

Outlook

(No subject)

From Cindy Van Pelt <cindy@thesourcecafe.com>

Date Tue 6/24/2025 7:21 AM

To City Clerk <cityclerk@hermosabeach.gov>

You don't often get email from cindy@thesourcecafe.com. [Learn why this is important](#)

Dear City Council Members.

I'm writing to let you know I'm a big supporter of the Green Business program. (we've been certified twice!)

Because of the program, we received a \$2000 rebate which really helped us at a critical time for our cafe. Please keep this valuable program, one of few that helps small businesses like mine.

Thank you,

Cindy Van Pelt

pastry chef | owner





Supportive of the Green Business Initiative

From Rosalinda Lauper <rosa@westcoastsweat.com>

Date Mon 6/23/2025 3:01 PM

To City Clerk <cityclerk@hermosabeach.gov>

[You don't often get email from rosa@westcoastsweat.com. Learn why this is important at <https://aka.ms/LearnAboutSenderIdentification>]

Dear City Council Members.

I understand funding for the HB Green Business Program might be cut from the city's budget.

I own West Coast Sweat and am writing to let you know I'm a big supporter of the program.

Because of the program we received \$2000 in grants and rebates at a very critical time just after opening our studio. These funds helped us pay for repairs and upgrades needed to open our studio. The program manager also worked with the mayor to install a city bike rack next to our parking lot which our patrons use daily. Please keep this valuable program that helps small businesses like mine.

Thank you so much,
Rosa

Rosalina Chacon
West Coast Sweat
518 Pier Ave

From: [N Schwappach](#)
To: [City Council](#)
Cc: [Todd Leishman](#); [Steve Napolitano](#); [City Clerk](#)
Subject: Greenwich Village North Underground District 2025.06.24 City Council Meeting Agenda Item 16(b)
Date: Tuesday, June 24, 2025 10:43:52 AM
Attachments: [2025.06.24 City Council Letter.pdf](#)
[2025.06.24 Greenwich Village North UUAD Budget Rev.0 \(GVUA\).pdf](#)
[2025.06.24 City Council photos.pdf](#)
[Greenwich Village North UUAD Budget Rev.0 \(GVUA-2025.06.24\).xlsx](#)

Dear Councilmembers. Please see the attached letter and its enclosures.

Thank you for your attention to this matter and your service to the City.

Best,
Nancy Schwappach
Hermosa Beach

Nancy Schwappach
Hermosa Beach, CA

June 24, 2025

Via email

City Council
City of Hermosa Beach
1315 Valley Drive
Hermosa Beach, CA 90254

Re: Greenwich Village North Utility Underground District:
June 24, 2025 Council Meeting, Agenda Item 16(b)

Dear Councilmembers:

We need your help. As you consider the 2025-2026 FY Budget, please consider the Greenwich Village North Utility Underground District – which has been in process for more than 10 years.

We are very close to the finish line and need the City to step up and take responsibility for actions, and inactions, by prior staff members which caused construction and other costs to be MUCH HIGHER than anticipated in the assessment budget approved by voters almost FIVE YEARS AGO. To be clear, current staff are very knowledgeable and helpful. However, they inherited a “Shit-Show Rodeo” (pardon my language) from their predecessors.

We need to finalize the budget prior to July 15, which may require a special Council Meeting, and have Council approve issuance of the bonds at its July 22 meeting or we will face delays of up to another 12 months, and certainly greatly increased costs.

To make up a portion of the budget deficit, the Board of Directors of the Association, formed to represent property owners in this District, has arranged with its constituency to “donate” certain funds previously deposited with the City to pay upfront costs. Those funds were supposed to be reimbursed to the property owners. In exchange for that concession by the property owners, the Association requests the City Council direct staff as follows:

1. To apply only a 15% contingency on top of the City’s civil construction bid. Joe and his team are absolutely uncomfortable with this and believe it may put the City’s general fund at risk for cost overruns. Nonetheless, the City mandated design, to move existing facilities and all new facilities into the bike path, and putting vault vents in the median, resulted in a far more complex build and far greater expenses. We cannot revert that design to a simple straight line without incurring another 18-24 months delay for the utilities to prepare revised plans. We believe the City should bear some responsibility and risk for this ridiculous design. This reduced contingency will reduce the funding deficit by \$115,375. Of course, this may require allocation of a reserve in the 25-26 budget.

2. To “return to the budget” a \$100,000 line item for City Administration services. The Association and its constituents would be extremely unhappy if the City charges the District for staff time – given the absolute mess prior staff made of this project. And we believe this would be “found money” in the 25-26 budget.

I have attached some Google Earth screengrabs showing certain highlights of the District. I’ve also attached the City’s current budget for this project, in pdf and - for those of you who like to “play with the numbers” – excel.

We appreciate your consideration of these requests and, again, would like to acknowledge the dedication of Joe SanClemente, Brandon Araujo and the rest of the team to working with the Association to get this done.

Best,

Nancy Schwappach

Nancy Schwappach
Hermosa Beach

cc: City Attorney
Interim City Manager
City Clerk

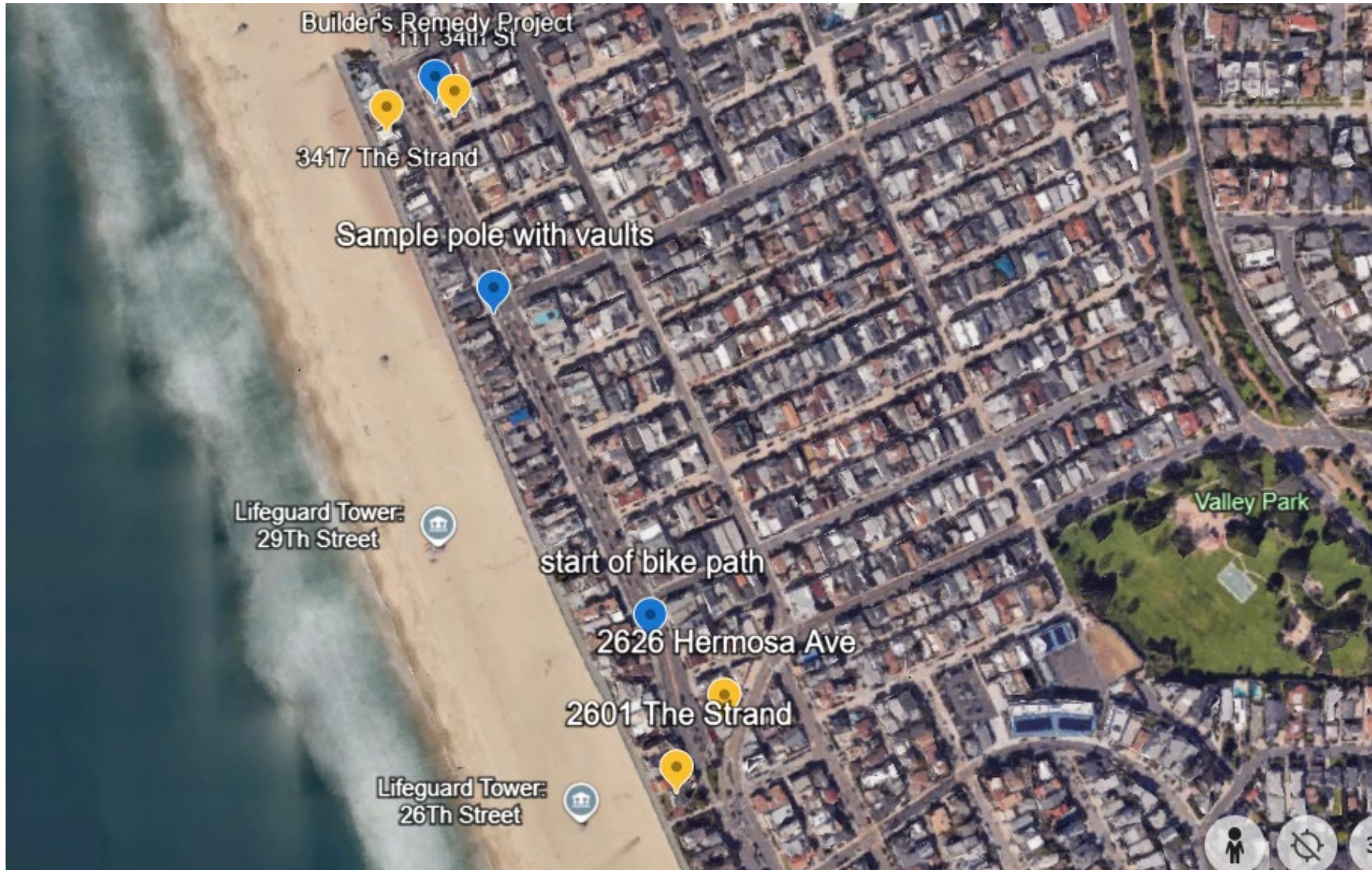
Enclosures:

1. Photos of Assessment District
2. GVUUAD Budgets – excel and pdf

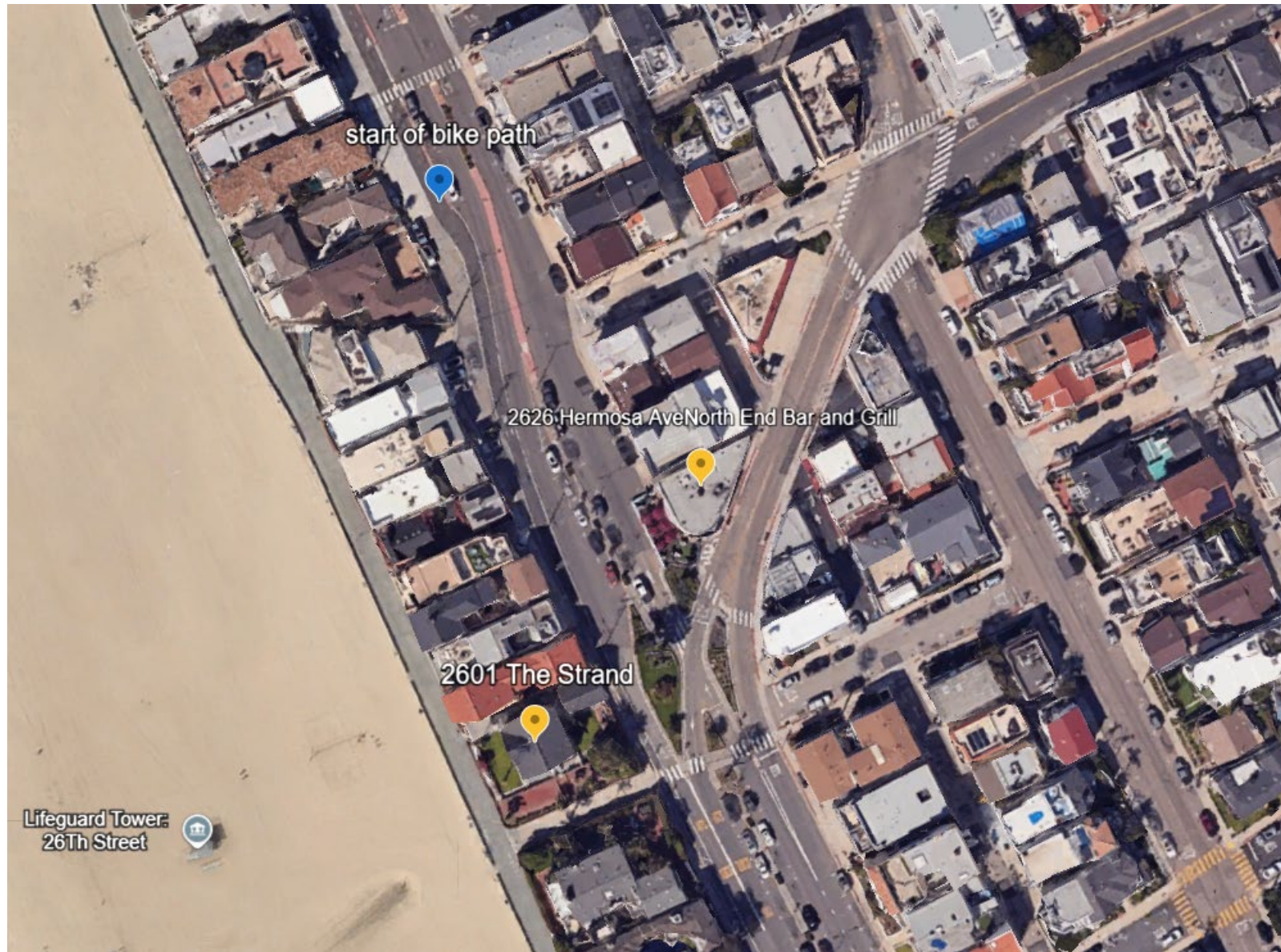
GREENWICH VILLAGE NORTH UTILITY UNDERGROUND ASSESSMENT DISTRICT

Yellow pins are northern and southern boundaries of the 98 property district.

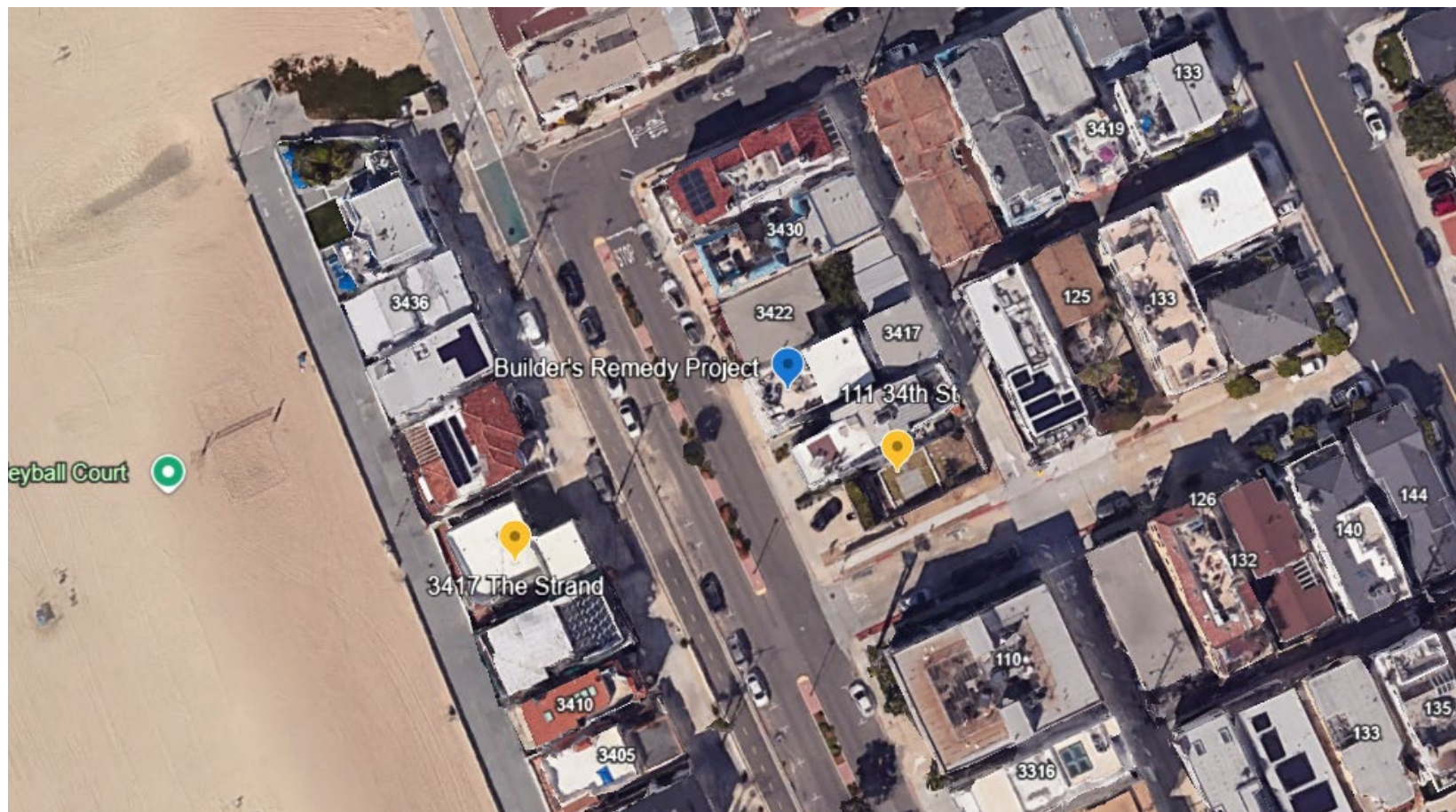
Blue pins are points of interest: Start of dedicated curbed bike path, sample pole with existing vaults in driveway behind Strand homes, and, for perspective, the Builder's Remedy project which is just north of and not included in the district.



Southern portion of the District – North End Bar and Grill on the East Side, 2601 The Strand on the West Side



Northern portion of the District – Builder's Remedy project is second house north of the northeastern most property in the District



Sample pole showing existing vaults in driveway behind Strand home. The City insisted in the design that the structures all be moved into the bike path, with vault vents in the median. A much more complex, and costly TO THE PROPERTY OWNERS, design.



The existing vaults, for utilities which owners have previously undergrounded from their house to the pole, are visible just below the pole. The vault vents will be placed in the median, which in this case already includes street light and irrigation controls. This was a terrible design, was required by the City, caused construction costs to be much higher, and the City is making the property owners pay the price.

Greenwich Village North UUAD Budget 2025.06.17 (Note 1)

99 Properties, 18 poles, **Assessment Report says "Trenching in Street 3,000 linear feet." (pages 23&24) Actual plans are far more complicated, at City's request.**

		Original Eng Est Orig Format	Engineer's Estimate	Current Budget (6/17/2025)	Contingency Options (change % in line 9A)
Item No.	Utility Engineering & Construction				
1	NV5 (Design Oversight) (Note 2)	n/a	INC.	\$50,113	
1.1	NV5 (Bid & Award) (Note 2)	n/a	INC.	\$35,000	
2	Southern California Edison (ENG) (Note 3)	INC	INC.	\$135,000	
3	Frontier (ENG) (Note 3)	INC	INC.	\$20,000	
4	Crown Castle (ENG) (Note 3)	INC	INC.	\$8,800	
5	Southern California Edison (CON) (Note 4)	\$1,330,000	\$1,330,000	\$673,567	
6	Frontier (CON) (new amt incl add'l \$20k for concrete)	\$999,000	\$999,000	\$128,254	
7	Crown Castle (CON)	\$90,000	\$90,000	\$0	
8	Civil Construction (CON) (Note 3 and Note 4)	n/a	INC.	\$2,307,500	
	Contingency (40% of 5-7)	\$967,600			
9	Contingency Amount 20% of Item No. 8		\$967,600	\$461,500	
9.A	15% Contingency Amount ← % of Item No. 8				\$346,125
10	TOTAL ENGINEERING AND CONSTRUCTION	\$3,386,600	\$3,386,600	\$3,819,734	-\$115,375
	INCIDENTAL EXPENSES				
11	Assessment Engineering	\$35,000	\$35,000	\$34,521	
11.A	Design Oversight and City Inspection	\$250,000			
12	Construction Management & Inspection (Note		\$250,000	\$213,850	
13	City Administration (Note 6)	\$100,000	\$100,000	\$100,000	
14	Financial Advisor	\$30,000	\$30,000	\$30,000	
15	Bond Counsel	\$30,000	\$30,000	\$30,000	
16	Printing, Advertising, Notices	\$5,000	\$5,000	\$5,000	
17	Miscellaneous	\$10,000	\$10,000	\$10,000	
18	Subtotal Incidental Expenses	\$460,000	\$460,000	\$423,371	
19	Construction	\$3,386,600	\$3,386,600	\$3,819,734	
20	Subtotal Incidental Expenses & Construction	\$3,846,600	\$3,846,600	\$4,243,105	
	FINANCIAL COSTS (Note 7)				
21	Paying Agent	\$5,000	\$5,000	\$5,000	
22	Bond Reserve 2.5%	\$100,000	\$100,000	\$25,000	
23	Capitalized Interest 2.0%	\$80,000	\$80,000	\$80,000	
	Subtotal & Financial Costs	\$185,000	\$185,000	\$110,000	
	TOTAL ESTIMATE	\$4,031,600	\$4,031,600	\$4,353,105	
	Add Additional Costs TBD (see Note 1)			\$20,000	
	Shortfall/Surplus			-\$341,505	
	Adjust to remove \$110,000 Financial Costs in City's estimate per Finance Team			\$4,263,105	
	Shortfall/Surplus			-\$231,505	
	Add Line 13 \$100K City Admin back to budget			-\$131,505	
	Reduce Contingency to 15%			-\$16,130	

Note 1: On the call 6/17/25 am the City, NV5 and the finance team identified additional required costs TBD

1 NV5 to correct database and mail letters to property owners regarding prepayment deadline

2 Need facilitator to deal with assessor's office and getting on tax rolls

- 1st notice to assessor <7/15 , can be subcontracted through NV5

Note 2: These costs are pulled from Line 11A - Design Oversight and City Inspection in the original budget, which also includes line 12 in the City's reformatted

Note 3: Utility plan design (engineering) costs were included in lines 5, 6 and 7 in the original budget,

Line 8 in the City's reformatted budget was not in the original budget as Edison was going to undertake this work. See Note 4

Note 4: Orig est, at City's request, had Edison overseeing construction at 40% mark-up.

Edison's Oct '23 invoice was for \$712,122.86 total, \$577,122.86 net of design credit

Edison's Oct '24 invoice expired after 90 days. We hope they will hold \$624K net costs but this shows 7% incr in net costs

We could pick up ~\$50K here but if they do 7% incr in gross costs total would be \$730,166, \$57K higher

Note 5: NV5 indicated they may be able to do CM&I for \$150K - they are sharpening their pencil. The City is soliciting other proposals.

Note 6: Per the assessment engineer, this is not a "fee." Instead it is to reimburse staff time in assisting in forming and financing the District. These amounts never been charged by the City OVER THE 5 YEARS SINCE THE VOTE TO APPROVE THE ASSESSMENT OR 5 YEARS PRIOR TO THAT and would be "found r in the budget. As for on-going costs, see Part 4 of the Assessment Engineer's report, it says the City may charge an Annual Admin Assmt for these cost

Greenwich Village North UUAD Budget 2025.06.17 (Note 1)

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