

South Bay Cities Council of Government

November 13, 2017

TO: SBCCOG Steering Committee

FROM: Jacki Bacharach, Executive Director

SUBJECT: Dominguez Channel Watershed Management Group MOA Fee Structure

ADHERENCE TO STRATEGIC PLAN:

Goal D: Organizational Stability. Be a high performing organization with a clear path to long-term financial health, staffing continuity, and sustained board commitment.

BACKGROUND

In March 2016, SBCCOG entered into an Memorandum of Agreement (MOA) regarding the administration and cost sharing for implementing the coordinated integrated monitoring program (CIMP) for the Dominguez Channel Watershed Management Area. Under this agreement, the SBCCOG would receive a 5% administration fee for the following: invoice and collection of funds from each of the parties to cover the costs of monitoring services and payment to the City of Los Angeles; administration of the MOA; and negotiate, enter into agreements with, and collect funds from individual NPDES permit holders for cost-sharing of monitoring services. This MOA expires June 30, 2018.

The City of Los Angeles is developing the next 5-yr MOA for the Dominguez Channel EWMP/CIMP Implementation. As the program costs declined because the infrastructure was installed and the annual costs of the program have varied, budget reconciliation estimates vs. actuals became a problem. For example, in the 2015-16 year, we expected that the SBCCOG would receive approximately \$58,000 but we actually got \$44,202. Numbers for 2016-2017 are being finalized but it appears that our 5% will be lower than \$50,000.

PROPOSED CHANGE

It is proposed that we move from a 5% cost to a flat annual fee of \$50,000 for the next five-year agreement. Additionally, the work will be divided into two MOAs moving forward:

1. CIMP MOA--for all monitoring-related costs
2. EWMP-related MOA--for as-needed services, technical reporting, non-stormwater investigations, etc.

The City of Los Angeles is proposing that each MOA include \$25,000 in fees for the SBCCOG services for a total of \$50,000 for both. In addition, as an incentive for enticing the individual NPDES permit holder contracts, the City of Los Angeles is proposing to raise the 5% fee to 10% fee for the SBCCOG.

RECOMMENDATION

That the Board adopt the proposed fee structure which would be a flat fee of \$50,000 a year divided equally between two MOAs to be executed starting in July 2018 and that the individual participant fee the SBCCOG be increased to 10%.