The Agua Dulce Residential Project

Agua Dulce Town Council meeting

Wednesday July 8th, 2026

Agenda

- 2025 letter from RTG confirming cessation of project operations
- 2026 letter confirming intent to restart work in 2027
- How a grading permit works
- Current status of the permit
- Summary of inspections during the term of the permit
- Flooding of 14 Freeway on 12/24/2025 from project site runoff
- Next steps

Undated 2025 Letter from RTG to LA County

- RTG indicates that they have temporarily suspended all works related to the Agua Dulce Residential Project and laid off staff
- RTG alleges the cause is LA County Public Works refusal to allow the use of plastic storm drain pipes
- RTG restructured in May 2025 and identified storm drain infrastructure as the most critical and financially consequential part of the project
- Plans were drawn up with plastic pipes and when the Public Works Maintenance Division became involved, they objected to the materials as the County adopts this infrastructure once built

Undated 2025 Letter from RTG to LA County

- RTG indicates that they expanded their grading operations in 2025 on the basis that this approval would be forthcoming
- RTG alleges the delay in approval has caused them to miss the 'demand window' for the 68 homes they were planning to build, undermining the commercial viability of the first phase
- RTG closes by stating that they are ready to continue the project if a reasonable and technically supported approval pathway is identified.
- This is reminiscent of RTG's attempts to save cost on the large water storage tanks in early 2024 – fiberglass, bolted etc. instead of welded

May 2026 Letter from RTG to LA County

- Agua Dulce Town Council discussed the project on May 13th
- Resolved to write to Supervisor Barger to raise concerns about stormwater runoff and lack of dust mitigation
- Public record request submitted on May 20th
- RTG provided an update letter to LA County on May 28th
- Letter states that due to the storm water material issues and the onset of the 'rainy' season, RTG suspended grading to minimize erosion, potential site re-work and to aid site stability
- RTG continued to maintain erosion control Best Management Practices in compliance with stormwater requirements

May 2026 Letter from RTG to LA County

- Grading activities are continuing on a limited basis – cutting and earthwork preparation
- The equipment that is for sale is not needed in order to complete the grading
- RTG anticipates completing the major infrastructure improvements by the beginning of 2027, subject to regulatory approvals and permits
- RTG is committed to complying with all the County's requirements and will continue to coordinate with the Department of Public Works

How the grading permit works

- Grading permit is issued and work has to start within the first 12 months otherwise the permit expires
- While the grading work is underway, inspections have to happen every six months otherwise the grading permit can expire
- In this case that last site inspection occurred 9 months ago on October 10th 2025, and the grading permit has formally expired
- LA County still has the $2.27m bond funds available
- RTG will need to reapply for a grading permit for Phase 1 of the project as and when they want to perform their 'major infrastructure improvements'

Grading permit inspection history

- There have been 18 inspections for grading permit UNC-GRAD200218000115
- Inspection Report INSP2023034189 4/11/2023 Failed
- Inspection Report INSP2023038242 4/19/2023 Failed
- Inspection Report INSP2023058250 6/9/2023 Failed
- Inspection Report INSP2023101299 9/28/2023 Partial Pass
- Inspection Report INSP2023106526 10/10/2023 Failed
- Inspection Report INSP2023116744 11/7/2023 Failed
- Inspection Report INSP2024049450 5/21/2024 Partial Pass
- Inspection Report INSP2024077905 8/7/2024 Failed
- Inspection Report INSP2024103680 10/16/2024 Failed
- Inspection Report INSP2024105097 10/17/2024 Failed

Grading permit inspection history

- There have been 11 Failed Inspections and 7 Partial Passes
- Inspection Report INSP2025045527 4/4/2025 Partial Pass
- Inspection Report INSP2025067127 5/29/2025 Partial Pass
- Inspection Report INSP2025068660 5/30/2025 Failed
- Inspection Report INSP2025073345 6/12/2025 Partial Pass
- Inspection Report INSP2025081012 7/2/2025 Partial Pass
- Inspection Report INSP2025089776 7/28/2025 Failed
- Inspection Report INSP2025103378 8/7/2025 Partial Pass
- Inspection Report INSP2025122238 10/10/2025 Failed

Grading inspection report from October 2025

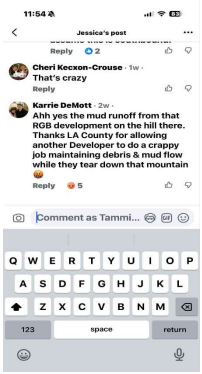
- This was the last formal site inspection

INSPECTION WORKSHEET (INSP2025122238)

Checklist Item	Passed	Comments
GR04 - BMPs Installed - Check that BMP's are installed	False	10/10/2025 1. Submit revised plans for drains and erosion control.
GR11 - Other Grading - Check for other grading items	False	06/09/2023 Submit mitigation measures to Land Development for grading outside of boundaries along with any proposed changes. LA County required to inspect bottom over-ex prior to backfill, but after documentation of conditioning approval and completion from the geologist. Benching also.
GR11 - Other Grading - Check for other grading items	False	04/19/2023 Resubmit to Land Development for work within and outside easement.

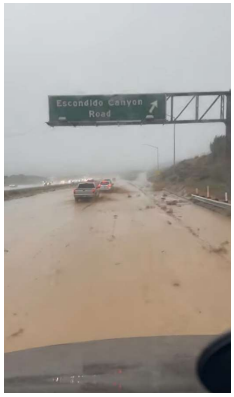
Site flooding of 14 Freeway on 12/24/2025

- Stormwater runoff from the RTG site flooded the 14 South between Red Rover/Ward Road and Escondido requiring 2 lanes to be closed while CalTrans cleaned up the debris – Source:Facebook 14 FWY page



Site flooding of 14 Freeway on 12/24/2025

- Stormwater runoff from the RTG site flooded the 14 South between Red Rover/Ward Road and Escondido – Source in cab video from UPS driver W. Pomschke posted on Facebook



Next steps

- Despite the assurances from RTG to the County that they are observing BMPs for stormwater runoff, they successfully flooded the 14 Freeway in December 2025 after they suspended work on the project in October
  - County inspection records highlights erosion control failed inspection in October
  - State Water Board $320K settlement offer is still active for similar reasons related to the National Pollutant Discharge Elimination System (NPDES) permit for Phase 1
- RTG's May 2026 letter appears contrived to address the ADTC issues ahead of them being raised with Supervisor Barger
- ADTC should request LA County use some of the grading permit bonds to
  - Prevent fugitive dust from the bare hillsides from blowing into the community
  - Ensure that effective stormwater runoff measures are actually in place on the site