



County of Monterey

Item No.4

Board Report

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

Legistar File Number: WRAFIN 23-012

March 03, 2023

Introduced: 2/27/2023

Current Status: Agenda Ready

Version: 1

Matter Type: WRA Finance Item

Consider recommending that the Monterey County Water Resources Agency (MCWRA) Board of Supervisors approve and authorize the Auditor-Controller to, to pay for emergency protective measure projects mitigating damage to Agency facilities caused by the 2022/2023 winter storm events:

- a. Increase Fiscal Year (FY) 2022-23 appropriations and revenues in the MCWRA Budget Fund 111, Appropriation WRA001, Unit 8267 by \$2,500,000, which will be financed by the Monterey County Strategic Reserve Fund; and
- b. Increase FY 2022-23 appropriations and revenues in the MCWRA Budget Fund 116, Appropriation WRA006, Unit 8485 by \$2,500,000, which will be financed by the Monterey County Strategic Reserve Fund; and
- c. Increase FY 2022-23 appropriations and revenues in the MCWRA Budget Fund 112, Appropriation WRA002, Unit 8484 by \$900,000, which will be financed by the Monterey County Strategic Reserve Fund.

RECOMMENDATION:

It is recommended that the Finance Committee:

Consider recommending that the Monterey County Water Resources Agency (MCWRA) Board of Supervisors approve and authorize the Auditor-Controller to, to pay for emergency protective measure projects mitigating damage to Agency facilities caused by the 2022/2023 winter storm events:

- a. Increase Fiscal Year (FY) 2022-23 appropriations and revenues in the MCWRA Budget Fund 111, Appropriation WRA001, Unit 8267 by \$2,500,000, which will be financed by the Monterey County Strategic Reserve Fund; and
- b. Increase FY 2022-23 appropriations and revenues in the MCWRA Budget Fund 116, Appropriation WRA006, Unit 8485 by \$2,500,000, which will be financed by the Monterey County Strategic Reserve Fund; and
- c. Increase FY 2022-23 appropriations and revenues in the MCWRA Budget Fund 112, Appropriation WRA002, Unit 8484 by \$900,000, which will be financed by the Monterey County Strategic Reserve Fund.

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 ("MCWRA" or "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.

This request is to increase Agency's FY2022-23 appropriations and revenues by \$2,500,000 in Budget Unit 111-9300-WRA001-8267, by \$900,000 in Unit 112-9300-WRA002-8484 and by \$2,500,000 in Unit 116-9300-WRA006-8485 to pay for the repair costs, which will be financed by the Monterey County Strategic Reserve Fund via the Advanced Funding Agreement.

On January 31, 2023, the Monterey County Board of Supervisors and the MCWRA Board of Supervisors approved the Advance Funding Agreement in an amount not to exceed \$7,000,000 to provide cash flow assistance for emergency protective measure projects mitigating damage to MCWRA facilities caused by the winter storm events and authorized using the strategic reserve to cash flow \$7,000,000 of MCWRA project costs.

The Agency is currently working on to make repairs to the Salinas Lagoon Road and slidegate; make repairs to the Pajaro Levee; and control erosion at Nacimiento Dam spillway plunge pool, as priority emergency protective measures. However, the FY2023 Adopted Budget of three Agency Funds - Fund 111 Admin, Fund 112 Pajaro Levee and Fund 116 Dam Operations would not have sufficient appropriations to pay for the repairs.

Current estimate of repair cost of damages to all Agency facilities is \$18.36 million including staff overtime, flood control materials, contracted services and protective measures needed for future storms. Eligible expenses will be submitted to FEMA's Public Assistance Program and and/or the California Disaster Assistance Act (CDAA). 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.

OTHER AGENCY INVOLVEMENT:

The Agency has coordinated with the CAO Budget Office and the Office of County Counsel on the Advance Funding Agreement

FINANCING:

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 will finance the storm event emergency repair projects through the Advance Funding Agreement and reimburse the County upon receipt of FEMA and CDAA reimbursements.

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Attachments:

1. MCWRA Fund Balance Summary

