

TO: James L. App, City Manager
FROM: Meg Williamson, Assistant City Manager
SUBJECT: Salinas River Parkway – State Water Board Grant Acceptance
DATE: November 7, 2006

Needs: For the City Council to consider acceptance of a State Water Resources Board Grant that has been awarded for the potential acquisition and restoration of 260 acres along the Salinas River corridor.

Facts:

1. On June 6, 2006, the City Council authorized the filing of a Grant Application with the State Water Resources Board.
2. The overarching goal of the Grant Project is to protect and improve the water quality of the Salinas River. To accomplish this, the project consists of two main components:
 - a. Acquisition: Provided a purchase agreement can willingly be reached with the property owners of a 260-acre parcel directly abutting the Salinas River, the acquisition is intended to avoid future industrial development that could potentially contribute to pollutant runoff and erosion; and
 - b. Restoration: There are four urban storm water channels located on City owned property adjacent to Larry Moore Park where restoration would include removal of non-native plant species, stabilization of slopes, and re-vegetation with native plant species to slow and clean water runoff before it reaches the river.
3. Partnering with The Trust for Public Land (TPL), the City submitted a Grant Application for \$4 million to the State Board on June 9, 2006.
4. On September 6, 2006, the State Water Resources Board awarded full funding of the \$4 million grant request.
5. To secure these funds, the City must indicate its willingness to accept the grant.
6. Acceptance of the grant will commit the City to spending staff resources on the acquisition and restoration effort over the next 2 years. Additionally, the grant requires an obligation of matching money for 25% of the total cost of the project.
7. The potential transfer of this 260-acre parcel from private to public ownership would present community opportunities consistent with General Plan policies on recreation/conservation, the preliminary River Corridor Plan vision, Storm Water Management Plan and the City's Integrated Water Resources Plan (under

development). Those opportunities include conservation of important vistas and habitat, creation of recreation potential, and implementation of water quality improvement strategies.

Analysis
and

Conclusion: Participation in and acceptance of this grant is not intended to presume the outcome of discussions between TPL and the private property owner. Those discussions will continue at their own pace, with hope that a mutually beneficial agreement may ultimately be reached.

Acceptance of this grant will assure the availability of \$4 million over the next 2 years and will provide the opportunity to make great strides in implementing General Plan and Water Management Goals. The Grant project is structured with partners that are willing to assist in project implementation and the location of funding sources. City Council support is also needed for the grant to be successful.

Policy

Reference: General Plan (Adopted 2003)
City Council Goals for Fiscal Years 2004-2007 (Adopted 2/18/03)
Council direction to proceed with preparation of River Corridor Plan (2005)
June 6, 2006 Council Authorization to file State Water Resources Grant application

Fiscal Impact:

The purchase price for the 260-acres must be confirmed through a formal appraisal and agreed upon through a purchase agreement, but is expected to exceed \$6 million. The State Water Board award of \$4 million is a significant contribution towards that anticipated cost.

To receive the full \$4 million grant allocation, the City's match obligation would be \$1,334,000. The required "match" by the public agency (City) could be assembled through several resources other than general-fund dollars. The TPL has requested/offered to work with the City to pursue matching funds through Federal programs such as the Transportation Enhancement (TE) program. It would not be unreasonable to consider water enterprise funding to assist in the match – based on the project's beneficial contribution to our drinking water supply and recharge potential. Additionally, the City's match can also be offset through provision of "in-kind" staff time to implement the project.

A concerted effort will be made to assemble the matching funds from non-general fund resources. While the full range of funding opportunities, and consequently budget impacts, cannot yet be determined, the grant represents a significant and generous "return on the dollar" for a project that promotes multiple community and state wide goals. Full budget reporting will be brought before the City Council in the coming months as resources are identified.

Options:

- a) For the City Council to adopt the attached resolution 06-XXX authorizing entering into an agreement with the State of California and designating a representative to sign the Grant Agreement, and any amendment thereto, for the Salinas River

Parkway Project which provides State funding to acquire land and implement associated restoration enhancements aimed at water quality improvements along the Salinas River corridor.

- b) Amend, modify, or reject the forgoing options.

Attachments:

1. Resolution 06-XXX authorizing entering into the grant agreement with State Water Board
2. Salinas River Parkway Project Grant Application excerpts – describing project scope & area

Attachment G: Scope of Work & Grant Agreement Readiness

Project Purpose

The purpose of the proposed Salinas River Parkway Project is to protect, restore, and enhance the water quality, riparian habitat, flood control, and groundwater recharge values of a 260-acre property along the Upper Salinas River. This will be accomplished through the acquisition of 260 acres along the Salinas River within the City of Paso Robles, including 1.5 miles of river frontage. The Project will also restore and enhance urban storm water drainage conveyance systems to the Salinas River on publicly owned property that is contiguous to the 260-acre land acquisition site. The acquisition and restoration elements of this Project work together to address many of the primary water quality issues of the Salinas River and are integral parts of achieving the goals of the Upper Salinas River Watershed Action Plan.

The Salinas River is currently listed on the Central Coast Regional Water Quality Control Board's 303(d) list for Pesticides, Salinity/TDS/Chlorides, and Sedimentation/Siltation. This Project directly addresses some of the leading pollutant sources which contribute to the river's impaired status, including land development, road construction, and urban run-off. In purchasing this property for long-term ownership and stewardship by the City of Paso Robles, this Project addresses these potential pollutant sources by eliminating the threat of future urban development. The acquisition of the property by the City of Paso Robles will allow for the opportunity for the City to enhance the site's groundwater recharge values, as the Project is located in an area where the geology supports high percolation rates. Protection of this Project area from future development and enhancement of the property's natural resources (including wetlands and riparian habitat), therefore also provides substantial benefits to the quality of the City's drinking water supply since public well fields are located adjacent to the north and south. Finally, acquisition of the property will allow the City to control public access to the site. Currently, this property is often used illegally for off-road vehicle recreation, which is believed to contribute to bank erosion and excessive siltation. Long-term ownership of the property by the City of Paso Robles will provide the necessary site control to restrict off-road vehicle access, allow for restoration, and develop the site as a community passive recreation and open space resource.

Concurrent with the acquisition and protection of the 260-acre site, the City of Paso Robles will implement restoration and bioremediation activities at four urban storm water channel locations that discharge directly to the Salinas River channel. Restoration will involve the removal of invasive species, stabilization of slope banks, and revegetation with native species within the riparian corridor. The restoration portion of the Project will serve as a "Demonstration Project" for implementation strategies of the City's Storm Water Management Plan and will be the subject of a public outreach and education program.

Scope of Work

The Scope of Work for this Project can be defined through four primary overarching tasks, including: 1) purchase of the proposed 260-acre site; 2) conveyance of the property's fee title to the City of Paso Robles for long-term ownership and management; 3) implementation of storm water system bioremediation activities to enhance the water quality benefits of four drainages on existing City-owned land; and 4) submission of necessary progress reports and invoices to the SWRCB. The specific tasks of each of these overarching tasks are listed below.

Describe the specific purpose of each task, starting with an action verb and including details of how, when, and/or where the task will be accomplished.

Task 1: Acquire 260-acre property adjacent to the Salinas River

Purpose: Protect existing water quality, groundwater recharge, wetlands, riparian habitat, oak woodland, flood control, drinking water, and pollution prevention values of the 260-acre site and prevent future urban development. Urbanization is one of the primary causes of water quality and riparian habitat degradation to the Salinas River.

Details: As a project partner, The Trust for Public Land (TPL) is facilitating the acquisition of the proposed 260-acre site. To successfully accomplish this task, TPL will negotiate the terms of sale with the current property owners, secure a purchase option agreement, commission an appraisal and environmental review, assist with fundraising efforts, and facilitate all other legal and real estate transaction duties associated with this acquisition project.

Task 2: Convey fee-title ownership (from TPL) to the City of Paso Robles

Purpose: Protect the site through public ownership and provide City with necessary site control to implement future protection, restoration, enhancement, and recreational development efforts on the site

Details: The City of Paso Robles will complete necessary findings of General Plan consistency (under Government Code Section 65402). Once TPL purchases the site from the willing seller, TPL will convey fee title ownership to the City of Paso Robles for long-term ownership and management.

Task 3: Implement riparian restoration and storm water remediation efforts

Purpose: Enhance the property's recharge capacity, remove invasive species, revegetate with native plant species and reduce urban pollutants through bio-engineering remedial practices applied to four urban storm water surface channels that discharge directly into the Salinas River.

Details: City of Paso Robles will commence restoration activities in partnership with the Upper Salinas-Las Tablas Resource Conservation District. Subtasks will include the following :

- Mapping and evaluation of site conditions – A Base Map will be generated from recent aerial contour mapping, flown by the City of Paso Robles, for use in all planning and engineering design.
- Coordination/consultation with Agencies – The City and its partners will consult early in the information collection and evaluation stage of the project with responsible public agencies such as California Department of Fish and Game.

- Conduct CEQA Environmental Initial Study – The City of Paso Robles will be the lead agency in conducting the Environmental Initial Study and will circulate the draft document to the State Water Board for review and approval.
- Design and Bio-Engineer the Restoration Work – The City of Paso Robles and its partner The Upper Salinas - Las Tables Regional Conservation District (US-LTRCD) will develop design plan and maps for the project. The Grant Manager must review and approve the draft designs prior to review by other groups.
- Design Monitoring and Performance Plan – The US-LTRCD and the City of Paso Robles will design a monitoring and performance plan based on the parameters contained in the PAEP and the US Department of Agriculture Natural Resources Conservation Service, “Streambank Soil Bio-Engineering Field Guide for Low Precipitation Areas.” The Grant Manager is to review and approve this plan before implementation.
- Conduct Public Outreach and Education – The City of Paso Robles will partner with the US-LTRCD to develop an educational outreach program designed to target school age children and residents who are contributors to this urban watershed, as well at-large citizen information. Outreach will be designed into the Design and Construction processes.
- Process and Obtain Permits – The City of Paso Robles will obtain municipal permits through its own design review process for the restoration design work, and will be an inclusive public process. Additionally, the City and US-LTRCD will obtain necessary permits from the California Department of Fish and Game.
- Obtain Notice to Proceed from State Water Board – A notice to proceed will be obtained by Grant Manager prior to work commencing in the field.
- Remove Non-native vegetation – The first construction work item will be the removal of non-native plant species in the restoration project area. The US-LTRC will enlist the assistance of the California Conservation Corps to accomplish this work.
- Install remediation and enhancement improvements – The California Conservation Corps will assist in the installation of bio-engineered materials per the approved design plans. Riparian planting on channel slope banks will include temporary irrigation.
- Conduct Performance Measurements – The performance criteria for vegetative slope bank coverage and photo monitoring will be documented post construction/installation. Ambient water quality monitoring will be conducted in accordance with the monitoring and performance standards to be approved by the Grant Manager.

The City of Paso Robles and its partners will implement all aspects of the proposed Scope of Work in compliance with the guidelines and requirements of the Integrated Watershed Management Program. State Water Board staff will be consulted during the design/engineering stage, environmental permit process, monitoring program development, and public outreach

program development portions of the project. The City will also provide the granting agency with all required Project progress reports and obtain all required notices to proceed before implementation steps.

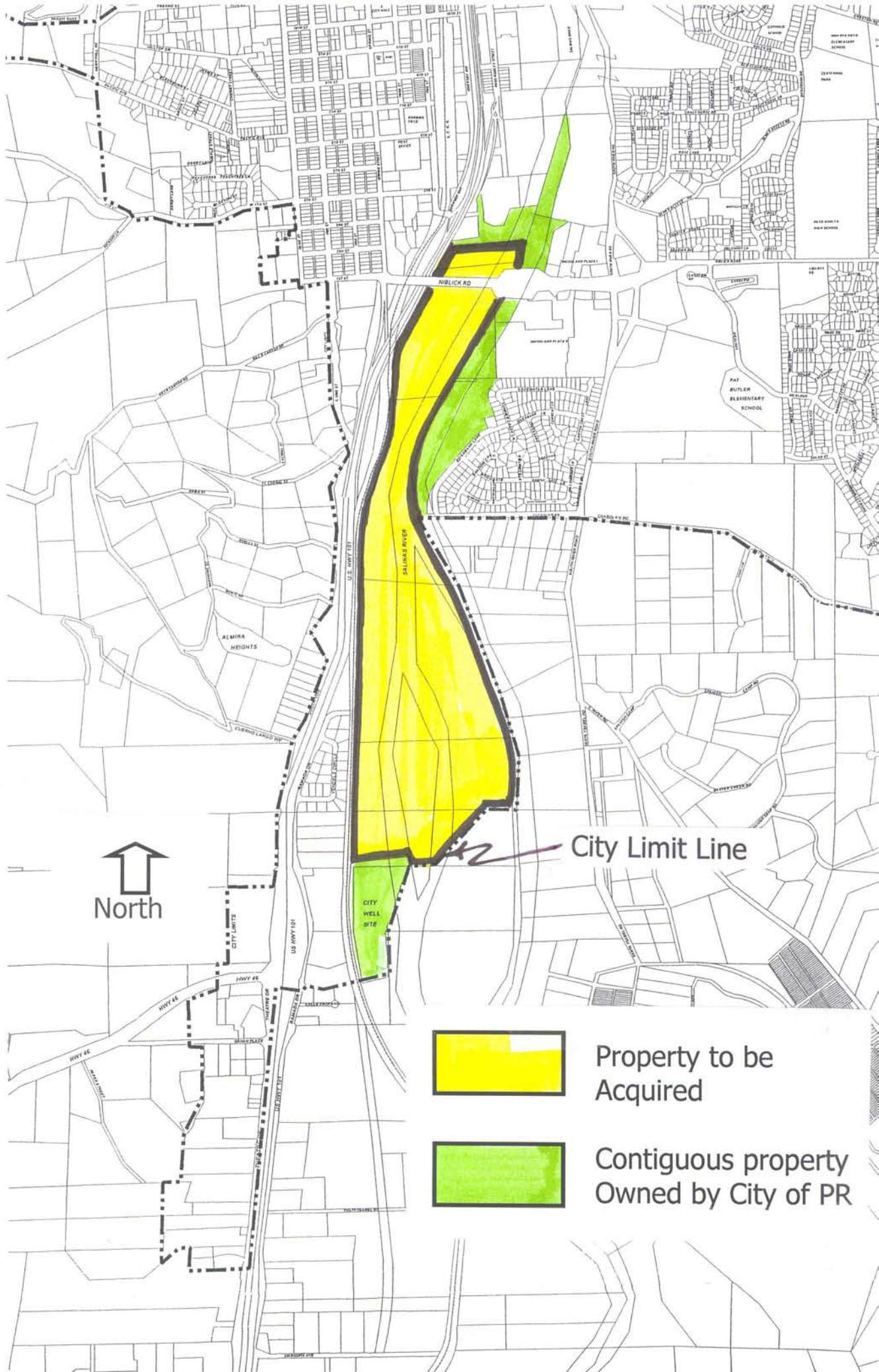
Task 4: Submission of necessary progress reports and invoices to the SWRCB

Purpose: Demonstrate the project goals and objectives have been met, document project's completion and submit budget documentation.

Details: City of Paso Robles will provide all draft and final reporting documents in accordance with the Grant Agreement.

Provide work items within the grant time frame that are complete, detailed, and ready to be implemented.

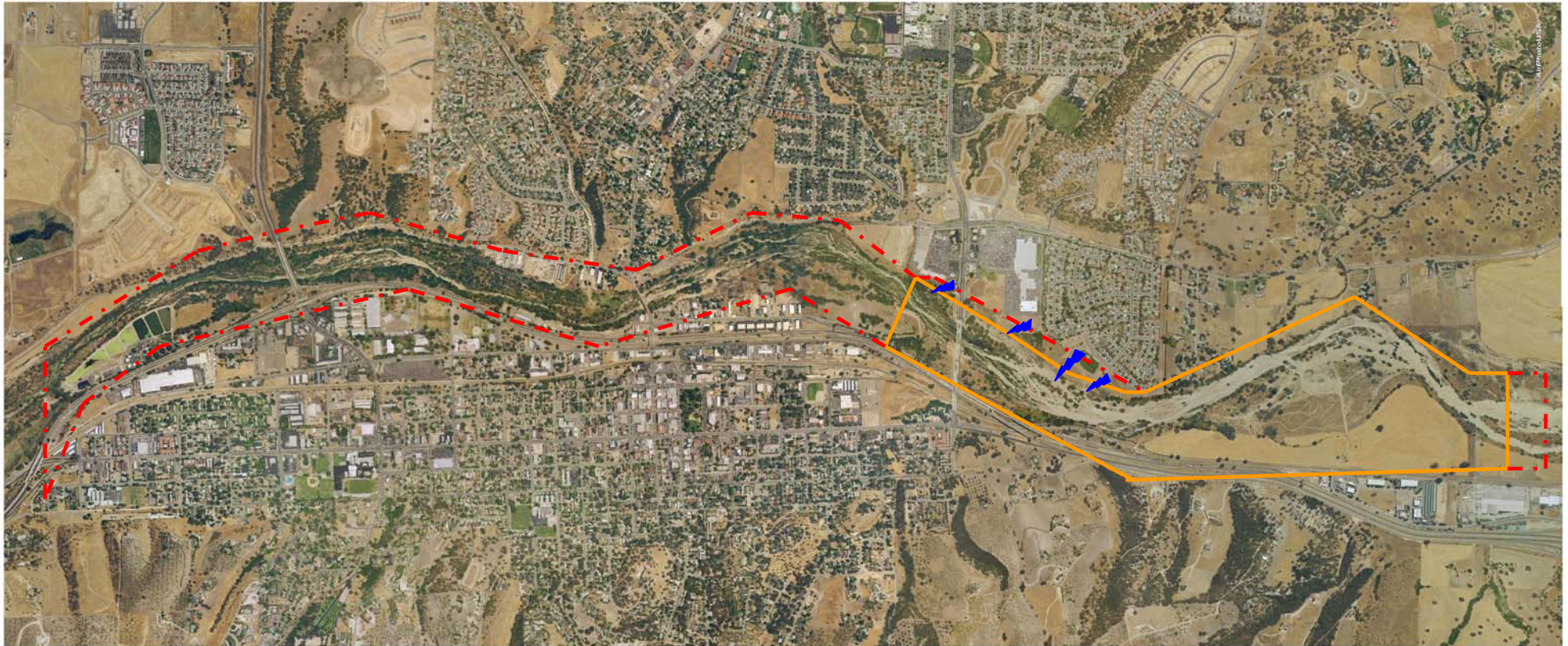
All work items listed in the Scope of Work section comply with the Cost Estimate and Schedule that are included as Attachments E and F, respectively.





Bio-Remediation Areas _____
Project Area _____

City of Paso Robles
Relationship of Project Area to Salinas River
Corridor Planning Boundary



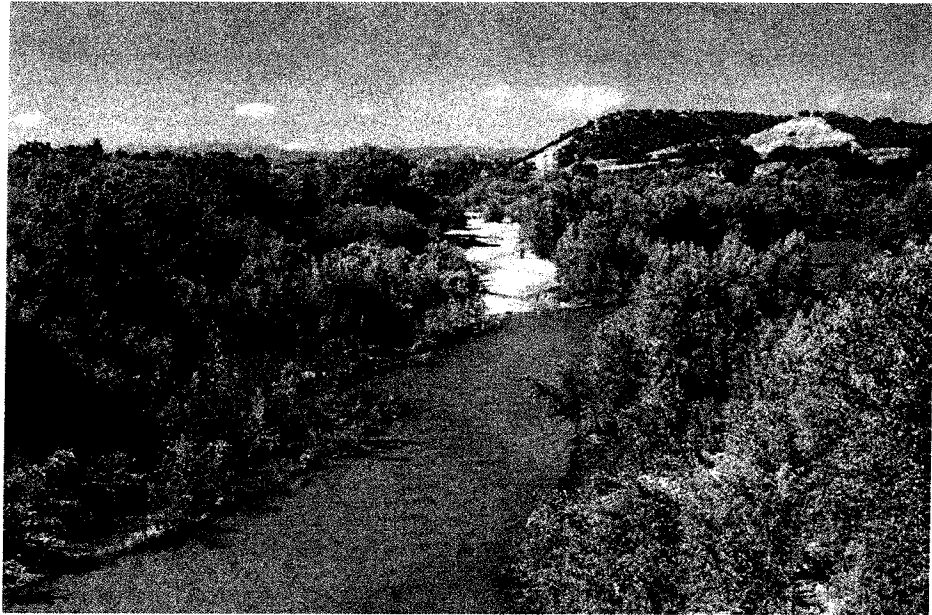
Project Area 

Corridor Planning Boundary 

Bio-Remediation Areas 

SALINAS RIVER PROJECT

NOT TO SCALE



This Project addresses many of the root causes of pollution in the Salinas River and provides substantial benefits related to pollution prevention and reduction, flood control, wetlands protection, groundwater recharge, erosion control, and habitat and species protection. In addition, this Project provides the future opportunity to implement public recreation and education benefits as part of the Salinas River Parkway.



The Project is located within the Upper Salinas River Watershed, upstream of the confluence of the Salinas and Nacimiento Rivers. It is part of the larger 4,160 square-mile Salinas River Watershed, which is critical to the health of the waters of Monterey Bay.

RESOLUTION NO. 06-XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AUTHORIZING ENTERING INTO AN AGREEMENT WITH THE STATE OF CALIFORNIA
AND DESIGNATING A REPRESENTATIVE TO SIGN THE GRANT AGREEMENT,
AND ANY AMENDMENTS THERETO,
FOR THE SALINAS RIVER PARKWAY PROJECT

WHEREAS, on June 6, 2006 the City Council adopted Resolution 06-088, to authorize the filing of a Grant Application with the State Water Resources Control Board for funding to acquire land and implement associated restoration enhancements aimed at water quality improvements along the Salinas River Corridor, and

WHEREAS, on June 9, 2006 the City filed an application with the State of California; and

WHEREAS, on September 6, 2006 the State Water Resources Control Board (State Water Board) adopted their 2005-6 Consolidated Grants Program that awarded funding to the Salinas River Parkway Project Grant; and

WHEREAS, the potential transfer of private lands to public ownership along the Salinas River Corridor and restoration of adjacent lands to the river, will present community opportunities consistent with General Plan policies on recreation/conservation, the preliminary River Corridor Plan Vision, Storm Water Management Plan and the City's Integrated Water Resources Plan (under way).

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of El Paso de Robles, to authorize the City of El Paso de Robles to enter into a Grant Agreement with the State of California; and

THEREFORE BE IT FURTHER RESOLVED, to authorize the City Manager or Assistant City Manager to sign the Grant Agreement, and any amendments thereto.

ADOPTED by the City Council of the City of El Paso de Robles at a regular meeting of said Council held on the 7th day of November 2006 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Deborah Robinson, Deputy City Clerk