



County of San Mateo

Inter-Departmental Correspondence

Department: PUBLIC WORKS

File #: 16-657

Board Meeting Date: 10/17/2017

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: James C. Porter, Director of Public Works
Subject: Bayfront Canal and Atherton Channel Collaborative Memorandum of Understanding

RECOMMENDATION:

Adopt a resolution authorizing:

- A) The President of the Board of Supervisors to execute a Memorandum of Understanding between the City of Redwood City, City of Menlo Park, Town of Atherton, and County of San Mateo (Bayfront Canal and Atherton Channel Flood Management and Restoration Project) for up to \$1,000,000 of planning, design, and environmental permitting services; and
- B) The County Manager, or his designee, to execute the Memorandum of Understanding between the City of Redwood City, City of Menlo park, Town of Atherton, and County of San Mateo (Bayfront Canal and Atherton Channel Flood Management and Restoration Project) with any additions, clarifications and other changes as the County Manager, or his designee, deems necessary or advisable after consultation with County Counsel.

BACKGROUND:

On February, 23, 2016, your Board accepted the report entitled "Improving Flood Control in San Mateo County's Areas of Responsibilities" (report) and approved Resolution No. 074363 for an Appropriation Transfer Request to begin implementation of the report recommendations. This included funding totaling \$6.2 million from the General Fund over a three year period to establish a Program to address flood risks in the County's areas of responsibility as outlined in the report. A portion of this funding is being used for consultants to provide services including: planning, engineering, and design of flood protection projects; seeking grant funding; and collaborating with interested cities and relevant County resources on specific projects within publicly managed drainage facilities.

The Bayfront Canal and Atherton Channel Flood Management and Restoration Project (Project) was described as an anticipated project related to flood protection, resilience, restoration, and storm drainage facilities that would be evaluated, studied, permitted, and designed by the Program within

the next two years. The County has participated in general discussions relative to the Bayfront Canal (Canal) for several years, but did not have a dedicated funding source for significant participation. Based on the Board's action, the Program has the resources to accept a leading role in the Project to coordinate the efforts to reduce flooding.

On May 16, 2017, your Board adopted Resolution No. 075199, which authorized agreements with consultants for On-Call Engineering Services to provide professional services for the Program, as needed, under the direction of the Director of Public Works.

DISCUSSION:

The Canal is located north of Highway 101 (Hwy101) and is generally parallel to Hwy 101 in the City of Redwood City between Woodside Road and Marsh Road. The Canal is bounded to the north of Cargill's salt ponds and to the south by residential and industrial properties. The Canal receives the majority of its runoff from the areas south of Hwy 101, including areas in Redwood City, Menlo Park, Atherton and the County unincorporated area of North Fair Oaks. The Atherton Channel joins the Canal near Marsh Road before the Canal drains into Flood Slough and the Bay adjacent to Bayfront Bedwell Park. The Atherton Channel receives runoff from the Cities of Redwood City and Menlo Park, the Towns of Woodside and Atherton, and the County unincorporated areas.

The combined flow from the Atherton Channel and the Canal is from a 9.5 square mile area. The flow from each jurisdiction that discharges to the Canal has been calculated to be: Town of Atherton (38%), the city of Redwood City (26%), County of San Mateo (22%), City of Menlo Park (10.5%), and the Town of Woodside (3.5%).

During a flood event, areas in Atherton, Redwood City, Menlo Park, and the County are impacted by flooded streets, residences and businesses particularly in areas adjacent to the Canal and Atherton Channel. There have been numerous studies and analyses completed over the past 30 years related to the Canal and Atherton Channel, which have evaluated this regional, chronic, and widespread flooding. These studies have recommended the Project, which is the focus of this MOU, as a critical first step to resolving the flooding issues and completing future watershed improvements.

Additionally, the South Bay Salt Pond Restoration Project, led by the California Coastal Conservancy, is planning to restore two ponds, adjacent to the Bayfront Bedwell Park (Ponds S5 and R5), over the next two years. The proposed design for the Project allows water that currently discharges to Flood Slough to flow into these ponds. This connectivity will provide water to compliment the restoration of these ponds and contribute to the creation of wetlands and fresh water habitats for the South Bay Salt Pond Restoration Project.

On March 20, 2017, the Regional Water Quality Control Board (RWQCB) met with representative parties of the MOU to discuss the proposed Project. This meeting was attended by representatives from the office of Congresswomen Jackie Speier; the City of Redwood City; the City of Menlo Park, the County of San Mateo, and the South Bay Salt Pond Restoration Project. During this meeting the RWQCB indicated its intent to support this Project.

On May 11, 2017, City or Assistant City Managers from the City of Redwood City, the City of Menlo Park, and the Town of Atherton, met with the Assistant County Manager and the Director of Public Works about collaborating on this Project. The consensus from the Cities and the County (Collaborative) was to draft a Memorandum of Understanding (MOU) for planning, design, and

environmental permitting for the Project. The Town of Woodside was invited to participate and has been included in subsequent meetings. On July, 26, 2017, the Town of Woodside (Town) notified the County's Director of Public Works that the Town is not interested in participating in the Project. The Town's overall flow contribution to the Canal is 3.5% (up to \$35,000) and the Collaborative has agreed to absorb this percentage by flow contribution.

On October 4, 2017, City or Assistant City Managers from the City of Redwood City, the City of Menlo Park, and the Town of Atherton met with the Assistant County Manager to reach consensus on the contributions by each party. At this meeting, the Town of Atherton indicated that the maximum financial contribution for the Town of Atherton would be capped at \$165,000. The residual cost resulting from a jurisdictional cap will be distributed by flow to the remaining members of the Collaborative. The updated MOU financial contribution percentages are as follows: Town of Atherton 16.5% (up to \$165,000); City of Redwood City 36.2% (up to \$362,000); County of San Mateo 31.3% (up to \$313,000); City of Menlo Park 16.0% (up to \$160,000), and Town of Woodside 0.0% (\$0). The flow contributions may be amended through the term of this MOU pending initial consultant review and review of additional projects in the watershed area that reduce or alter flow contributions. Any modifications to the contributing percentages will require approval of each party in the Collaborative and an Amendment to this MOU.

In order to expedite the project, staff is recommending that your Board authorize execution of the MOU and also authorize the County Manager or his designee to execute subsequent amendments to modify the financial contribution percentages in accordance with the outcome of the October 4, 2017 meeting as described above.

The MOU has a not-to-exceed value of \$1,000,000, which is anticipated to fund the planning, design, and environmental permitting for the Project. The consultant work associated with the Project will be issued through "Task" Orders to the On-Call Engineering Services agreements previously approved by your Board. The planning, design, and environmental permitting efforts for the Project are anticipated to occur concurrently when possible to ensure that feasible solutions are identified, vetted designed, and a funding strategy is developed. The County will serve as a contracting agency for work associated with the Project. The County will be reimbursed by the Collaborative for all consultant costs incurred beginning on October 4, 2017 as outlined in the MOU.

The Department will be evaluating and seeking grant opportunities and developing construction cost sharing agreements as appropriate for the Project. The Collaborative discussed that any funding opportunities, including but not limited to grants and co-op agreements, that are awarded for planning, design, and environmental permitting throughout the duration of this MOU would be prorated by the same contribution percentage of each Collaborative member at the date of the execution of that funding agreement. Any jurisdiction that is capped will not realize a decrease due to additional funding opportunities until the residual cost of their cap has been absorbed. Funding opportunities for construction will be assessed in a subsequent Agreement or Agreements.

The City of Redwood City has received a \$1,135,000 grant from the Proposition 84 Integrated Regional Water Management Plan grant program to fund construction of the Project. The City of Redwood City informed the Collaborative that they would be willing to share this grant with the Collaborative members that will contribute to the construction of the Project. The Collaborative agreed that the MOU is for design only, does not include construction and operation and maintenance activities, and does not bind any member agency's participation in construction or

operations and maintenance activities. This MOU may serve as a template for future agreements with the Collaborative.

Additional grants awarded to the Collaborative and potential future grants to improve the County's Athlone Terrace Pump Station are contingent on the success of this Project. Regional support and collaboration is instrumental in completing the Project efficiently and with a reasonable budget, to ensure future regional flood management improvements can be completed. A separate MOU will be required to address roles and responsibilities for the construction phase of the project.

County Counsel has reviewed and approved the Resolution and Memorandum of Understanding as to form.

Approval of this Resolution will contribute to the Shared Vision 2025 outcome of a Collaborative Community by continuing the partnership with other agencies to build multijurisdictional solutions to flooding in our communities.

FISCAL IMPACT:

Funding for the planning, design, and permitting efforts have been budgeted through the Program. The anticipated cost of planning, design, and environmental permitting will be distributed among the Collaborative with the entire consulting efforts not exceeding \$1,000,000. The County's share (31.3%), as agreed to by the Collaborative, will not exceed \$313,000 and will be remitted by the Flood Resilience Program budget.

There is no additional impact to the General Fund.