



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legislation Details (With Board Report)

File #:	WRAG 23-014	Name:	Advance Funding Agreement - WRABOS
Type:	WR General Agenda	Status:	Passed - Water Resources Agency
File created:	1/25/2023	In control:	Board of Supervisors of the Monterey County Water Resources Agency
On agenda:	1/31/2023	Final action:	1/31/2023
Title:	Consider approving the Advance Funding Agreement between the County of Monterey and the Monterey County Water Resources Agency in an amount not-to-exceed \$7,000,000 to provide cash flow assistance for emergency protective measure projects mitigating damage to Agency facilities caused by the 2022/2023 winter storm events.		

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Advance Funding Agreement MCWRA, 3. Completed Board Order Item No. 2 WRAG, 4. Advance Funding Agreement between County of Monterey & Monterey County WRA

Date	Ver.	Action By	Action	Result
1/31/2023	1	Board of Supervisors of the Monterey County Water Resources Agency		

Consider approving the Advance Funding Agreement between the County of Monterey and the Monterey County Water Resources Agency in an amount not-to-exceed \$7,000,000 to provide cash flow assistance for emergency protective measure projects mitigating damage to Agency facilities caused by the 2022/2023 winter storm events.

RECOMMENDATION:

It is recommended that the Water Resources Agency Board of Supervisors:

Approve the Advance Funding Agreement between the County of Monterey and the Monterey County Water Resources Agency in an amount not-to-exceed \$7,000,000 to provide cash flow assistance for emergency protective measure projects mitigating damage to Agency facilities caused by the 2022/2023 winter storm events.

SUMMARY/DISCUSSION:

An atmospheric river event commencing December 26, 2022 and continuing into January of 2023 damaged many facilities of the Monterey County Water Resources Agency ("Agency") including portions of the Pajaro Levee; the slidegate and levee road of the Salinas River Lagoon; the Nacimiento Reservoir spillway plunge pool; and other flood control facilities and supporting infrastructure. Agency staff's preliminary repair cost of damages to all Agency facilities is estimated at \$16 million. Staff is in the process of further estimating these costs over coming weeks, in consultation with the Federal Emergency Management Agency ("FEMA") and State Office of Emergency Services ("OES") teams.

The Agency is seeking cash flow financing from the County of Monterey in an amount not to exceed \$7,000,000. These funds will provide an immediate financing source to allow the Agency to immediately implement priority emergency protective measures to control erosion at Nacimiento Dam spillway plunge pool (estimated at \$3.5 million); make repairs to the Pajaro Levee (estimated at \$1.5 million); and make

repairs to the Salinas Lagoon Road and slidegate (estimated at \$2 million). Staff believe that these critical projects should be completed during this winter season. Agency reimbursement of County funds under the proposed Advance Funding Agreement would be repaid by reimbursements from FEMA, CDAA, and/or other resources available to the Agency, which is not anticipated to occur in Fiscal Year 2022-23.

Available fund balances within the Agency budget are limited to funds due to restrictions specific to the Agency zones; and therefore, County cash flow financing is necessary to immediately fund the identified urgency protective measure projects. These costs exceed fund balances of Agency's unrestricted funds.

OTHER AGENCY INVOLVEMENT:

The Agency has coordinated with the CAO Budget Office and the Office of County Counsel on drafting and funding the recommended agreement.

FINANCING:

The Agency is currently refining the estimate of storm damage to its facilities in consultation with FEMA, and State OES. Estimated expense at the Nacimiento Reservoir spillway plunge pool is \$3.5 million, repair at Pajaro Levee is \$1.5 million, and repair to Salinas Lagoon Road and slidegate are \$2 million.

FEMA has indicated that it will reimburse 100% of expenses of debris clearing and emergency protective measures completed by February 25, 2023 and reimburse 75% for projects completed thereafter. Advancement of funds under the Advance Funding Agreement would be paid with reimbursements from FEMA and others to the Agency, not expected to occur in Fiscal Year 2022-23.

Agency staff is in the process of further refining damage and repair costs. When the refined cost estimates are available, the Agency will return to the Board for appropriation increases in Agency Funds 116-9300-WRA006-8485, 112-9300-WRA002-8484, 111-9300-WRA001-8267 and 122-9300-WRA012-487.

Prepared by: Nan Kyung Kim, Finance Manager III, (831) 755-4861
Monterey County Water Resources Agency

Approved by: _____
Lew Bauman, Interim General Manager, (831) 755-4860

Attachment:

1. Advance Funding Agreement