



County of Monterey

Item No.

Board Report

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

Legistar File Number: 23-530

June 27, 2023

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a. Approve Amendment 2 to Reimbursement Agreement A-15537 between the County of Monterey and Big Sur Land Trust for County reimbursement for the Carmel River Floodplain Restoration and Environmental Enhancement (CRFREE) Project (REF 140048) restoration design and implementation to increase funds by \$45,500 for a not to exceed amount of \$632,550 for well repair for irrigation.

PRIOR CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) ACTION:

Approval of contract amendments and grant agreements is not a Project under CEQA. The Environmental Impact Report (EIR) for the CRFREE Project was certified by the Board of Supervisors (Board) of the County of Monterey (County) on January 20, 2020. The CRFREE Project was approved and the corresponding Mitigation Monitoring and Reporting Program (MMRP) was adopted by the Board of Supervisors on June 15, 2021.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

a. Approve Amendment 2 to Reimbursement Agreement A-15537 between the County of Monterey and Big Sur Land Trust for County reimbursement for the Carmel River Floodplain Restoration and Environmental Enhancement (CRFREE) Project (REF 140048) restoration design and implementation to increase funds by \$45,500 for a not to exceed amount of \$632,550 for well repair for irrigation.

SUMMARY:

Big Sur Land Trust (BSLT) is a project co-sponsor, the primary landowner, and implementing partner of the Carmel River Floodplain Restoration and Environmental Enhancement Project (CRFREE Project). The well on the CRFREE Project site known as 'Odello East' on BSLT owned land east of State Route 1 currently is not functional, possibly due to a small earthquake in May 2023 realigning the pump mechanism. The well must be functional before CRFREE construction can commence, as it will be used during floodplain restoration grading and plant irrigation and establishment during Phase 1 construction. Amendment 2 of Reimbursement Agreement (RA) A-15537 is to expand the scope of the agreement to cover well repair, to be paid for from Wildlife Conservation Board (WCB) grant Task 4 for irrigation and Department of Water Resources (DWR) Flood Corridor Task 2 for well design.

DISCUSSION:

The CRFREE Project is a comprehensive effort to improve flood control and restore native riparian habitat, floodplain habitat, and hydrologic function to a portion of the lower floodplain along the Carmel River. Key aspects of the CRFREE Project are to: 1) Create notches in the levees along the south bank of the lower Carmel River, 2) Restore the south lower Carmel River floodplain, and 3)

Build a causeway along Highway 1, restoring connectivity between the lower Carmel River Floodplain and the south arm of the Carmel Lagoon.

In August 2021 BSLT and the County entered into RA A-15537 for a total not to exceed \$487,050 for reimbursement of BSLT's work on a Habitat Management Plan (HMP) and restoration planting efforts for Tier 2 voluntary restoration efforts primarily on BSLT property known as Odello East (Attachment A). Funding for habitat restoration activities for the CRFREE Project is being provided through a Wildlife Conservation Board (WCB) Grant held by the County. In May 2022 BSLT and the County amended RA A-15537 to increase the not to exceed amount to \$587,050, with increased funding coming from the Department of Water Resources (DWR) Flood Corridor grant for work on the HMP (Attachment B).

In 2022 the CRFREE Project design was phased into two implementation phases due to the need to expend State grant funds before they sunset at the end of 2025. Phase 1 will include grading and restoration planting on the east side of State Route 1 (SR 1), and construction of the Agricultural Preserve, and is scheduled to begin in 2024. Phase 2 will include the causeway construction, levee notches, and remaining restoration work primarily on the west side of SR 1 and is scheduled to begin in 2025. All necessary permits and agreements are in place to begin Phase 1 construction, pending the completion of the Federal Emergency Management Agency's (FEMA) Environmental Assessment. While FEMA completes their environmental process, the CRFREE Project partners and consultants are moving forward with final pre-construction preparations for Phase 1 and Phase 2 work.

BSLT operates a well on their CRFREE project area that will be utilized for restoration plant irrigation during Phase 1 construction and the following plant establishment period. It was discovered in May 2023 that the well casing was damaged, and the well pump requires repair ahead of Phase 1 construction. The BSLT RA A-15537 is for coordinating the habitat management plan, irrigation, and plant nursery grow necessary for Phase 1 restoration planting. Proposed Amendment 2 to the BSLT RA A-15537 between the County and the BSLT will add funds of \$45,500 for a not to exceed total of \$632,550 for repair of the BSLT well known as 'Odello East well' in preparation for construction of the CRFREE project for the purpose of plant irrigation (Attachment C). The work entails replacing the damaged pump with a high-capacity unit that is required for restoration construction activities and can generate the necessary flow to efficiently fill water trucks and fulfill the heightened demand during the construction period. A second component will involve installing a storage and booster pump system for irrigation and implementation of restoration post-construction. This cost will be split by Task 4 of the WCB grant and Task 2 of the DWR grant.

OTHER AGENCY INVOLVEMENT:

The Big Sur Land Trust (BSLT) is co-sponsor with the County for the CRFREE Project. Through a cooperative agreement with Caltrans, the County is acting as the Lead Agency for the CRFREE Project pursuant to CEQA.

ENVIRONMENTAL REVIEW

Approval of contract amendments and grant agreements is not a Project under CEQA. Environmental review is complete for the CRFREE Project. The Project Environmental Impact Report (EIR) was certified by the Board during a public hearing on January 20, 2020. The Board subsequently approved

the Project on June 15, 2021. On October 30, 2020, the United States Fish and Wildlife Service (USF&WS), in its capacity as the lead federal agency for the floodplain restoration portion of the Project, issued a finding of no significant impact (FONSI). Federal environmental review was completed on April 23, 2021, when Caltrans, as lead federal agency for the causeway portion of the Project, agreed with the USF&WS and issued a FONSI for the Project.

FINANCING:

The well repair cost of \$45,000 will be reimbursed from Task 4 (irrigation) of the WCB grant and Task 2 (well design) of the DWR Flood Corridor grant. The WCB Task 2 and DWR Task 2 grants will reimburse the County upon the County's submittal of proof of payment to the BSLT.

Based on the November 2022 ninety-percent Design Engineers estimate, CRFREE is expected to cost approximately \$55.6 million to complete the final design, construction, and restoration efforts, and will be entirely grant funded. CRFREE has been awarded \$20.5 million in unexpended grant funds for pre-construction and project implementation work. An additional \$3.9 million is pending award from Caltrans and DWR. CalOES/FEMA expects to award the County \$29.5 million in late 2023. The County and BSLT are working to raise additional funds to meet the full Project cost if necessary. Attachment D further outlines CRFREE grant funding. CRFREE is budgeted in Capital Project Fund 404, Unit 8564 (Attachment D).

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

If approved, this action supports the Board of Supervisors' Strategic Initiatives for Administration and Infrastructure. The Project will provide sustainable physical infrastructure and associated flood risk reduction and habitat benefits to promote the safety of area residents and visitors.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Shandy Carroll, Management Analyst III, (831) 784-5643
Reviewed by: Melanie Beretti, AICP, Principal Planner
Approved by: Craig Spencer, AICP, Acting HCD Director *CS*

The following attachments are on file with the Clerk of the Board:

- Attachment A - RA A-15537 Agreement with BSLT
- Attachment B - Amendment 1 of A-15537
- Attachment C - Draft Amendment 2 of A-15537
- Attachment D - CRFREE grant summary