DATE: **April 6, 2020**

TO: **RMC Governing Board**

FROM: **Mark Stanley, Executive Officer**

SUBJECT: **Item 10: Consideration of a resolution approving a grant amendment to the Los Cerritos Wetlands Authority for the Los Cerritos Wetlands Planning and Restoration Projects (RMC17014).**

PROGRAM AREA: Rivers and Tributaries

PROJECT TYPE: Planning

JURISDICTION: City of Long Beach

PROJECT MANAGER: Sally Gee

RECOMMENDATION: That the RMC Board approve a grant amendment to the Los Cerritos Wetlands Authority (LCWA) to revise the timeline, budget and task list for the Los Cerritos Wetlands Planning and Restoration Projects (RMC17014).

PROJECT DESCRIPTION:

Exhibit A - LCWA Amendment Request
Exhibit B - Timeline and Task List
Exhibit C - Budget

The LCWA is seeking an amendment to extend the performance period of RMC 17014 (RMC Board Resolution 17-04) from June 30, 2020 to December 31, 2020 and to amend the budget (Exhibit A).

The LCWA is requesting a grant extension for this project due to additional design elements that needed to be considered as planning progressed for the 500-acre Los Cerritos Wetlands Complex (Complex). LCWA is experiencing delays in completing hydrodynamic modeling of various water connections for reintroducing tides into the Complex. With the delay of release, the project timeline has been pushed back serval months. The LCWA is working diligently to complete the project in a timely manner, but a six-month extension to December 31, 2020 is needed to allow enough time for project competition and grant close-out (Exhibit B).

Additionally, due to delays in the timeline, matching grant funds from the State Coastal Conservancy (SCC) has run up to the reversion date. To minimize funds lost by the State, LCWA requests to shift the remaining RMC budget to fund tasks that will be completed later in the project schedule, while shifting SCC funds for tasks that will be completed earlier. As a result, more funding would be allocated to tasks such as completion of the Final EIR, Next Phase of Restoration Planning, and Public Outreach (Exhibit C). Additionally, costs to complete the project description was higher than anticipated, and supplementary funds have been allocated to that task. No additional funds are being requested from the RMC, and the grant budget remains at $500,000.

BACKGROUND: The Los Cerritos Wetlands Authority (LCWA) is a joint powers authority formed by the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC), State Coastal Conservancy (SCC), City of Long Beach, and City of Seal Beach. The LCWA was formed to provide a comprehensive program of acquisition, protection, conservation, restoration, and environmental enhancement of the Los Cerritos Wetlands.

Historically, the estuary of the San Gabriel River encompassed over 2,400 acres of coastal wetlands. Over the past 150 years, urbanization has reduced this area to just 500 acres of undeveloped land, which is referred to collectively as the Los Cerritos Wetlands. Much of the 500 acres were used, are currently still used, for oil production, which involved greatly manipulating the landforms so that most of the natural hydrology and corresponding habitat types have been degraded or destroyed.

Los Cerritos Wetlands is a critical piece of southern California's network of coastal salt marshes. Los Cerritos Wetlands is one of the last remaining, un-restored coastal wetland systems in southern California, which makes it a critical location for urban wetlands restoration. Some of the most important regional biological needs that can be addressed through restoration of this area are: 1) restoration of high intertidal and associated upland habitats, which are especially rare throughout the region; 2) expansion of populations of special status species; 3) mitigation of the effects of sea-level rise on long-term conversion of habitat types within the region; 4) restoration of dynamic natural processes that facilitate spatial and temporal heterogeneity within the wetland; 5) connectivity to other wetlands and open space; and 6) facilitated migration of species that are threatened by climate change and habitat fragmentation.

Restoration of Los Cerritos Wetlands provides a unique opportunity to strengthen the natural system and provide beneficial habitat for fish and other wildlife, while in turn providing flood protection for the surrounding coastal communities. The Southern California Wetland Recovery Project (SCWRP), a partnership of 17 state and federal agencies, has identified the acquisition and restoration of the Los Cerritos wetlands as a high regional priority.

In August 2015, the LCWA's Board of Directors adopted a 4-year-long study that resulted in the Los Cerritos Wetlands Conceptual Restoration Plan (CRP). The CRP presented the preliminary designs, grading plans, habitat distributions, and phasing for three restoration alternatives. Each alternative was evaluated for its habitat quality, public accessibility, tidal hydrology, construction scenarios, maintenance requirements and construction costs. The alternatives were designed with sea-level rise in mind and a sea-level rise analysis was conducted to better understand project sustainability. In May 2017, the LCWA embarked on the environmental review process for this project. Currently the LCWA and consultants are creating an Optimized Restoration Plan that will proceed through the California Environmental Quality Act (CEQA) permitting process in the form of a Program Environmental Impact Report (EIR). A variety of required technical studies are currently underway as well as public workshops and resurrection of the Technical Advisory Committee utilized in the development of the CRP.

FISCAL INFORMATION: This amendment will not increase the overall grant amount. Other funding sources in addition to RMC funding include State Coastal Conservancy in the amount of $500,000, and National Fish and Wildlife Foundation in the amount of $249,500.

Funding for this project is allocated from the following:

Proposition 1, Chapter 188, Statues of 2014

Water Quality, Supply, and Infrastructure Improvement Act of 2014 allocations, Chapter 6 under statute:

> 79731 (f): San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, the sum of thirty million dollars ($30,000,000)

LEGISLATIVE AUTHORITY AND RMC ADOPTED POLICIES/AUTHORITIES:

Public Resources Code Division 22.8 provides in part that:

Section 32602: There is in the Resources Agency, the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, which is created as a state agency for the following purposes:

(a) To acquire and manage public lands within the Lower Los Angeles River and San Gabriel River watersheds, and to provide open-space, low-impact recreational and educational uses, water conservation, watershed improvement, wildlife and habitat restoration and protection, and watershed improvement within the territory.
(b) To preserve the San Gabriel River and the Lower Los Angeles River consistent with existing and adopted river and flood control projects for the protection of life and property.
(c) To acquire open-space lands within the territory of the conservancy.

Section 32604: The conservancy shall do all of the following:
(a) Establish policies and priorities for the conservancy regarding the San Gabriel River and the Lower Los Angeles River, and their watersheds, and conduct any necessary planning activities, in accordance with the purposes set forth in Section 32602.
(b) Approve conservancy funded projects that advance the policies and priorities set forth in Section 32602.
(d) To provide for the public's enjoyment and enhancement of recreational and educational experiences on public lands in the San Gabriel Watershed and Lower Los Angeles River, and the San Gabriel Mountains in a manner consistent with the protection of lands and resources in those watersheds.

Section 32614: The conservancy may do all of the following:
(b) Enter into contracts with any public agency, private entity, or person necessary for the proper discharge of the conservancy's duties, and enter into a joint powers agreement with a public agency, in furtherance of the purposes set forth in Section 32602.
(e) Enter into any other agreement with any public agency, private entity, or person necessary for the proper discharge of the conservancy's duties for the purposes set forth in Section 32602.
(f) Recruit and coordinate volunteers and experts to conduct interpretive and recreational programs and assist with construction projects and the maintenance of parkway facilities.

Further, Section 32614 provides that: The conservancy may do all of the following:
(g) Undertake, within the territory, site improvement projects, regulate public access, and revegetate and otherwise rehabilitate degraded areas, in consultation with any other public agency with appropriate jurisdiction and expertise, in accordance with the purposes set forth in Section 32602. The conservancy may also, within the territory, upgrade deteriorating facilities and construct new facilities as needed for outdoor recreation, nature appreciation and interpretation, and natural resources projection. The conservancy may undertake those projects by itself or in conjunction with another local agency; however,

the conservancy shall provide overall coordination of those projects by setting priorities for the projects and by ensuring a uniform approach to projects. The conservancy may undertake those projects with prior notification to the legislative body of the local agency that has jurisdiction in the area in which the conservancy proposes to undertake that activity.

Section 32614.5:

(a) The conservancy may award grants to local public agencies, state agencies, federal agencies, and nonprofit organizations for the purposes of this division.
(b) Grants to nonprofit organizations for the acquisition of real property or interests in real property shall be subject to all of the following conditions:
  (1) The purchase price of any interest in land acquired by the nonprofit organization may not exceed fair market value as established by an appraisal approved by the conservancy.
  (2) The conservancy approves the terms under which the interest in land is acquired.
  (3) The interest in land acquired pursuant to a grant from the conservancy may not be used as security for any debt incurred by the nonprofit organization unless the conservancy approves the transaction.
  (4) The transfer of land acquired pursuant to a grant shall be subject to the approval of the conservancy and the execution of an agreement between the conservancy and the transferee sufficient to protect the interests of the state.
  (5) The state shall have a right of entry and power of termination in and over all interests in real property acquired with state funds, which may be exercised if any essential term or condition of the grant is violated.
  (6) If the existence of the nonprofit organization is terminated for any reason, title to all interest in real property acquired with state funds shall immediately vest in the state, except that, prior to that termination, another public agency or nonprofit organization may receive title to all or a portion of that interest in real property, by recording its acceptance of title, together with the conservancy's approval, in writing.

(c) Any deed or other instrument of conveyance whereby real property is acquired by a nonprofit organization pursuant to this section shall be recorded and shall set forth the executor interest or right of entry on the part of the state.

RMC Resolution 2015-19 approved guidelines consistent with the Proposition 1 bond language; RMC Resolution 2016-05 approved review of forty-four grant applications submitted for the Rivers and Mountains Conservancy Proposition 1 Grant Program; RMC Resolution 2016-13 approved the RMC Proposition 1 (2015) Tier 1 and Tier 2 Grant Recommendations; RMC Resolution 2016-23 approved the RMC Proposition 1 Grant Program (2015) Tier 1 and Tier 2 Grant Recommendations and authorized grant distributions of $20,261,564;
RMC Resolution 2019-02 approved a grant extension and budget augmentation of $150,000.

Los Cerritos Wetlands Authority

RECEIVED
IN20-184
MAR 11, 2020
RIVERS & MOUNTAINS CONSERVANCY

Governing Board

Samuel Schuchat, Chair
Coastal Conservancy

Suzie Price, Vice-Chair
City of Long Beach

Joe Kalmick, Board Member
City of Seal Beach

Roberto Uranga, Board Member
Rivers and Mountains Conservancy

Mark Stanley
Executive Officer

March 3, 2020

Mark Stanley
Executive Officer
Rivers and Mountains Conservancy
100 N. Old San Gabriel Canyon Rd.
Azusa, CA 91702

Re: Los Cerritos Wetlands Authority Planning and Restoration Project (RMC 17014) Extension and Budget Amendment Request

Dear Mr. Stanley,

The Los Cerritos Wetlands Authority (LCWA) received RMC funds to complete the environmental review of the Los Cerritos Wetlands Conceptual Restoration Plan (CRP) required to satisfy the California Environmental Quality Act (CEQA) (RMC 17014). The LCWA is requesting a grant extension and budget amendment for this project due to additional design elements that needed to be considered as planning progressed for the 500-acre Los Cerritos Wetlands complex (Complex). LCWA is requesting this grant be extended from June 30, 2020 to December 31, 2020, with the budget reallocation outlined below and in the attached Exhibits.

LCWA is experiencing delays in completing hydrodynamic modeling of various water connections for reintroducing tides into the Complex. Hydrodynamic modeling is a time intensive process and it has taken longer than anticipated to complete the level of analysis LCWA wishes to have before releasing a Draft EIR. With the delay of release, the project timeline has been pushed back several months. The project team is working diligently to complete the project in a timely manner but anticipates a release of the Final EIR in Fall 2020. An extension of this grant to December 2020 would allow enough time for project completion and close-out. Please see the amended project schedule in the attached timeline.

Additionally, due to project delays, matching grant funds from the State Coastal Conservancy has run up to the reversion date. To minimize funds lost, LCWA is requesting to shift the remaining RMC budget to fund tasks that will be completed later in the project schedule, while shifting SCC funds for tasks that will be completed earlier. As a result, more funding would be allocated to completing the Final EIR, Next Phase of Restoration Planning, and Public Outreach. Additionally, costs to complete the project description was higher than anticipated, and supplementary funds have been allocated to that task. No extra funds are being requested from the RMC, and the grant budget remains at $500,000. Please review the attached budget for more detailed cost amendments.

Los Cerritos Wetlands Authority · El Encanto · 100 N. Old San Gabriel Canyon Road · Azusa, CA 91702
◆ Office-626.815.1019 ◆ Fax-626.815.1269 ◆

Thank you for your consideration of this amendment. If you have any questions, please contact the project manager, Sally Gee, at 626-815-1019 ext. 104 or at sgee@rmc.ca.gov.

Sincerely,

Sam Schuchat
LCWA Board Chair

Grantee: Los Cerritos Wetlands Authority

Project Name: Los Cerritos Wetlands Planning and Restoration Project

Contact and Address: Sally Gee, 100 Old San Gabriel Canyon Rd Azusa CA 91702

RMC Proposition 1 Grant Program Tasklist and Timeline

Performance Begin and End Date **January 23, 2017 - December 31, 2020**

	Work Plan Task Number and Name	Jan 2017 - Dec 2017	Dec 2017 - Dec 2018	Jan 2019 - Mar 2019	Apr 2019 - Dec 2019	Jan 2020 - Mar 2020	Apr 2020 - Jun 2020	Jul 2020 - Sept 2020	Oct 2020 - Dec 2020
1	Engage Environmental Consultant (Jan 2017 - Dec 2017)								
2	Techincal Reports (Dec 2017 - Mar 2020)								
3	EIR Project Description/Notice of Preparation (Nov 2018 - April 2019)								
4	Preparation and Release of Draft EIR (Feb 2019 - April 2020)								
5	Release of Final EIR (May 2020 - Oct 2020)								
6	Prepare Findings/Statement of Overriding Considerations (May 2020 - Aug 2020)								
7	Next Phase of Restoration Plan (Apr 2020 - Sept 2020)								
8	Public Outreach (Jan 2017 - Sept 2020)								
9	Project Management (Jan 2017 - Dec 2020)								
0	Contingency (Jan 2017 - Dec 2020)								

Budget / Timeline and Tasklist:						
Task #	**Tasklist and Timeline**	**Current RMC Budget**	**Difference**	**Proposed RMC Budget**	**State Coastal Conservancy**	**Proposed Total Budget**
1	Engage Environmental Consultant (Jan 2017 - Dec 2017)	$20,000.00	$0.00	$20,000.00	$0.00	$20,000.00
2	Techincal Reports (Dec 2017 - Mar 2020)	$190,000.00	-$78,000.00	$112,000.00	$115,000.00	$227,000.00
3	EIR Project Description/Notice of Preparation (Nov 2018 - April 2019)	$25,000.00	$4,000.00	$29,000.00	$13,000.00	$42,000.00
4	Preparation and Release of Draft EIR (Feb 2019 - April 2020)	$145,000.00	-$6,000.00	$139,000.00	$128,260.00	$267,260.00
5	Release of Final EIR (May 2020 - Oct 2020)	$10,000.00	$33,000.00	$43,000.00	$0.00	$43,000.00
6	Prepare Findings/Statement of Overriding Considerations (May 2020 - Aug 2020)	$15,000.00	-$4,000.00	$11,000.00	$0.00	$11,000.00
7 (New)	*Next Phase of Restoration Plan (Nov 2019 - Sept 2020)*	$0.00	$26,500.00	*$26,500.00*	$3,000.00	*$29,500.00*
8	Public Outreach (Jan 2017 - Sept 2020)	$50,000.00	$24,500.00	$74,500.00	$40,000.00	$114,500.00
9	Project Management (Jan 2017 - Dec 2020)	$35,000.00	$0.00	$35,000.00	$68,500.00	$103,500.00
0	Contingency	$10,000.00	$0.00	$10,000.00	$0.00	$10,000.00
--	*Optimized Restoration Alternative (Feb 2018 - Dec 2020)*	$0.00	$0.00	*$0.00*	$132,240.00	*$132,240.00*
	Total Costs	$500,000.00	**$0.00**	**$500,000.00**	$500,000.00	**$1,000,000**

April 6, 2020 – Item 10

RESOLUTION 2020-12

RESOLUTION OF THE SAN GABRIEL AND LOWER LOS ANGELES RIVERS AND MOUNTAINS CONSERVANCY (RMC) APPROVING AN AMENDMENT TO THE LOS CERRITOS WETLANDS AUTHORITY FOR THE LOS CERRITOS WETLANDS PLANNING AND RESTORATION PROJECT (RMC17014)

WHEREAS, The legislature has found and declared that the San Gabriel River and its tributaries, the Lower Los Angeles River and its tributaries, and the San Gabriel Mountains, Puente Hills, and San Jose Hills constitute a unique and important open space, environmental, anthropological, cultural, scientific, educational, recreational, scenic, and wildlife resource that should be held in trust to be preserved and enhanced for the enjoyment of, and appreciation by, present and future generations; and

WHEREAS, The people of the State of California have enacted the Water Quality, Supply, and Infrastructure Improvement Act of 2014 ("Proposition 1") and

WHEREAS, the State of California has authorized an expenditure of funds from Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014 to the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy for capital outlay and local assistance multi-benefit grants for ecosystem and watershed protection and restoration projects; and

WHEREAS, The RMC may award grants to local public agencies, state agencies, federal agencies, and nonprofit organizations for the purposes of Division 22.8 the Public Resources Code; and

WHEREAS, The proposed project meets an objective of the California Water Action Plan for more reliable water supplies, restoration of important species and habitat, more resilient and sustainably managed water infrastructure; and

WHEREAS, The proposed project meets the goals of reducing greenhouse gas emissions consistent with AB 32; and

WHEREAS, The proposed project is consistent with the San Gabriel and Los Angeles River Watershed and Open Space Plan; and

WHEREAS, The proposed project protects land and water resources; and

WHEREAS, The grantee has requested a grant from Proposition 1, Section 79731 (f) of the Water Code; and

WHEREAS, This action is exempt from the environmental impact report requirements of the California Environmental Quality Act (CEQA); and NOW

Therefore be it resolved that the RMC hereby:

1 FINDS that this action is consistent with the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy Act and is necessary to carry out the purposes and

objectives of Division 22.8 of the Public Resources Code.

2 FINDS that the Proposition 1 RMC Grant Program is consistent with the Water Quality, Supply, and Infrastructure Improvement Act of 2014 ("Proposition 1"), which provides funds for the RMC grant program.

3 FINDS the proposed project meets at least one of the purposes of Proposition 1.

4 FINDS the proposed project meets at least one of the three objectives of the California Water Action Plan.

5 FINDS that the proposed action is consistent with the San Gabriel and Lower San Gabriel and Los Angeles River Watershed and Open Space Plan as adopted by the Rivers and Mountains Conservancy.

6 FINDS that the actions contemplated by this resolution are exempt from the environmental impact report requirements of the California Environmental Quality Act.

7 ADOPTS the staff report dated April 6, 2020.

8 APPROVES a grant amendment to the Los Cerritos Wetlands Authority revise the budget, task list, and to extend the timeline through December 31, 2020 for the Los Cerritos Wetlands Planning and Restoration Project (RMC 17014).

~ End of Resolution ~

Passed and Adopted by the Board of the
SAN GABRIEL AND LOWER LOS ANGELES RIVERS AND MOUNTAINS CONSERVANCY on April 6, 2020.

Motion _____ Second: _____

Ayes: _____ Nays: _____ Abstentions: _____

_____
Frank Colonna, Chair

ATTEST: _____
David Edsall, Jr.
Deputy Attorney General