



# Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

## Board Report

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Receive a report on the status of the Pajaro River Flood Risk Reduction Project and authorize the Chair to sign letters on behalf of the Agency requesting inclusion of a contributed funds clause to the existing Feasibility Cost Share Agreement with the United States Army Corps of Engineers as well as a policy-compliant Design Agreement that includes an accelerated funds clause.

### RECOMMENDATION:

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

- a. Receive a report on the status of the Pajaro River Flood Risk Reduction Project; and
- b. Authorize the Chair to sign letters on behalf of the Agency requesting inclusion of a contributed funds clause to the existing Feasibility Cost Share Agreement with the United States Army Corps of Engineers as well as a policy-compliant Design Agreement that includes an accelerated funds clause.

### SUMMARY/DISCUSSION:

The Federal Pajaro River Flood Risk Reduction Project is moving through the final stages of the Feasibility phase of the project. The Non-Federal Sponsors (the Agency and Santa Cruz County Flood District-Zone 7) have provided the local match portion of Work Plan funds necessary to complete the policy-compliant analysis required, leading to a finalized and signed Director's Report expected February 4, 2019. The Non-Federal Sponsors are requesting the addition of a contributed funds clause to the existing Feasibility Cost Share Agreement with the United States Army Corps of Engineers as well as a policy-compliant Design Agreement that includes an accelerated funds clause. These vehicles will assist in timely completion of Feasibility and transition the project into the Design Phase. Other actions are being followed to secure both Federal and State investment in the project.

The U. S. Army Corps of Engineers Technical Review and Vertical Team Review of the nearly completed Feasibility Report (the General Reevaluation Report/Environmental Assessment, or GRR/EA, also referred to as a Director's Report for this project) highlighted an inadequacy in the hydraulic modeling of the "100-year" recurrence interval flow, which resulted in a larger proposed facility and thus increased project costs. Staff has also requested the Board authorize the Chair to sign a letter on behalf of the Agency that articulates how important project schedule and completion of Feasibility is to the Agency and the Community.

In anticipation of completing the Feasibility Phase and entering the Design Phase of the project, several additional lines of action are being followed. Representation from both Non-Federal Sponsors will be again making an advocacy visit to Washington, D.C. to obtain greater clarity on how to secure a commitment to fund project Design and Construction. This trip will occur in October. Zone 7 staff are seeking their Board's authorization to secure a program management consultant to guide the

Non-Federal Sponsors in championing the most appropriate governance and financing structures to support the project. The Governance and Finance Committee will be reconvened to provide a voice to project stakeholders throughout local government, business, and non-profit entities. Committee meetings will begin once a program management consultant can provide some initial guidance and coordination. Zone 7 staff are also seeking their Board's authorization to select a consultant for CEQA environmental review of the proposed Federal project. The CEQA process will position the Non-Federal Sponsors to obtain authorized State Subventions Funding for the Pajaro Flood Risk Reduction Project.

All efforts described in this status update are aimed at obtaining Federal and State investment in the flood risk reduction project. Any delays in the production of the Feasibility Report imply additional costs to the Agency in terms of staff time spent managing the process.

OTHER AGENCY INVOLVEMENT:

Santa Cruz County Flood District- Zone 7: The Agency's Non-Federal Sponsor project partner.  
U.S. Army corps of Engineers: Federal partner for the Pajaro Flood Risk Reduction Project.

FINANCING:

The financial impact of the federal Pajaro River Flood Risk Reduction Project has a long history of documentation and associated planning. A recent Work Plan funding request to complete the Feasibility Report required \$50,000 in Agency funds but are well within the budgeted limits of local match funds and fall within the scope of USACE SMART Planning, which require \$3 million to complete feasibility.

Prepared by: Mark Foxworthy, Associate Water Resources Engineer (831) 755-4860

Approved by: \_\_\_\_\_  
David E. Chardavoyne, General Manager, (831) 766-4860

Attachments:

1. Draft Letter of Request
2. Design Agreement USACOE/MoCo and S. Cruz Counties