

**STATE WATER RESOURCES CONTROL BOARD
BOARD MEETING SESSION – DIVISION OF FINANCIAL ASSISTANCE
APRIL 5, 2011**

ITEM 3

SUBJECT

CONSIDERATION OF A RESOLUTION TO ALLOCATE AN ADDITIONAL \$3.3 MILLION FROM THE CLEANUP AND ABATEMENT ACCOUNT (CAA) TO FUND THE COLORADO LAGOON (LAGOON) RESTORATION PROJECT (PROJECT)

DISCUSSION

The City of Long Beach (City) is requesting an additional \$3.3 million from the CAA to fund the Project. The Lagoon is a tidal water body connected to Alamitos Bay and the Pacific Ocean through an underground tidal culvert. The Lagoon provides shelter for migratory bird species, as well as potential breeding habitat for many wildlife species. In addition, the Lagoon is heavily utilized by communities within and around Long Beach for recreational activities.

The State Water Resources Control Board (State Water Board) allocated approximately \$1.8 million from the CAA in March 2010 for this project in [Resolution No. 2010-0007](#). Since the approval of the CAA funds, the following two significant activities occurred:

- Additional sediment testing revealed that the sediment contamination is much more widespread than anticipated; and
- The Los Angeles Regional Water Quality Control Board's (Los Angeles Regional Water Board) decision to utilize the National Oceanic and Atmospheric Administration (NOAA) Effects-Range-Low (ERL) criteria as sediment quality targets for the Total Maximum Daily Loads (TMDL) further increases the total quantity of material to be dredged.

The original project anticipated that the City would need to remove approximately 28,500 cubic yards (cu.yd.). The City now anticipates the following:

	Hazardous Soil (cu.yd.)	Non-Hazardous Soil Above NOAA ERLs (cu.yd.)	Total of Soil to be Removed (cu.yd.)	Estimated Costs
Western Arm	30,000	0	30,000	\$4.6 Million
Central Basin & Northern Arm	20,000	22,000	42,000	\$5.3 Million

The City has received the following sources of funding:

- | | |
|---|----------------------|
| • Lower Los Angeles-San Gabriel Rivers and Mountains Conservancy: | \$1.1 Million |
| • U.S. Army Corps of Engineers: | \$1.0 Million |
| • NOAA and California Coastal Conservancy: | \$0.7 Million |
| • CAA Funds: | \$1.8 Million |
| TOTAL: | \$4.6 Million |

The City is asking for an additional \$3.3 million in CAA funds to cover costs associated with the removal, treatment, and disposal of the 20,000 cu.yd. of hazardous materials from the Central Basin and Northern Arm. The City hopes to obtain other funding sources for the Non-Hazardous Soil removal.

In 2010, the CAA funded 15 projects for a total of \$9.3 million dollars. The average cost of each project was approximately \$660,000 dollars. Based on the amount requested and the previously awarded CAA funds for the Project, the City would receive 55% of the total CAA award funds from last year. The Board has consistently encouraged the discretionary use of grant funds to finance small disadvantaged community projects. By definition, a disadvantaged community is one with a median household income (MHI) of less than 80% of the statewide MHI, which currently is \$49,921. Census data for the area indicates the MHI for the City is \$78,000 year, well above the state average. Since no other funding requests are before the Board at this time, staff is recommending funding of this Project.

The Los Angeles Regional Water Board approved a resolution on March 3, 2011, stating the Project is identified as the current top priority for disbursement of funds from the CAA for the region.

The requested allocation is consistent with the purposes of Water Code Section 13442. Section 13442 provides that the State Water Board may order monies to be paid from the CAA to a public agency with the authority to cleanup or abate the effects of a waste in order "to assist it in cleaning up the waste or abating its effects on the waters of the state."

POLICY ISSUE

Should the State Water Board approve additional funding of \$3.3 million from the CAA to the Project?

FISCAL IMPACT

As of December 7, 2010, the uncommitted CAA balance is estimated to be no less than \$9 million according to the most current data.

REGIONAL BOARD IMPACT

Yes, the proposed Project will assist the City in achieving compliance with Los Angeles Regional Water Board TMDL requirements.

STAFF RECOMMENDATION

The State Water Board should approve additional funding of \$3.3 million from the CAA to the Project.

State Water Board action on this item will assist the Water Boards in reaching Goal 4 of the Strategic Plan Update: 2008-2012, to comprehensively address water quality protection and restoration, and the relationship between water supply and water quality, and describe the connections between water quality, water quantity, and climate change, throughout California's water planning processes.

DRAFT

STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2011-

TO ALLOCATE AN ADDITIONAL \$3.3 MILLION FROM THE
CLEANUP AND ABATEMENT ACCOUNT (CAA) TO FUND THE
COLORADO LAGOON (LAGOON) RESTORATION PROJECT (PROJECT)

WHEREAS:

1. The City of Long Beach (City) is requesting an additional \$3.3 million from the CAA to fund the Project;
2. The Lagoon provides shelter for migratory bird species as well as potential breeding habitat for many wildlife species and is heavily utilized by communities within and around Long Beach for recreational activities, including swimming, fishing, wildlife viewing, and picnicking;
3. The State Water Resources Control Board (State Water Board) allocated approximately \$1.8 million from the CAA in March 2010 for this project in [Resolution No. 2010-0007](#);
4. The original project anticipated that the City would need to remove approximately 28,500 cubic yards (cu.yd.); however, the City determined that 72,000 cu.yd. of hazardous materials will need to be removed, treated, and disposed from the Western Arm, Central Basin, and Northern Arm;
5. The City is proposing to remove the hazardous soil only and will find funding for the removal of non-hazardous soil, if needed;
6. The Los Angeles Regional Water Board approved a resolution on March 3, 2011, which states that, the Project is identified as the current top priority for disbursement of funds from the CAA for the region; and
7. The requested allocation is consistent with the purposes of Water Code Section 13442. Section 13442 provides that the State Water Board may order moneys to be paid from the CAA to a public agency with authority to cleanup or abate the effects of a waste "to assist it in cleaning up the waste or abating its effects on the waters of the state."

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Approves funding an additional \$3.3 million from the CAA to the City for the Project; and

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2. Shall revert any unexpended funds to the CAA as of June 30, 2013, unless the Deputy Director or Assistant Deputy Director of the Division of Financial Assistance authorizes an extension. The funds will be available until June 30, 2013.

CERTIFICATION

The undersigned, Clerk to the Board, does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Board held on April 5, 2011.

Jeanine Townsend
Clerk to the Board