting, design, outreach and public education, and implementation of the habitat restoration program over a period ending December 2015. An exemption from the competitive selection process is requested for ASF as this non-profit organization provides connections and expertise specific to the Arroyo Seco. The ASF has signed the Memorandum of Understanding and a copy is included as Attachment C.

PROJECT OVERVIEW:

The Proposition 84 grant will be used to fund the Canyon component of the Hahamongna Basin Multi-Use Project and includes the following:

- Increase water diversion from the Arroyo Seco stream by improving intake structures to maximize the use of water rights through spreading operations.
- Construct a public restroom to improve water quality by decreasing human bacteria in canyon water flows.
- Adjacent to the restroom facility, interpretive signage, picnic tables, a drinking fountain, and/or a horse trough may be installed to improve recreational value for area users.
- The habitat will be restored with the removal of unused water facilities and enhanced with ecologically appropriate plant habitat, native fish habitat improvements, and invasive species removal through clearing of non-native plants.

The funds shifted to the Canyon component from the Basin component will be used for additional habitat restoration and passive recreational opportunities. The project will be initiated in the current fiscal year 2013 and the project shall be completed by September 2015.

Additional projects planned in the Arroyo Seco will be financed using matching funding and are associated with the IRWM Plan and the Hahamongna Basin Multi-Use Project. These projects also have many community benefits and include the following:

- Improve and realign approximately 3,000 linear feet of the primary Westside Perimeter Trail to a location above the level of frequent inundation to enhance year-round access, connectivity, and recreational opportunities.

- Partially restore the Berkshire Creek drainage area.
- Expand an existing parking lot.
- Expand percolation grounds to spread additional water diverted from the stream.
- Utilize FEMA funding to remove debris and make improvements to roads and bridges in the Arroyo Seco Canyon damaged by the 2009 Station Fire and storms.

COUNCIL POLICY CONSIDERATION:

The proposed Memorandums of Understanding support the Arroyo Seco Master Plan adopted by the City Council in 2003 and the Water Integrated Resources Plan adopted by the City Council in 2011.

ENVIRONMENTAL ANALYSIS:

The proposed Memorandums of Understanding have been determined to be exempt from the CEQA process pursuant to State CEQA Guidelines Section 15061(b)(3), the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question, such as entering into these Memorandums of Understanding, may have a significant effect on the environment, the activity is not subject to CEQA. Further, while no physical construction is contemplated to be undertaken solely as a result of entering into these Memorandums of Understanding, CEQA review will apply to all projects anticipated as part of the Hahamongna Basin Multi-Use Project.

Although the CEQA process has been initiated for the Basin component of the Hahamongna Basin Multi-Use Project, the project elements have changed with the shifting of funds from the Basin component to the Canyon component since the preparation of the Initial Study and the CEQA process will have to be restarted.

FISCAL IMPACT:

By partnering with LACFCD and ASF, the City will realize \$3,271,000 of Proposition 84 grant for the Canyon component of the Hahamongna Basin Multi-Use Project that would not otherwise have been possible. Of the grant award, \$250,000 will be used to cover services that will be provided by ASF.

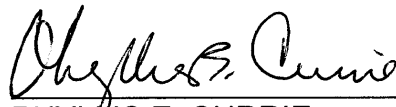
The grant award will be administered by the Water and Power Department and spent over the next three fiscal years in conjunction with the utilization of existing appropriations for Water Capital Fund CIP #1040 – Arroyo Spreading Basins. In addition, to meet the goals of the expanded project resulting from the shift of grant funding from the Basin component to the Canyon component, the CIP #1040 budget will be adjusted accordingly.

The following table presents a summary of the sources of funds that will be used for CIP #1040 – Arroyo Spreading Basins:

Water Fund	\$767,102
Federal Emergency Management Agency	\$775,342
Proposition 84	\$3,271,000
Total Sources	\$4,813,444

The anticipated impact on other operational programs or capital projects as a result of this action are negligible.

Respectfully Submitted,




PHYLLIS E. CURRIE
General Manager
Water and Power Department

Prepared by:



Natalie Z. Ouwersloot
Engineer
Water and Power Department

Concurred by:



SIOBHAN FOSTER
Director
Public Works Department

Approved by:



MICHAEL J. BECK
City Manager

Attachments: (5)

- Figure 1 – Former Hahamongna Basin Multi-Use Project Location Map
- Figure 2 – Proposed Hahamongna Basin Multi-Use Project Location Map
- Attachment A – Schematic Hahamongna Basin Multi-Use Project Funding Status
- Attachment B – Memorandum of Understanding with the Los Angeles County Flood Control District
- Attachment C – Memorandum of Understanding with the Arroyo Seco Foundation