



Agenda Date: 12/5/2006

Agenda Placement: 6H

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Michael Stoltz for Robert Peterson - Director  
Public Works  
**REPORT BY:** Richard Thomasser, Watershed and Flood Control Operations Manager, (707)259-8657  
**SUBJECT:** Amendment No. 8 to Measure "A" Funding Agreement No. 4202 with NCFPWIA

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### **RECOMMENDATION**

Director of Public Works requests the following actions relating to approved Measure A projects in the County unincorporated area:

1. Approval of and authorization for the Chair to sign Amendment No. 8 to Agreement No. 4202 with the Napa County Flood Protection and Watershed Improvement Authority increasing the amount of Measure A funds by \$432,000 for the Rutherford Dust Restoration Project and the new Oakville Cross Road to Oak Knoll Avenue Sediment Reduction and Habitat Enhancement Project, for a new maximum of \$3,367,000 for all Napa County Measure A projects; and
2. Approval of Budget Transfer No. 27 appropriating \$432,000 to fund Amendment No. 8 in the Public Works Capital Improvement Budget with offsetting revenues from the County's share of Measure A funds. (4/5 vote required)

### **EXECUTIVE SUMMARY**

Amendment No. 8 to the Measure A Funding Agreement between the County and the Napa County Flood Protection and Watershed Improvement Authority (NCFPWIA) has been prepared to add additional funding related to the existing Rutherford Dust Restoration Project and the new Oakville Cross Road to Oak Knoll Avenue Sediment Reduction and Habitat Enhancement Project. These projects have previously received Board approval for funding.

### **FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Measure A funds allocated to County.

Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Amendment 8 to the Measure A Funding Agreement authorizes an additional appropriation of \$432,000 for the approved Rutherford Dust Restoration Project and the Oakville to Oak Knoll Sediment Reduction and Habitat Enhancement Plan Project. These Projects are consistent with the Measure A ordinance approved project types for the County unincorporated area.
Is the general fund affected?	No
Future fiscal impact:	These Projects will be implemented over multiple fiscal years. This amendment only commits funds for the current phases of work, which are anticipated to be obligated during Fiscal Years 2006-2007 and 2007-2008. While additional funding requests on these Projects are likely, no commitments beyond the the scope of work discussed in the amendment are being made.
Consequences if not approved:	Work cannot continue on these projects without amending the Funding Agreement.
Additional Information:	None

## **ENVIRONMENTAL IMPACT**

**ENVIRONMENTAL DETERMINATION:** The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) which defines a project as an action which has the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change. This administrative funding action will not result in a potentially significant physical impact on the environment, as the funds being appropriated in this action for budgetary purposes will be used for study and design activities. Upon completion of Preliminary Design, CEQA determinations shall be made on each project prior to entering into any agreement for construction activities. Accordingly, no additional CEQA review is required at this time.

## **BACKGROUND AND DISCUSSION**

### **Measure A Background**

In March, 1998, voters approved a half cent sales tax increase for flood control purposes known as Measure "A". The County and each City and Town are entitled to the proceeds from Measure "A" generated within their political boundaries for projects that were specified in the ballot measure. For the County, the measure reads:

#### **Unincorporated Areas of Napa County:**

1. County unincorporated area flood damage reduction projects including elevating/relocating structures, including bridges, in the floodway and floodplain; and
2. Agricultural watershed and stormwater runoff management improvements planned jointly by the agricultural industry, the County, the Napa County Resource Conservation District and the Department of Fish and Game, including projects which will:
  - a. Reduce the amount of storm runoff and sediment in the Napa River System from agricultural lands; and

- b. Increase flood storage of the River system by the setback of active land uses from river and tributary banks.

#### Community of Angwin/Deer Park

1. Stabilization and enhancement of existing water reservoirs which shall be for the purpose of flood protection and water reliability; and
2. Stabilize water quality.

#### **Joint Powers Agreement**

In November, 1998 a Joint Powers Agreement (JPA) was entered into by the County, Flood Authority, Flood District and each city. The purpose of this JPA was to set forth a whole host of operating policies and criteria regarding the equitable distribution of the sales tax revenues to each agency, debt financing for projects in the plan, and how to handle additional revenue in the event of sales tax growth, and the possibility of State flood control subventions for the Napa Flood Project. The JPA made specific arrangements for each agency to loan a portion of its Measure "A" funds in the first seven years to the City of Napa for use in constructing its flood control project, to be paid back with interest during the remaining 13 years of the tax. In addition, the County agreed to allocate all of its sales tax revenue from the vicinity of the City of Napa to the City's flood project with reimbursement to come only if additional revenues are available after the project is paid off. The "Napa Vicinity" allocation accounts for about 60% of the County's tax revenue.

#### **Revenues and Expenditures**

In accordance with the JPA, the County share of sales tax distributions is 9.6%. Through the end of FY 2005-2006, the County share of accumulated sales taxes was \$3,036,427. During Fiscal Year 2006-2007, it is anticipated that the County will receive approximately \$1.5 million in additional sales tax revenues. Ultimately, the County should receive approximately \$25 million in Measure "A" tax revenues by the year 2018.

The JPA established a specific formula for allocating the County portion of the revenue to three different geographical areas based generally on the amount of revenue generated in those areas. They are:

- | Angwin/Deer Park - 17%
- | Berryessa Watershed - 7%
- | Balance of County - 76%

The County has expended \$1,215,529 through the end of FY 2005-2006. A summary of the expenditures and previously approved levels of funding by project is provided below:

#### Angwin/Deer Park Projects (\$4.25M Projected Available):

Angwin/Deer Park Water Supply Reliability Plan - \$36,957 in expenditures to date. This is an ongoing project, with total funding of \$429,000 authorized to date.

#### Berryessa Watershed Projects (\$1.75M Projected Available)

No projects conducted to date.

Balance of County Unincorporated Area (\$19M Projected Available)

Total of \$1,178,572 expended on the following projects:

St Helena Deer Park Road/Silverado Trail FS - \$178,839. This project is completed.

Lewelling Ave Outfall - \$797,600. This project is completed.

Millken-Sarco-Tulocay Recycled Water Plan - \$30,740 spent. This is an ongoing project, with total funding of \$529,000 authorized to date.

Rutherford Dust Project - \$171,393 spent through the end of FY 2005-2006 from the approved budget of \$800,000 for Preliminary Design (Phase 1) and to cover the projected cost of the County's matching share of Final Design and construction of Reaches 1 and 2 during FY 2006-2007 (a portion of Phases 2 and 3).

Special Flood Studies in the County Unincorporated Area - This is a new project being funded at \$200,000 upon the direction of the Board.

**Summary of Proposed Amendment No. 8**

Proposed Amendment No. 8 will add a total of \$432,000 to the agreement between the County and the NCFPWIA for the following projects:

Rutherford Dust Project - Proposed Amendment No. 8 includes \$242,000 in additional funding for this project as follows:

- | \$42,000 to cover additional scope items to be performed by Napa County Resource Conservation District to complete the Preliminary Design; and
- | \$200,000 to add to previously approved funding of \$500,000 to complete the local match funding requirements of the State Water Resources Control Board grant as applied for by the Rutherford Dust Society with the County as the grantee. The County has been notified that it has been awarded \$1,000,000. The agreement for this grant will be brought to the Board for approval at a future meeting.

Oakville to Oak Knoll Sediment Reduction and Habitat Enhancement Plan Project - Proposed Amendment No. 8 includes \$190,000 in funding for this new project that was approved by the Board at its October 24, 2006 meeting.

**SUPPORTING DOCUMENTS**

None

CEO Recommendation: Approve

Reviewed By: Andrew Carey