



# Monterey County

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## Board Report

Legistar File Number: 16-031

January 12, 2016

**Introduced:** 1/6/2016

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** General Agenda Item

Acting on behalf of County Service Area 50

- a. Approve an increase in appropriations in the amount of \$350,000 in the FY 2015-16 Adopted Budget for CSA 50 - Rioway Tract Fund 077-3000-8198-RMA073, where the financing source is Unassigned Fund Balance, to fund the Lower Carmel River Notch Expansion that will increase the flood plain capacity and reduce the flood elevation at the east end of CSA 50 (4/5th vote required);
- b. Authorize the Auditor-Controller to amend the Adopted Budget for CSA 50 - Rioway Tract Fund 077-3000-8198-RMA073, for FY 2015-16 by increasing appropriations in the amount of \$350,000 where Fund 077 Unassigned Fund Balance is the financing source. (4/5th vote required);
- c. Find that Phase 1 of the Lower Carmel River Notch Expansion qualifies as a Class 4 Categorical Exemption under Section 15304 of the CEQA Guidelines (Minor Alterations to Land consisting of Grading of land with a slope of less than 10%).
- d. Find that Phase 2 of the Lower Carmel River Notch Expansion qualifies as a Statutory Exemption from CEQA under Section 15269 (Emergency Projects).
- e. Approve and Authorize the Resource Management Agency Director to execute an Indemnification Agreement between the County of Monterey, the Big Sur Land Trust, the Margaret Eastwood Trust U/D/T/ dated 8/21/90, and the 1988 Clinton Eastwood Trust U/D/T dated May 16, 1988 and future amendments to this Agreement where the amendments do not significantly alter the terms of this agreement;
- f. Authorize the Resource Management Agency Director to complete the Lower Carmel River Notch Expansion project Phase 1-Agricultural Grading to increase flood plain capacity immediately upon approval, and Phase 2-Notch Lowering to reduce the flood elevation at the east end of CSA 50 as an emergency measure if flood conditions materialize.

### RECOMMENDATION:

It is recommended that the Board of Supervisors acting on behalf of County Service Area 50:

- a. Approve an increase in appropriations in the amount of \$350,000 in the FY 2015-16 Adopted Budget for CSA 50 - Rioway Tract Fund 077-3000-8198-RMA073, where the financing source is Unassigned Fund Balance, to fund the Lower Carmel River Notch Expansion that will increase the flood plain capacity and reduce the flood elevation at the east end of CSA 50 (4/5th vote required);
- b. Authorize the Auditor-Controller to amend the Adopted Budget for CSA 50 - Rioway Tract Fund 077-3000-8198-RMA073, for FY 2015-16 by increasing appropriations in the amount of \$350,000 where Fund 077 Unassigned Fund Balance is the financing source. (4/5th vote required);

- c. Find that Phase 1 of the Lower Carmel River Notch Expansion qualifies as a Class 4 Categorical Exemption under Section 15304 of the CEQA Guidelines (Minor Alterations to Land consisting of Grading of land with a slope of less than 10%).
- d. Find that Phase 2 of the Lower Carmel River Notch Expansion qualifies as a Statutory Exemption from CEQA under Section 15269 (Emergency Projects).
- e. Approve and Authorize the Resource Management Agency Director to execute an Indemnification Agreement between the County of Monterey, the Big Sur Land Trust, the Margaret Eastwood Trust U/D/T/ dated 8/21/90, and the 1988 Clinton Eastwood Trust U/D/T dated May 16, 1988 and future amendments to this Agreement where the amendments do not significantly alter the terms of this agreement;
- f. Authorize the Resource Management Agency Director to complete the Lower Carmel River Notch Expansion project Phase 1-Agricultural Grading to increase flood plain capacity immediately upon approval, and Phase 2-Notch Lowering to reduce the flood elevation at the east end of CSA 50 as an emergency measure if flood conditions materialize.

DISCUSSION:

In preparing for heavy precipitation and possible flooding, a preemptory project, the Lower Carmel Valley River Notch Expansion, has been designed to reduce flood levels within County Service Area 50 (CSA 50). Completion of this project would allow more flow to access the south overbank of the lower Carmel River to reduce the flood risk to the north overbank area, including CSA 50.

The County has been working with CSA-50 and other partners to address flood hazards along the lower reaches of the Carmel River, yet implementation of the full suite of improvements necessary to remove CSA-50 from the 100 year floodplain is years away. In the meantime and in response to predictions of possible extreme weather that could create flood hazards, the CSA-50 Advisory Committee asked the County to investigate possible solutions that could be readily implemented if flood conditions materialize as predicted.

Resource Management Agency (RMA) staff was charged with identifying potential flood control solutions along the Lower Carmel River that could provide added flood protection to the developed portions of the north side of the Carmel River in the Rio Road and Highway 1 area. The Carmel River has been channelized through historic land use and construction of levees on both the north and south banks, limiting the river's ability to access its undeveloped floodplain located on the south of Carmel River referred to as South Overbank (also known as Odello east). For this reason, RMA had a preliminary analysis conducted to focus on opportunities for increasing flood flows to the South Overbank specifically targeting an expansion of a portion of the southern levee that has been lowered (called the 'Notch').

The Notch is located along the upstream end of the South Overbank of the lower Carmel River, approximately 500 feet east and 1000 feet south of the intersection of Rio Road and Val Verde Drive. The Notch, constructed by Monterey County in 1997, lowered a portion of levee that separates the Main Channel from the South Overbank with the intent of routing flood flows towards the South Overbank and away from the developed portions of the North Overbank that

includes CSA-50. This project was tested during the flood flows of February 1998 and was credited, along with improvements to the Val Verde Road tie-back levee, with minimizing flood impacts within CSA-50.

In its current configuration the Notch continues to allow a limited amount of flow to access the South Overbank during large flood events; however, vegetation and improvements on the Odello East property reduce the capacity created in 1998. The purpose of the Lower Carmel Valley River Notch Expansion Project (“Project”) is to allow more flow to access the South Overbank of the Lower Carmel River during large flood events to reduce the flood risk and hazard to the developed North Overbank area including CSA-50. The Project is designed in two phases that could be constructed simultaneously or separately:

- 1) Agricultural field grading to lower approximately 4.1 acres of the South Overbank agricultural fields immediately downstream from the Notch; and
- 2) Lower the notch by grading approximately 0.6 acres in and along the uppermost portion of the river bank.

Phase 2 (notch lowering) would involve work within the regulatory jurisdiction of California Department of Fish and Wildlife (CDFW), Central Coast Regional Water Quality Control Board (Water Board), and the California Coastal Commission (CCC). Given that the El Nino rainy season is upon us and the timelines necessary to obtain permits from these various agencies, the window for proactive permitting and construction of Phase 2 of this Project is not feasible. Therefore, staff will only lower the notch (Phase 2) as an emergency measure if flood conditions materialize this winter. As a result it is likely that Phases 1 and 2, if needed, will be constructed at different times. The total project will be about \$50,000 higher under this scenario than simultaneously implementing both Project phases.

This Project will be using the Job Order Contracting (JOC) program, and County staff is taking steps necessary to mobilize and construct the Project as soon as mid-January. The agricultural field grading (#1 above) is anticipated to begin at that time. Again, staff will only lower the notch (#2 above) as an emergency measure if flood conditions materialize. Staff will actively monitor weather forecasts, precipitation and river flow conditions to determine if or when the threat of flood is anticipated.

This Project is located on private lands owned by the Big Sur Land Trust, the Margaret Eastwood Trust U/D/T dated August 21, 1990, and the 1988 Clinton Eastwood Trust U/D/T dated May 16, 1988. Staff has worked with the landowners to obtain project support. At the owners’ request, staff developed an Indemnification Agreement between the County and landowners for site access and project implementation permissions (Attachment 1). This agreement is similar to a Covenant of Easement of Gross made in 1996 between Clinton Eastwood, Margaret Eastwood, Trustee of the Margaret Eastwood Trust U/T/D August 21, 1990, and the Monterey County Water Resources Agency (WRA) granting the WRA the right to lower the levee to the south of the Carmel River to the ten-year water surface elevation to create the original “Notch” (Attachment 2). At the time of preparing this report, all parties have agreed on terms of the agreement and it is anticipated that the agreement will be signed by the landowners this week.

This Project has been designed to be consistent with the Carmel River Floodplain Restoration

and Environmental Enhancement (CRFREE) Project. CEQA analysis is being prepared for the CRFREE Project, separate and independent from this Notch Expansion Project. Staff finds that Phase 1 of the Notch Expansion Project qualifies as a Class 4 Categorical Exemption under Section 15304 of the CEQA Guidelines (Minor Alterations to Land consisting of Grading of land with a slope of less than 10%). Phase 2 would only be implemented in an emergency situation, which is Statutorily Exempt from CEQA under Section 15269.

OTHER AGENCY INVOLVEMENT:

On November 12, 2015, the CSA 50 Advisory Committee unanimously approved the use of CSA 50 Funds in the amount of \$350,000 to fund the notch expansion project (Draft Minutes - Attachment 3). Please refer to the attached letter of support for the project that was sent by Larry Levine on behalf of CSA 50 (Attachment 4). The project is consistent with the recommendations to pursue Future Conditions/FEMA protection level projects identified in the October 2014 County Service Area 50 Final Lower Carmel River Stormwater Management and Flood Control Report approved by the CSA 50 Advisory Committee and accepted and approved by the Board of Supervisors on May 5, 2015. This item was supported by the Budget Committee on December 16, 2015.

FINANCING:

There is no impact to the General Fund. The funding for this project will be financed entirely by County Service Area 50 - Rioway Tract. The estimated FY 2015-16 revenue of \$117,454 plus the estimated fund balance \$815,461 provides \$932,916 in available financing. The FY 2015-16 budgeted expenditures will increase from \$199,359 to \$549,359. The estimated fund balance at the end of the fiscal year will be approximately \$353,557 (FY16 Financial Report - Attachment 5).

The total Projects costs will exceed the \$350,000 supported by CSA 50 Advisory Committee. Staff received the construction cost estimate on January 6, 2016 and the cost to construct Phase 1 and Phase 2 at different times is over \$400,000 due to remobilization costs. In addition, environmental compliance (e.g. emergency permitting) costs are being worked out at this time. Some post-project environmental compliance or mitigation work may be needed, but the scope and costs are not known at this time. Staff discussed these cost updates with Larry Levine of CSA 50 Advisory Committee on 1/6/16, and he feels this project is important and agreed to work with staff and the CSA 50 Advisory Committee to explore funding options. At this time CSA 50 has adequate funds appropriated that may be available, if supported by the Advisory Committee, to reallocate to the Notch Expansion Project. If there aren't sufficient funds then staff will return to the Board if total costs exceed available funds.

Prepared by: Lynette Redman, Management Analyst III, 796-6038 *LR*

Reviewed by: Melanie Beretti, Special Programs Manager X5285

Approved by: Carl P. Holm, RMA Director *CPH*

Attachments:

**Attachment 1** - Indemnification Agreement between the County of Monterey, the Big Sur Land Trust, the Margaret Eastwood Trust U/D/T dated 8/21/90, and the 1988 Clinton Eastwood Trust U/D/T dated May 16, 1988

**Attachment 2** - 1996 Covenant of Easement in Gross between Clinton Eastwood, Margaret

Eastwood, Trustee of the Margaret Eastwood Trust U/T/D August 21, 1990, and the Monterey County Water Resources Agency

**Attachment 3** - CSA50 Advisory Committee Draft Minutes, November 12, 2015

**Attachment 4** - November 13, 2015 Letter from Larry Levine, CSA 50 Advisory Committee; CSA 50 Budget Summary

**Attachment 5** - CSA 50 - Rioway Tract Income and Expenditure Summary FY 2015-16 (December 9, 2015)