



CITY OF SIGNAL HILL

2175 Cherry Avenue • Signal
Hill, California 90755-3799

STAFF REPORT

10/28/2025

AGENDA ITEM

**TO: HONORABLE MAYOR
AND MEMBERS OF THE CITY COUNCIL**

**FROM: CARLO TOMAINO
CITY MANAGER**

**BY: THOMAS BEKELE
PUBLIC WORKS DIRECTOR/CITY ENGINEER**

**SUBJECT: THIRD AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN
THE LOS ANGELES GATEWAY REGION INTEGRATED REGIONAL WATER
MANAGEMENT JOINT POWERS AUTHORITY AND THE CITY OF SIGNAL HILL
FOR THE LOWER LOS ANGELES RIVER WATERSHED**

Summary:

The City of Signal Hill is located in the Lower Los Angeles River Watershed. In 2013, the Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority, also known as the Gateway Water Management Authority, entered into a Memorandum of Understanding with the Lower Los Angeles River member agency for the preparation and implementation of the Watershed Management Plan and the Coordinated Integrated Monitoring Program as required by the Regional Water Quality Control Board to comply with the Municipal Separate Storm Sewer System Permit. The proposed Third Amendment to Memorandum of Understanding modifies the term and cost sharing formula to allow for continued implementation of the Lower Los Angeles River Watershed.

Strategic Plan Goal(s):

Goal No. 4 Infrastructure: Maintain and improve the City's physical infrastructure, water system, and recreational spaces.

Recommendation:

Authorize the City Manager to enter into the proposed Third Amendment to the Memorandum of Understanding between the City and Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority for administration and cost sharing of the continued implementation of the Watershed Management Plan and the Coordinated Integrated Monitoring Program in the Lower Los Angeles River Watershed.

Fiscal Impact:

The implementation, monitoring, and reporting of the Watershed Management Plan (WMP) and the Coordinated Integrated Monitoring Program (CIMP) are multi-year and multi-agency efforts for the Lower Los Angeles River (LLAR) Watershed. Participating agencies are assessed proportional costs. The cost-sharing formula ensures that all agencies contribute equally to cover 10% of the administrative requirements. The remaining 90% of the expenses are distributed according to each agency's proportional land area, as shown in the following tables. Los Angeles Gateway Region Integrated Regional Water Management Joint Powers Authority (GWMA) member agencies pay an additional fee to GWMA to cover indirect, overhead costs, estimated to range up to 5% of the agency's proportional costs.

Agency	Area (sq. mile)	Cost Share Percentage	90% of Average Cost (after Deducting LACFCD's Cost) Proportioned Based on Area	10% of Average Cost (after Deducting LACFCD's Cost) Proportioned Equally	Total Average Annual Cost
Downey	5.54	12.67%	\$87,919.25	\$9,637.73	\$97,556.98
Lakewood	0.08	0.18%	\$1,249.05	\$9,637.73	\$10,886.78
Long Beach	19.22	43.96%	\$305,045.80	\$9,637.73	\$314,683.53
Lynwood	4.84	11.07%	\$76,816.58	\$9,637.73	\$86,454.32
Paramount	3.12	7.14%	\$49,545.66	\$9,637.73	\$59,183.39
Pico Rivera	2.36	5.40%	\$37,471.50	\$9,637.73	\$47,109.24
Signal Hill	1.21	2.77%	\$19,221.49	\$9,637.73	\$28,859.23
South Gate	7.35	16.81%	\$116,647.40	\$9,637.73	\$126,285.14
LACFCD (5% of total)			\$34,324.40		\$34,324.40
Total	43.72	100%	\$728,241.14	\$77,101.86	\$805,343.00

The City of Signal Hill's portion of the LLAR watershed cost for the third amendment, including GWMA administrative fees, is estimated to be \$29,963.23 annually. The City also pays a \$15,000 annual membership fee to GWMA for direct administrative staff and legal costs. The City receives an estimated \$280,000 annually from the passage of Los Angeles County's Measure W in November 2018. The City allocates a portion of these Measure W funds to offset the watershed and membership costs.

Background:

The City is located within the LLAR Watershed, and its storm drain system directs water to this watershed. The California Regional Water Quality Control Board (RWQCB) regulates the operation of this system through a Municipal Separate Storm Sewer System (MS4) Permit. The MS4 permit is renewed approximately every five years, with each renewal typically becoming more stringent and costly to implement. The permit requires Signal Hill and other cities in the LLAR watershed to develop Watershed Management Plans (WMPs) and Coordinated Integrated Monitoring Program (CIMPs) for each drainage tributary. In summary, the WMPs and CIMPs comprehensively analyze pollutant sources within the watershed, strategies for reducing or treating these pollutants, and computer modeling to support the proposed strategies.

On November 8, 2012, the RWQCB adopted the MS4 Permit (Order No. R4-2012-0175) and later amended it in 2015. The RWQCB re-adopted the permit in 2021 under Order No. R4-2021-0105, prompting watershed agencies to begin implementing the WMP and CIMP under the new order. To comply with these requirements, the City Council approved a Memorandum of Understanding (MOU) on September 3, 2013, with the GWMA and other LLAR agencies. The MOU established a framework for administration and cost-sharing to prepare and implement the WMP and CIMP, both of which the RWQCB subsequently approved.

The City Council authorized the First Amendment to the MOU on June 2, 2015, to transition from the planning phase to full implementation of the approved plans and to formalize the cost-sharing structure. On August 11, 2020, the City Council approved the Second Amendment, which extended the implementation phase and initiated preparations for the next permit cycle.

Analysis:

The purpose of the proposed Third Amendment is to continue the implementation phase of the program by extending the term through September 30, 2030. The cities and agencies within the LLAR Watershed have worked collaboratively with the GWMA to develop the proposed amendment and continue sharing in the cost of implementation. Participating agencies are assessed on a cost sharing formula that has been revised from the Second Amendment to reflect updated watershed budgets, proportional allocations, and administrative adjustments.

For the LLAR Watershed, the City expects to incur costs of approximately \$28,859.23 in FY 2025-26, which represents 2.8% of the total program cost. The budget includes an estimated \$1,100 in GWMA administrative fees for managing the watershed group. These expenses appear in the FY 2025-26 budget and will remain in future fiscal year budgets.

Under the proposed amendment, the scope of work includes conducting annual monitoring and reporting, preparing for the upcoming MS4 permit, performing specialized Bacteria Total Maximum Daily Load (TMDL) studies, and evaluating feasibility at potential regional project sites. Although Measure W funding has provided additional resources, the costs associated with implementing the WMP and CIMP continue to pose a significant financial burden on individual cities. Continued collaboration with other participating cities and agencies allows the City to substantially reduce costs compared to pursuing compliance independently.

Staff recommends that the City Council approve the proposed Third Amendment to the Memorandum of Understanding with the GWMA to continue participation, cost sharing, and implementation of the WMP and CIMP for the LLAR Watershed, supporting ongoing compliance, regional cooperation, and long-term water quality improvement.

Reviewed for Fiscal Impact:

Siamlu Cox

Attachment:

A. LLAR MOU Third Amendment