



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Flood Control
Department No.: 054
For Agenda Of: 10/05/10
Placement: Admin
Estimated Tme: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Directors, Flood Control and Water Conservation District

FROM: Department Scott D. McGolpin, Public Works Director, 568-3010
Director(s)
Contact Info: Jonathan S. Frye, Interim Deputy Public Works Director, 568-3436

SUBJECT: **Cooperative Agreement for Construction of Improvements on San Jose Creek with the City of Goleta**

County Counsel Concurrence

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence:

As to form: N/A

Recommended Actions:

Approve and authorize the Public Works Director or designee to execute the Cooperative Agreement for Construction of Improvements on San Jose Creek with the City of Goleta for a not-to-exceed amount of \$5 million.

Summary Text:

On June 5, 2007 your Board authorized the Public Works Department and the CEO's office to work with the City of Goleta to develop an MOU to provide funding for the City's San Jose Creek Improvement Project. The Board's support of the project was contingent upon the project providing fish passage as approved by the State Department of Fish and Game and NOAA's National Marine Fisheries Service. In 2007, the City estimated the total Project cost at approximately \$12 million (channel and bridge costs). In 2007, the Flood Control District stated that it could provide approximately \$4 million. The Memo of Understanding has not been executed to date.

Currently, the City estimates the total project costs at approximately \$24.3 million (channel and bridge) and the City has requested a contribution from the District in excess of the \$4 million.

Since 2007, County staff has worked with the City in the development of the project that includes fish passage improvements as required by your Board. Development of the project has been complicated

and earlier project plans were found to be structurally deficient. Current plans are now being developed to comply with acceptable standards.

Currently several projects are competing for funding from the Flood Control District. In particular, the Lower Mission Creek Project has yet to receive any Federal Construction funding. Another Goleta project, San Pedro / Las Vegas Creek Capacity Improvement Project may require Flood Control District Funding for the Union Pacific Railroad bridge replacements. While UPRR has been helpful in development of the project, they have stated that funding of the project is not a priority for them because the existing bridges are not structurally deficient. The project has been a priority for the community due to the frequency of flooding in this area over the years. While San Jose Creek experienced a serious flood on March 10, 1995, the San Pedro / Las Vegas project area has experienced multiple flooding events due to its lower level of flood protection in that same time period.

Lower Mission Creek, like the San Pedro / Las Vegas system has experienced several flooding events over the years as well. In both cases, the level of flood protection in these two systems is much lower than the current capacity in San Jose Creek.

While the Flood Control District has other high priority projects under development, funding a portion of the San Jose Creek project would still be logical if the City can deliver a project that includes fish passage as required by your Board, and if this can be done in a timely manner.

Since your Board's direction to develop a Funding MOU with the City, the City has been requesting a greater level of funding from the Flood Control District. Given the lack of surety of Federal Funding for Lower Mission Creek, and based on recent information regarding the construction costs of the San Pedro / Las Vegas Creek project, staff is recommending that no more than \$5 million be contributed to the City's San Jose Creek Improvements Project.

Recent discussions at the City Council have inquired why the County had not included San Jose Creek in its CIP. Since the project was being developed by the City, Staff did not include the project in the CIP, however, the project has now been placed on the County's CIP.

The Council also asked why the Flood Control District would not contribute more funding. The project originally was developed without the contribution of ANY Flood Control funds. Other outside funding was originally identified. Additionally, it has to be recognized that San Jose Creek has a higher level of flood protection today than many other high priority projects will experience.

Staff recommends that your Board authorize the Public Works Director or his designee to execute a Cooperative Agreement for Construction of Improvements on San Jose Creek with the City of Goleta for a not-to-exceed amount of \$5 million.

Background:

The Redevelopment Agency for the City of Goleta seeks to improve the area commonly known as the Goleta Old Town Redevelopment Project Area. It is guided by the Redevelopment Plan approved and adopted in July of 1998 by the County Board of Supervisors under County Ordinance No. 4326. The purpose and intent of the Board of Supervisors with respect to the Project Area was to eliminate the existing conditions of blight in the Project Area.

The Redevelopment Plan contemplated various infrastructure improvements that were identified as necessary to accommodate the Project goals. The City of Goleta's current "San Jose Creek Capacity Improvement Project" was conceived during that effort. When the City incorporated in 2002, pursuit of the infrastructure improvements shifted from the County's Redevelopment Agency to the City's Community Services Department.

Methods of financing the Redevelopment Project identified in the 1998 Redevelopment Plan included property tax increments, interest income, bonds, loans from private institutions, proceeds from the sale or lease of property, financial assistance from the County, State of California, federal government, or any other public agency, or any other legally available source.

The Santa Barbara County Flood Control District was not included in funding discussions until 2007 in part because of the 'redevelopment' nature of the project and also because the capacity of the San Jose Creek concrete lined channel in the Project Area is currently capable of conveying a 25-year return period event. There are approximately 190-200 parcels located within the San Jose Creek floodplain in the Project Area. The San Jose Creek project was not included in the voter approved benefit assessment list of projects in 1996.

Numerous other projects were in fact listed in the voter approved benefit assessment. Contrast the above existing San Jose Creek facts to other identified capital improvement priorities on the South Coast: the approximate 995 parcels located within the floodplain of the Lower Mission Creek Project Area are dependent upon channels and bridges that have conveyance capacities with occurrence frequencies of two to ten years; the approximate 170 parcels located within the floodplain in the area immediately upstream of US 101 adjacent to San Pedro and Las Vegas Creeks are served by bridges that convey less than a ten-year event. For reference, there are approximately 8,230 parcels on the South Coast located in the floodplain as mapped by FEMA.

Significant flooding occurred in the Goleta Old Town Project Area most recently in March, 1995. Significant flood events have occurred in the other two listed project areas multiple times in that same time frame. The Flood Control District is being looked upon to provide funding for both of the above capital projects as well, given that anticipated federal funding has not materialized for the Lower Mission Creek Project, and the Union Pacific Railroad has not identified its two bridges at Las Vegas and San Pedro Creeks as priorities.

However, recently revised estimates were received by the District for the Las Vegas/San Pedro Project. Unfortunately, the railroad bridges are now estimated to cost significantly more than previously anticipated and will more than likely be the District's financial burden to bear. Also, on Mission Creek, due to the impacts of the economy on real property prices in Santa Barbara, the benefit/cost ratio for this project could be potentially less than 1. If that is in fact the case the federal funding anticipated to match the District's local share may never materialize to construct this project. Due to these two very significant financial threats; the District believes it is prudent financially at this time to cap the South Coast Flood Zone's contribution to the City's San Jose Creek project at a not-to-exceed amount of \$5 million.

Fiscal and Facilities Impacts:

Budgeted:

Narrative:

There are no construction reimbursement costs budgeted for this current fiscal year. Actual construction costs are not anticipated until next fiscal year and will be included in the 2011-12 budget. Staff time and administrative costs for this project have been included in the Adopted 2010-11 budget under the Design Cost Center of the Water Resources Division of the Public Works Department as shown on page D-366

Staffing Impacts:

Legal Positions:

FTEs:

Special Instructions:

Direct the Clerk of the Board to send a copy of the minute order of these actions to the Flood Control District office, Attn: Christina Lopez.

Attachments:

Copy of Cooperative Agreement for Construction of Improvements on San Jose Creek

Authored by: Jonathan S. Frye, Deputy Public Works Director, Interim, 568-3436

