

Agenda Report

December 11, 2006

To: CITY COUNCIL

From: CITY MANAGER

Subject: RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A MEMORANDUM OF UNDERSTANDING FOR COORDINATION OF WATER RESOURCES PLANNING RELATING TO PROPOSITION 50 GRANT FUNDING AND IMPLEMENTATION

RECOMMENDATION

It is recommended that the City Council adopt the proposed Resolution approving and authorizing the execution of a Memorandum of Understanding (MOU) for Coordination of Water Resources Planning Relating to Proposition 50 Grant Funding and Implementation between the City of Pasadena and various other governmental agencies.

BACKGROUND

Proposition 50, the Water Supply—Water Security, Clean Drinking Water, Coastal and Beach Protection Act ("the Act"), a statewide ballot measure approved by the voters in 2002, added Division 26.5 to the State Water Code. One portion of the Act, Chapter 8 established the Integrated Regional Water Management Grant Program (Program) that is jointly administered by the California Department of Water Resources (DWR) and the State Water Resources Control Board (SWRCB). The intent of the Program is to encourage the development of integrated regional water resource management plans to provide funding, through competitive grants, for integrated projects that protect communities from drought, protect and improve water quality, and improve local water security by reducing dependence on imported water.

Proposition 50, Chapter 8 provides for approximately \$380 million of funding is available on a competitive basis. Of the total funding, approximately \$12 million is available for the development of Integrated Regional Water Management Plans (IRWMPs), and \$368 million is available (in two funding rounds) for regional projects that integrate water supply, water conservation, water quality, habitat restoration/protection and recreation/open space.

In response to the release of the Program guidelines in 2004, six groups within Los Angeles County worked together with DWR and the SWRCB and suggested expansion of the funding pool in order to provide funds for additional applications. DWR responded by proposing a single grant of \$1.5 million, on the condition that the six original applicants prepare a single consolidated plan for the entire area.

The six applicants accepted DWR's proposal and formed the Greater Los Angeles County Region (Region), comprised of the following five sub-regions: 1) South Bay Watersheds; 2) North Santa Monica Bay Watersheds; 3) Upper Los Angeles River Watershed; 4) Lower San Gabriel and Lower Los Angeles Rivers Watersheds; and, 5) Upper San Gabriel River and Rio Hondo Watersheds. Spanning from Ventura County to Orange County, the Region encompasses 92 cities representing over 9 million people and 2,200 square miles. Pasadena is in the Upper Los Angeles River Watershed.

An interim governance structure has been formed consisting of a Steering Committee for each sub-region and a Leadership Committee that serves as the overarching decision-making body for the entire Region. The Los Angeles Department of Water and Power (LADWP) serves as the Chair for the Upper Los Angeles River Watershed sub-region. The Los Angeles County Flood Control District currently serves as the Chair for the Leadership Committee. Staff from Pasadena Water and Power (PWP) serves on the Steering Committee and shares a vote with the City of South Pasadena.

Many meetings and workshops have taken place during 2006 to plan and develop the IRWMP and to prepare an implementation grant application for the first round of Proposition 50 Chapter 8 funding. All cities and pertinent stakeholders in the Region have been invited to participate and provide input on the development of the IRWMP. Through a collaborative process with input from the five sub-regional Steering Committees and participants at the various stakeholder workshops, the Leadership Committee developed the following mission statement for the IRWMP:

The Mission of this IRWMP is "to address the water resources needs of the Region in an integrated and collaborative manner."

Consistent with the requirements of Proposition 50, the purpose of the IRWMP is to improve water supplies, enhance water supply reliability, improve surface water quality, preserve flood protection, conserve habitat, and expand recreational access in the Region.

In order to prepare and adopt the IRWMP, Proposition 50 requires the formation of a Regional Water Management Group for the Region. This MOU fulfills the requirement of forming a Regional Water Management Group and commits PWP to working cooperatively with the other stakeholders in the Region as the IRWMP is developed and ultimately adopted.

Under the MOU the Parties agree to coordinate, share information, and have open communication concerning water resources management planning programs and projects and other information for Proposition 50 grant funding and implementation. The coordination and information sharing among the Parties, including the preparation and adoption of a Greater Los Angeles County Region Integrated Regional Water Management Plan (IRWMP), will assist all stakeholders in Los Angeles County in achieving their respective missions in a cost-effective and environmentally responsive manner and is necessary in order to compete for state funding under Proposition 50. In

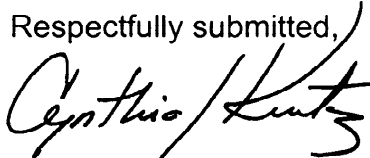
addition, the Parties agree to form a Regional Water Management Group for the Greater Los Angeles County Region, and to prepare and adopt a Greater Los Angeles County Region IRWMP in accordance with the Integrated Regional Water Management Planning Act of 2002, including Section 10541 of the California Water Code.

Proposition 50, Chapter 8 guidelines require that regions adopt a final IRWMP by January 1, 2007 to be eligible for round one funding. The City of Pasadena, along with regional partners, the Raymond Basin Management Board and the Arroyo Seco Foundation have submitted 15 proposed projects to be considered in the Proposition 50 round one funding. The second round of project funding is tentatively scheduled for mid-2007. If Pasadena projects secure funding through this regional process, staff will return to Council for authorization to submit the formal applications.

In order to be eligible to receive funding from Proposition 50 or other future Propositions, PWP needs to participate in regional projects that integrates water supply, water conservation, water quality, habitat restoration/protection and recreation/open space. The State is increasingly looking at collaboration and integration when awarding funds and without this, there is very little chance of successfully receiving state funds through Proposition 50 or other initiatives.

FISCAL IMPACT

There is no fiscal impact to the City of Pasadena.

Respectfully submitted,

Cynthia J. Kurtz
City Manager

Prepared by:


Brad Boman
Engineering Manager
Water and Power Department

Approved by:


Phyllis E. Currie
General Manager
Water and Power Department

Resolution Number: _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA
AUTHORIZING EXECUTION OF A MEMORANDUM OF UNDERSTANDING
FOR COORDINATION OF WATER RESOURCES PLANNING RELATING TO
PROPOSITION 50 GRANT FUNDING AND IMPLEMENTATION**

WHEREAS, it is in the interests of the City of Pasadena and other interest parties to form a Regional Water Management Group ("Group") and to prepare an Integrated Regional Water Management Plan ("IRWMP") for the Greater Los Angeles County Region in accordance with the Integrated Regional Water Management Planning Act of 2002, Division 6, Part 2.2 of the California Water Code, and Proposition 50, Division 26.5, Chapter 8 of the California Water Code;

WHEREAS, the Group wish to coordinate their long-term water resources management planning efforts to prepare the IRWMP, which will address water supply and water quality needs and objectives by integrating strategies and projects that may include water conservation and recycling, desalination, conjunctive use, flood management, storm water and urban runoff quality, wastewater quality, habitat restoration and protection, wetlands enhancement and creation, recreation, open space, and other water resources management initiatives undertaken by each of the Group.

NOW, THEREFORE, BE IT RESOLVED, that the Pasadena City Council, hereby authorizes and directs the City Manager or her designee, to sign the Memorandum Of Understanding ("MOU") to form the Group and conduct business in accordance with the MOU, including but not limited to, adopting the IRWMP, as specified in the Integrated Regional Water Management Planning Act of 2002, Division 6, Part 2.2 of the California Water Code, and Proposition 50, Division 26.5, Chapter 8 of the California Water Code.

Passed and adopted at a regular meeting of the Pasadena City Council on the _____ day of _____, 2006.

AYES:


NOES:

ABSENT:

ABSTAIN:

Jane L. Rodriguez, CMC
City Clerk

Approved as to form:



Scott D. Rasmussen
Assistant City Attorney

MEMORANDUM OF UNDERSTANDING
For
COORDINATION OF WATER RESOURCES PLANNING RELATING TO
PROPOSITION 50 GRANT FUNDING AND IMPLEMENTATION

This Memorandum of Understanding (MOU) is entered into as of November ____, 2006, by and among the Los Angeles County Flood Control District, Las Virgenes Municipal Water District, West Basin Municipal Water District, City of Los Angeles Department of Water and Power, Main San Gabriel Watermaster, Watershed Conservation Authority, San Gabriel Basin Water Quality Authority, County Sanitation Districts of Los Angeles County, Gateway Cities Council of Governments, Santa Monica Bay Restoration Commission, and City of Los Angeles Bureau of Sanitation, and any other local public agencies, non-profit groups, and Public Utility Commission regulated entities within the Los Angeles County Region that become signatories as provided herein for the purpose of coordinating water resources planning activities relating to Proposition 50 grant funding and implementation. Signatories to this MOU shall hereinafter be referred to individually as "Party" or collectively as "Parties".

RECITALS

WHEREAS, it is in the interests of the Parties, and the region served by the Parties, that the water resources the Parties share in common are responsibly managed, protected, and conserved to the extent feasible; and,

WHEREAS, the Parties desire to prepare an Integrated Regional Water Management Plan (hereinafter referred to as "IRWMP") for the Greater Los Angeles County Region in accordance with the Integrated Regional Water Management Planning Act of 2002, Division 6, Part 2.2 of the California Water Code, and Proposition 50, Division 26.5, Chapter 8 of the California Water Code;

NOW, THEREFORE, it is mutually understood and agreed as follows:

SECTION 1: PURPOSES AND GOALS

1.1 Purposes and Goals:

The Parties desire to coordinate and share information concerning water resources management planning programs and projects and other information for Proposition 50 grant funding and implementation, and to improve and maintain overall communication among the Parties. It is anticipated that coordination and information sharing among the Parties will assist the agencies in achieving their respective missions in a cost-effective and environmentally responsive manner and contribute to the overall well-being of the region.

SECTION 2: JOINT AGENCY PLANNING FOR PROJECTS AND PROGRAMS

2.1 Projects and Programs:

It is the intent of the Parties that they coordinate and collaborate to develop and implement projects and programs individually or jointly in groups. Applicable projects and programs include, but are not limited to, the following:

2.1.1 An IRWMP for the Greater Los Angeles County Region.

2.1.2 Solicitation of external funding for implementation of the IRWMP for the Greater Los Angeles County Region.

2.2 Formation of Regional Water Management Group and Adoption of the IRWMP:

The execution of this MOU by the Parties shall constitute the formation of a Regional Water Management Group, consisting of the Parties, to prepare and adopt an IRWMP for the greater Los Angeles County Region in accordance with the Integrated Regional Water Management Planning Act of 2002 and Section 10541 of the California Water Code for granting activities related to Proposition 50.

SECTION 3: GENERAL PROVISIONS

- 3.1 **Term:** This MOU shall become effective on the date first above written and shall expire on December 31, 2010 or upon its replacement by the adoption of a subsequent MOU, Agreement, or Joint Powers Authority Agreement, or unless earlier terminated by mutual written agreement of all Parties. Any Party may terminate its participation in this MOU upon 60 days' written notice to the remaining Parties.
- 3.2 **Addition of Parties:** Other local public agencies (as defined in Section 10533 of the California Water Code), non-profit groups, and Public Utility Commission regulated entities within the Los Angeles County Region may adopt this MOU and, thereby, become a member of the Parties.
- 3.3 **Construction of Terms:** This MOU is for the sole benefit of the Parties and shall not be construed as granting rights to any person other than the Parties or imposing obligations on a Party to any person other than another Party.
- 3.4 **Good Faith:** Each Party shall use its best efforts and work wholeheartedly and in good faith for the expeditious completion of the objectives of this MOU and the satisfactory performance of its terms.
- 3.5 **Governing Law:** This MOU is made under and shall be governed by the laws of the State of California.

3.6 **Rights of the Parties and Constituencies:** This MOU does not contemplate the Parties taking any action that would:

3.6.1 Adversely affect the rights of any of the Parties; or,

3.6.2 Adversely affect the customers or constituencies of any of the Parties.

3.7.1 **Execution:** This MOU may be executed in counterparts and the signed counterparts shall constitute a single instrument. The signatories to this MOU represent that they have the authority to bind their respective Party to this MOU.

IN WITNESS WHEREOF, the Parties have executed this Memorandum of Understanding as of the dates opposite their respective signatures.

Phyllis E. Currie, General Manager
Pasadena Water and Power

Date: _____, 2006