



Agenda Date: 9/12/2006
Agenda Placement: 9A

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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: County Measure A Update and Amendment of Funding Agreement with NCFPWIA

RECOMMENDATION

Director of Public Works requests approval of and authorization for the Chair to sign Amendment No. 7 to Agreement No. 4202 with Napa County Watershed and Flood Protection Authority (NCFPWIA) increasing the amount by \$700,000 for a new maximum of \$2,935,000, and extending the term through June 30, 2007.

EXECUTIVE SUMMARY

The Fiscal Year 2006-2007 amendment to the Funding Agreement between the County and the NCWFPA has been prepared and requires Board approval. Staff will provide a verbal update addressing Measure "A" expenditures and highlighting ongoing project status as part of this agenda item.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Public Works
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Amendment of the Funding Agreement between the County and the Flood Authority is needed to continue ongoing projects in Fiscal Year (FY) 2006-2007 that have already been approved for funding, including the Angwin and MST projects, and to move into the next phase of work on the Rutherford Restoration Project. Amendment of the Funding Agreement is also needed to fund one new project related to conducting special flood studies in the unincorporated area of the County, as discussed at the Board's August 22

	meeting.
Is the general fund affected?	No
Future fiscal impact:	Unknown
Consequences if not approved:	Work cannot continue on these projects without amendment of 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) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

Measure A

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 \$2,299,897. Based on current projections, the County can expect to 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 on the following projects:

Angwin/Deer Park Projects (\$4.25M 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. The FY 2006-2007 amendment to the Funding Agreement includes rollover of the unexpended funds.

Berryessa Watershed Projects (\$1.75M Available)

No projects conducted to date.

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

Total of \$1,178,572 expended to date 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. This is an ongoing project, with total funding of \$529,000 authorized to date. The FY 2006-2007 amendment to the Funding Agreement includes rollover of the unexpended funds.

Rutherford Dust Project (Preliminary Design) - \$171,393. This is an ongoing project, with total funding of \$300,000 authorized to date. The FY 2006-2007 amendment to the Funding Agreement includes rollover of the unexpended funds. Additional funds of \$500,000 are being requested to cover the cost of the County's matching share of Final Design and construction of Reaches 1 and 2 during FY 2006-2007. A State Water Resources Control Board grant was applied for by the Rutherford Dust Society with the County as the grantee. The grant application is pending

award notification, at which time Board approval of the grant contract will be requested.

Special Flood Studies in the County Unincorporated Area - This is a new project being funded at the direction of the Board. The FY 2006-2007 amendment to the Funding Agreement includes a budgetary request of \$200,000 for this project.

Board Discussion and Direction from 2004

In July 2004, the Director of Public Works held a study session with the Board on Measure "A", including possible projects, costs and benefits. At that time the Board provided support for many of the specific projects discussed above. In addition, the Board indicated support for the following types of projects:

- | Matching funds for stream restoration projects on private property
- | Watershed/water quality improvement projects
- | Home elevation projects, and
- | Localized flood reduction projects

Staff will provide a verbal update addressing Measure "A" expenditures and highlighting ongoing project status as part of this agenda item.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Andrew Carey