



Agenda Date: 4/12/2005
Agenda Placement: 6L

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Robert Peterson - Director
Public Works
REPORT BY: Kim Henderson, Staff Services Manager, 259-8382
SUBJECT: Authorize an MOU with The Rutherford Dust Society, Napa County Resources Conservation District and Napa County Flood Control and Water Conservation District.

RECOMMENDATION

Director of Public Works requests the following actions relating to the Rutherford Reach Napa River Restoration Project:

1. Approval of and authorization for the Chair to sign a Memorandum of Understanding with The Rutherford Dust Society, Napa County Resource Conservation District, and Napa County Flood Control and Water Conservation District setting forth the shared responsibilities of the agencies;
2. Approval of and authorization for the Chair to sign an agreement with Napa County Resource Conservation District to sub-grant Measure "A" funds for a maximum of \$270,000 for the preliminary design phase of the project; and
3. Approval of Budget Transfer No. 73 appropriating \$300,000 in the Capital Improvement Program budget with offsetting revenues from Measure "A" for the preliminary design phase of the project. (4/5 vote required)

EXECUTIVE SUMMARY

The Board previously sent a letter of interest to the Rutherford Dust Society(RDS) to provide matching funds for the preliminary design of its Rutherford Reach Napa River Restoration project using a portion of the County's Measure A funds. A week ago the Board approved a funding agreement with the Flood Authority to access \$300,000 for this purpose. Today the Board is being asked to approve the remaining agreements that will enable the project to proceed. The first item is a memorandum of understanding(MOU) among the Rutherford Dust Society (RDS), Napa County Resource Conservation District (NCRCD), Napa County and Napa County Flood Control and Water Conservation District describing the anticipated roles and responsibilities of each entity with regard to the full development and implementation of the Rutherford Reach Napa River Restoration project. The second requested action will authorize the County to sub-grant to the NCRCD up to \$270,000 of Measure "A" funds to assist them with the funding needed to complete the preliminary design phase of this project. The sub-grant agreement details how the funds are to be used in relation to other grant money from the Coastal Conservancy. The third item is the

necessary budget transfer.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Approval of Budget Transfer No. 73 will appropriate \$300,000 in the Capital Improvement Program Budget with offsetting revenues from County Measure "A" funds.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The County is accumulating Measure "A" funds that can be used for specific flood control and water projects as detailed in the Measure "A" Ordinance. On August 31, 2004 your Board approved a letter of intent to contribute \$270,000 to the Napa County Resource Conservation District (RCD) for the Rutherford Dust Society (RDS) river restoration project. Amendment No. 6 to Agreement No. A-4202 provides for this funding along with \$30,000 for Napa County staff time for a total of \$300,000.
Is the general fund affected?	No
Future fiscal impact:	RDS's request of \$270,000 in 2004/05 will provide for the beginning stages of design and environmental review. In addition RDS has requested \$250,000 in 2005/06 to prepare plans and specifications for the project, and anticipates requesting up to \$2,000,000 for construction in future years for a total of \$2,520,000.
Consequences if not approved:	River restoration and flood control efforts will be delayed along the Napa River in the Rutherford area.
Additional Information:	None

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: Pursuant to Guideline Section 15378(c), this action merely provides funding to prepare project plans and to conduct environmental review, and in itself does not constitute a "project" which is being approved nor commit to implementation of a project that may impact the environment. Subsequent discretionary approval and environmental determination by the County of Napa, as Lead Agency, is required before implementation of the project.

BACKGROUND AND DISCUSSION

The Rutherford Dust Society (RDS), a land owner organization representing properties along a 4.5 mile reach of the Napa River, has requested funds from Napa County's Measure "A" allocation to complete preliminary design of a river restoration project that it has initiated. At a study session held on July 20, 2004, the Board reviewed a variety of possible uses for its Measure A funds and expressed its interest in supporting the RDS project and others like it. On August 31, 2004 the Board authorized a letter to be sent to RDS expressing its interest in contributing

\$270,000 in fiscal year 2004/2005 for this work as a match for other grant money coming from the California Coastal Conservancy. RDS' consultants had presented a multi-phased project proposal that would eventually lead to construction of the restoration project. The preliminary design is the first phase of the overall project. The project as envisioned will have several partners as it moves forward. The Napa County Resource Conservation District (NCRCD) has agreed to lead the preliminary design effort that includes preliminary design and investigation of permitting issues involved with such a project. Napa County is envisioned to be the lead CEQA agency and would administer the actual construction project. It is anticipated that the Flood Control District has a future role in assisting with the formation of a maintenance district which would finance the long-term maintenance of this restoration project. It is also anticipated that the Flood Control District could assist with the oversight of long-term maintenance.

Spending public funds on such a project implies clear public benefits. Therefore, staff of the three public agencies have been meeting with RDS to develop an overall plan for the implementation of this project. The conclusion of this effort is a Memorandum of Understanding (MOU) between RDS, NCRCD, Napa County, and the Flood Control District outlining responsibilities to complete the proposed project. The MOU sets forth an understanding of appropriate roles, necessary milestones and overall process to lead to project success. The Flood Control District bylaws has specific authority for the establishment of assessment districts that would act as a financing mechanism to ensure long-term maintenance of the project. Additionally, Flood Control District staff are currently assigned watershed maintenance tasks that are similar to long-term restoration project maintenance. If an assessment district is not formed, some other fiscal plan must be in place to ensure that the Flood Control District will be properly funded to carry out any maintenance functions. The Flood Control District's obligations would eventually be defined with contract agreements that would be subject to future District Board review. The MOU's purpose is to define overall roles in the development of the project and inform all agency policy boards of the cooperative effort in this significant restoration effort.

At its April 5, 2005 meeting the Board approved a funding agreement with the Flood Authority to use \$300,000 of its Measure A funds for this project. The subgrant agreement before the Board today will allow \$270,000 of this money to be paid to NCRCD to cover agreed upon consultant and staff costs in the performance of the preliminary design work. The remaining funds will be used to cover County public works and planning staff costs in providing overall management of the project in partnership with the other agencies as described in the MOU.

RDS's effort to plan and implement a restoration plan is a significant step in the landowner buy-in of protection and enhancement of Napa County's stream, river and riparian corridors. It is a model effort for opportunities throughout the watershed.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Michael Stoltz