

**Measure W – Safe, Clean Water Program
Administrative Oversight Committee (AOC) Special Meeting Minutes**

Thursday, May 29, 2025

Members Present: Patricia J. Huber, City Administrative Officer, Chair (CAO)
Matias Farfan, Chief Legislative Analyst (CLA)
Randall Winston, Office of the Mayor (Mayor)

Staff Present: Janice Chang Yu, CAO
Hermineh Amijanian, CAO
Blayne Sutton-Wills, CLA

The meeting was called to order at 11:06 AM.

Public Comment – Held

1. Minutes of the March 17, 2025 Special Meeting

Disposition: Approved 3-0.

2. Verbal update on the status of Measure W – Safe, Clean Water Municipal and Regional Program

Susie Santilena (Bureau of Sanitation/LASAN) presented updates on the following:

Municipal Program Projects –There are 12 projects:

- Two projects are in Design.
- Three projects are in Construction.
- Two projects (Reseda and North Sepulveda) are in Bid and Award.
- Five projects are in Post-Construction.
- The La Cienega Project has completed 100 percent of its design and is preparing contract documents.
- A Groundbreaking ceremony was held on May 5, 2025, for the East 6th Street Green Infrastructure Corridor Project.

Regional Program Projects – There are 13 projects:

- The Ballona Creek TMDL Project is in construction.
- Six projects are in Pre-Design.
- The pre-design reports are finalized for the Lincoln Park and Angeles Mesa Green Infrastructure Corridor projects.
- Four projects are in Design.
- The MacArthur Park project recently executed contracts to finalize its design and environmental review.

Ms. Santilena stated that one of the Regional projects, Broadway Manchester, experienced administrative issues and is at risk of losing some funding received from Caltrans through the cost-sharing agreement between StreetsLA and Caltrans. To enable the City to retain funding for this project, LASAN will invoice Caltrans for the Wilmington Neighborhood and MacArthur Lake projects and appropriate \$5,618,346.22 into a 60W account for later use by StreetsLA for the Broadway Manchester project. The remaining amount of \$4,695,846 should be invoiced by StreetsLA by April 2026.

Mr. Winston (Office of the Mayor) inquired if both LASAN and StreetsLA needed to handle the remaining amount billing and if they would meet the April 2026 deadline, given the tight schedule.

Ms. Santilena confirmed that it is StreetsLA's responsibility.

Brian Ahn (StreetsLA) responded that this project has two components: a street improvement component and a water component. The design is complete; however, the construction of the project is delayed. StreetsLA is meeting with the District 8 Council Office regarding project delivery, as the Council Office wishes to prioritize the street improvement component and address the lapse of funds.

Mr. Winston asked if the current deadline before the funds lapse is April 2026. Mr. Ahn confirmed this, adding that StreetsLA is working with Council Offices, who may be collaborating with Caltrans for possible actions and remedies. At this time, the project schedule is based on completing the street improvement portion of the project first.

Mr. Farfan (CLA) inquired if the California Environmental Quality Act (CEQA) requirement issues were resolved.

Mr. Ahn confirmed that those issues are resolved.

Ms. Santilena continued to provide updates on the Funding Outlook for Municipal and Regional Programs, presenting that \$14,984,298 was proposed in the FY 25/26 Budget and providing an overview of future years' requests. Many Municipal Funds are being utilized to complete projects and close future funding needs for these projects, including the Ballona Creek TMDL project, ensuring that Operation and Maintenance (O&M) will not be an issue. For the next two fiscal years of Capital Improvement Projects (CIP), Municipal funds will be dedicated to cover shortfalls for Regional Program projects.

Ms. Santilena continued by providing an overarching strategy for Round 7 (FY 26/27) Regional Project applications. Sanitation thoroughly reviewed each Watershed area and identified potential additional funding opportunities for projects, as well as the City's own resources and constraints. Sanitation proposes an O&M application for the Ballona Creek TMDL Project for Round 7, which is nearing construction completion. For the other Watershed areas, Sanitation proposes a strategy of focusing more on potential project modification requests to receive additional funding for projects that were previously funded in the Regional Program, rather than proposing new project applications. This approach is due to several reasons, including very limited budgets in the next few years, the City's focus on project shortfalls rather than new projects, and Sanitation exceeding its available project delivery resources, thus the preference to prioritize funded projects. Sanitation has also considered that funding competition is high and the City receives many third-party applications, which may result in partnership projects.

Ms. Santilena mentioned that the City received numerous requests for Letters of Support and Letters of Non-Objection from entities outside the City, mostly in the Central Santa Monica Bay Watershed area, the recommendations for which will be discussed in later agenda items.

Ms. Santilena continued by providing an outlook of available resources for the Upper Los Angeles River Watershed. She pointed out that FY 27/28 will have less funding available; due to the way funding accumulates and for projects already awarded. This narrowing of funding will affect FY 26/27 as well. Funding is highly competitive, and resources are limited, so based on this, Sanitation does not recommend any new applications for this

area, and no third-party requests for Letters of Support were received for this round. Funding requests will only be submitted for project modifications for projects already funded in this area. However, it is worth noting that the City has been cumulatively very successful in this area in the past, exceeding 102% of the five-year average return the City could invest in this Watershed area.

Ms. Santilena continued with the Central Santa Monica Bay Watershed, providing an outlook of resources, noting that FY 26/27 is the pinch point for this Watershed. Currently, there is an 89.9% average return. Sanitation recommends funding requests for Operation and Maintenance of previously funded projects, and there are multiple third-party applications for this round. In the last round, six third-party projects were successful in obtaining TRP funding.

Ms. Santilena provided an overview of the Ballona Creek TMDL Project, for which Sanitation plans to submit the application for Round 7 Operation and Maintenance for three years and modify the request as needed. Construction on this project is 76% complete and expected to be fully completed in February 2026 at a total approximate cost of \$81 million, which includes \$22 million received from the Regional Program. This is a high-water quality project capturing approximately 70,000 acres of drainage area to meet Ballona Creek Bacteria TMDL and Time Schedule Order enforcement action. There are two facilities that will divert urban runoff to Hyperion, providing approximately 5,060 Acre-Feet of recycled water. There will be a slight gap of about two years between the time the facility comes online and the time funding will be received from the Regional Program. For this reason, the plan is to cost-share funding with other agencies involved in the project and leverage that in the application to receive funding.

Mr. Farfan inquired if cost-sharing would continue if the City did not receive full funding or any funding at all. Ms. Santilena replied yes, stating that Sanitation is in discussions with other involved agencies, considering different scenarios, and talks are in place for Memorandums of Agreement in either case. Mr. Michael Scaduto from Sanitation added that the Municipal Program, which is budgeted, serves as a backstop in case the City does not receive regional funding.

Mr. Winston asked Sanitation to provide the project's context with regards to the Pure Water Project goals in partnership with the Department of Water and Power.

Ms. Santilena explained that this project will divert 23 million gallons of water per day to Hyperion, where water recycling will occur. Some recycling is already taking place at Hyperion, but this project will upgrade and provide more treatment to achieve the water quality aspect, which will aid water supply. Mr. Scaduto added that this will be a more reliable source, and it is important to consider the investments made here for dry weather, ensuring they are recognized. Sanitation is working on the Regional side from a planning perspective; it does not necessarily yield the return to undertake a new dry weather project like this through the Regional Program. They are also trying to encourage other applicants to pursue wet weather projects for future efforts.

Ms. Santilena continued with the South Santa Monica Bay Watershed area, which is a smaller Watershed area. The cumulative funding for this Watershed for FY 26/27 is \$3.3 million. Sanitation plans to request more funding since projects in this Watershed have been successful in the past, and the average five-year return to the City is 177%.

Mr. Farfan inquired about Lake Rehabilitation projects, asking if these are expected to occur periodically to rehabilitate lakes or if it is an O&M issue.

Mr. Scaduto (LASAN) replied that the lakes came to the Measure W program through a follow up from Prop O. Sanitation looked where they can do projects with the highest yield and most of them are in Recreation and Parks facilities. Sanitation envisions that for example Lake Machado and Echo Park, which were completed through Prop O and successfully submitted applications for O&M through the Regional Program to support long term needs, but there is a life cycle associated with each project and at some point the City needs to go back and do the lakes again.

Mr. Farfan stated that it is more cost effective if we invest in O&M instead of doing the full rehabilitation in 10 or 15 years, and Mr. Scaduto said yes, but we need to consider that some parts of the project are done by Recreation & Parks and some parts by Sanitation

Ms. Huber (CAO) asked what the negative numbers are showing on the Preliminary Municipal Funds Outlook table.

Mr. Scaduto replied that many projects have other funding sources. For example the Lankershim Blvd has Caltrans funding so that amount shows front funding effort for the project until the funding comes back to the City.

Ms. Huber asked if that doesn't mean that the project has a shortfall, and Mr. Scaduto stated the project has a shortfall however the negative number in the table is to reflect money coming in from other sources. Ms. Huber asked if Lankershim will be on the upcoming projects shortfall requests, and Mr. Scaduto said yes; Ms. Huber continued asking if we know how much Sanitation will be requesting. Mr. Scaduto said as of right now the project moves forward as proposed and Sanitation is actively seeking grant opportunities, and other funding sources to make sure the project shortfall is addressed.

Ms. Huber asked if the Oro Vista project is another one with the shortfall.

Mr. Scaduto replies, yes that is another project with a huge shortfall but Sanitation were able to bring over some money allocated from Council district for another project by support of Council Office, there is still a shortfall but not as large as it used to be.

Disposition: No action taken.

3. Report from LASAN requesting authority to submit the Measure W – Safe, Clean Water Program Round 7 application for FY 26/27

Ms. Santilena noted the report is to authorize the Director and General Manager of LASAN, or designee, to submit one Infrastructure O&M proposal for Safe, Clean Water funding to the Round 7 through the appropriate application with project funding request up to the estimated cost ceiling of currently 110%.

Mr. Farfan asked if this is going to be the first submission of an O&M application. Ms. Santilena noted that LASAN submitted two other O&M applications successfully before for Machado Lake and Echo Park Lake for the Upper LA River Watershed, but the current O&M application will be the first for the Central Santa Monica Bay Watershed. Mr. Scaduto added that this is the first project that the City successfully received construction money to build and now is going back to ask for O&M.

Ms. Huber asked where the leverage funds are coming from. Mr. Scaduto replied there are nine partnering agencies from whom a portion of leverage funding will be provided, but the City uses Municipal funds to front fund the project, and Ms. Santilena added that some portion of funding comes from Prop O.

Ms. Janice Chang Yu (CAO) reminded that LASAN is going to talk about an amendment, and Ms. Santilena stated that in the Table 1 of the memo the last column header should be corrected from “SCWP 5-Year Funding Request Ceiling” to “SCWP 3-Year Funding Request Ceiling”.

Disposition: Approved 3-0 as amended.

4. Report from LASAN requesting approval for LASAN's recommendations for a third party Letter of Non-Objection for Round 6 for the Hayden Tract Project.

Ms. Santilena explained this third party community based organization put forward a technical resources program application for Round 6 but inadvertently skipped the process of asking the City for a Letter of Non-Objection. They requested a retroactive approval and LASAN is recommending the issuance of a Letter of Non-Objection for the Hayden Tract Community Greenbelt project.

Mr. Farfan asked how many variations of recommendations are available.

Ms. Santilena responded there are few different variations. For technical resources program applications, while the County doesn't require the letter from City to move forward, it is highly recommended to get a Letter of Non-Objection. A Letter of Non-Objection gives LASAN the opportunity to inform the applicant which other entities or bodies within the City need to be involved moving forward. A Letter of Support is required from the City if the project were move into requesting construction funds.

Disposition: Approved 3-0.

5. Report from LASAN requesting approval for LASAN's recommendations for Letters of Support and Non-Objection for Round 7 project including Culver Median LA (CD 11), Reimagining La Brea Tar Pits (CD 5), Los Angeles Harbor College Central and West Campus Underground Infiltration and Biofiltration Project (CD 15), Fern Dell Restoration and Stormwater Capture (CD 4), and Eucalyptus Grove: Silver Lake Reservoir Stormwater Capture Project (CD 4/13).

Ms. Santilena explained the following applicants came forward with the proposed projects for the City to issue Letters of Non-Objection and Support:

- Project Proponent: Del Rey Neighborhood Council for the Culver Median LA project (CD 11) requested a Letter of Non-Objection for the Technical Resources Program. It is recommended to issue the Letter of Non-Objection since it appears to be a useful project after deliberation.
- Project Proponent: Silver Lake Reservoir Conservancy for Eucalyptus Grove: Silver Lake Reservoir Stormwater Capture Project (CD 4/13) requested a Letter of Non-Objection, however, LASAN received this request late and was not able to do proper research and evaluate whether the project is aligned with the goals of the program. This project is also on Department of Water and Power (DWP) land, so approval from DWP should be obtained prior to submitting to LASAN for project review. At this time it is not recommended to issue a Letter of Non-Objection for this project.

- Project Proponent: Friends of Griffith Park for Fern Dell Restoration and Stormwater Capture (CD 4) requested a Letter of Support for Infrastructure Program funding. Similar to the previous project, LASAN received the application very late and this project is on Recreation and Parks land. It should be coordinated and approved by them first before LASAN can review and issue a Letter of Support for the project.

Mr. Farfan requested confirmation that the last two requests are being denied and no Letters of Non-Objection or Support is going to be issued, and Ms. Santilena stated that is correct.

- Project Proponent: Los Angeles Community College District & Build LACCD for the Los Angeles Harbor College Central and West Campus Underground Infiltration and Biofiltration Project (CD 15) is requesting a Letter of Support and the LASAN recommendation is to issue the letter since this project aligns with the program goals. Mr. Scaduto added that Proponents have made a commitment for the maintenance of the project after completion.

Mr. Farfan asked how their commitment is recorded. Mr. Scaduto replied that the project is on their land and the maintenance is in their jurisdiction, and as part of the Regional Program transfer agreements, signers are obliged to maintain and monitor any projects that are delivered.

- Project Proponent: LA County Museum of Natural History Foundation for Reimagining La Brea Tar Pits (CD 5). Normally infrastructure projects require a Letter of Support, however in this case the project falls on the County's unincorporated property, so the City was not the right agency to issue a Letter of Support as confirmed with the County. A Letter of Non-Objection is recommended as an appropriate response as a neighboring agency.

Disposition: Approved 3-0.

6. Other Committee organizational matters, as necessary

Staff will inform the Committee if a meeting in June is needed.

Disposition: No action taken.

The Meeting adjourned at 12:01PM.