



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Consent
October 30, 2007

**Honorable Mayor and
Members of the City Council**

Title: Agreements: Sunrise Side Channel Project

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) authorizing the Director of the City-County Office of Metropolitan Water Planning (CCOMWP) to execute a Grant Funding Agreement with the State of California Resources Agency in the amount of \$510,035; 2) augmenting the CCOMWP's revenue and expenditure budgets to reflect the grant amount; 3) authorizing the City Manager to execute a Professional Services Agreement with Philip Williams & Associates for technical work in support of the project, for an amount not to exceed \$117,473; and 4) suspending competitive bidding for the construction portion of the project, and 5) authorizing the City Manager to execute a construction contract with Restoration Resources for this work, for an amount not to exceed \$355,649.

Contact: Sarah Foley, (916) 808-1997, Kathy Howard, (916) 808-1995

Presenters: Not Applicable

Department: Utilities

Division: City-County Office of Metropolitan Water Planning (CCOMWP)

Organization No: 8810

Description/Analysis

Issue: The Sunrise Side Channel Project is intended to prevent dewatering and desiccation of steelhead redds (egg nests) in the project area of the lower American River. Steelhead are a native fish to the lower American River and are listed as threatened under the federal Endangered Species Act. This grant provides \$510,035 in State funding for the Project.

Policy Considerations: This report is provided in compliance with the policy direction provided by the Sacramento City Council and Sacramento County Board of Supervisors in forming the City County Office of Metropolitan Water Planning (CCOMWP), approving its work plan, and supporting the efforts of the Water Forum. On October 31, 2006, the Sacramento City Council adopted Resolution No. 2006-797 authorizing the CCOMWP to apply for this grant funding for the purpose of going forward with the project. Suspending competitive bidding in the best interests of the City for the construction portion of

the project is authorized under Section 3.60.170 of the Sacramento City Code (requires a 2/3 vote).

Environmental Considerations: The environmental review required under the California Environmental Quality Act will be performed as part of the project and is included in the project budget.

Commission/Committee Action: This project has been approved by the Water Forum Stakeholders and is a key component in the Habitat Management Element of the Water Forum Agreement.

Rationale for Recommendation: The Sunrise Side Channel Project will further the objectives of the Habitat Management Element of the Water Forum Agreement. It will enhance the production of wild spawning steelhead in the lower American River by preventing the dewatering and desiccation of steelhead redds at this site and improve interpretive facilities in the American River Parkway.

In 2004, the Sacramento Area Flood Control Agency (SAFCA), acting as lead agency on behalf of the Lower American River Task Force (LARTF), sent out a request for proposals (RFP) for a restoration project at the Lower Sunrise Side Channel site. The LARTF is the stakeholder group responsible for the production and implementation of the RCMP.

At the time of the RFP, SAFCA, the Water Forum and the California Department of Water Resources had teamed together on the project in anticipation of receiving funding to implement it through the Central Valley Project Improvement Act (CVPIA) Anadromous Fisheries Restoration Program.

In September 2004, following a rigorous evaluation and interview process spearheaded by SAFCA with participation from the CCOMWP on behalf of the Water Forum, the project team of Philip Williams & Associates, EDAW and Restoration Resources was selected as the best qualified team to provide the services necessary to implement the project (technical studies and specifications, environmental review, and project construction). However, the agencies were subsequently notified that CVPIA funding was not available.

Since then the Water Forum has taken over the lead on this project and has been actively seeking funding from other sources. In October, 2006 the City Council authorized CCOMWP, in partnership with Sacramento County Department of Regional Parks and others, to submit an application for funding through the California River Parkways Grant Program. This report requests authorization to enter into the Grant Funding Agreement in the amount of \$510,035.

Also in 2006, the CCOMWP and SAFCA took advantage of high velocity flows in the river and jointly funded preliminary data collection at the site in anticipation of eventually receiving funding to complete the project. This data was collected by Philip Williams and Associates. In 2006 the Water Forum also conducted a public workshop, bringing together local, state and federal agencies and community groups, to discuss the project and begin the design process. Members of the project team that was chosen through the RFP process in 2004 participated in these discussions and contributed their expertise on project design and construction at no cost.

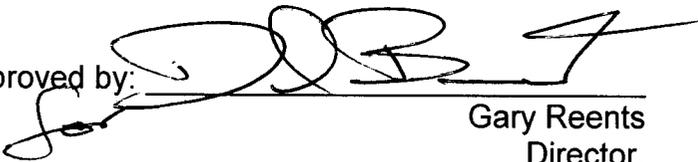
Now that grant funding is available for the project, the CCOMWP is requesting Council authorization for the contracts with Philip Williams & Associates and Restoration Resources, in order to proceed with the project. The contract with EDAW for environmental review does not require Council approval because it will be less than \$100,000.

Because the construction portion of the project was not separately bid in accordance with the City's standard construction contract procedures, it is necessary to suspend competitive bidding to execute the contract for this portion of the work, to be performed by Restoration Resources. The City Code allows the Council to suspend competitive bidding upon a finding that it is in the City's best interests. Staff believes that it is in the City's best interests to do so because (1) the project team selected as the best qualified to provide the services necessary to implement the project through the prior RFP process includes Restoration Resources for performance of the construction portion of the project, (2) Restoration Resources possesses the expertise and experience necessary to successfully perform this type of specialized restoration work, and (3) since the RFP process was concluded, this project team has continued to participate in preliminary project activities while alternative grant funding for the project has been secured.

Financial Considerations: The proposed project has no impact on the City's general fund. The total estimated cost of this project is \$729,341. Of this total estimated cost, the CCOMWP, on behalf of the Water Forum and other project partners, has spent \$149,648 to date in pre-project planning and studies. This grant provides \$510,035 from the California River Parkways Grant Program, pursuant to the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Proposition 50). As a condition of the grant, the Water Forum has committed an additional \$69,658 in cost share funding to complete the project, which is available in Fund 514 for the Habitat Management Element.

Emerging Small Business Development (ESBD): None.

Respectfully Submitted by: 
Thomas R. Gohring
Executive Director,
City-County Office of Metropolitan Water Planning

Approved by: 
Gary Reents
Director,
Department of Utilities

Recommendation Approved:


Ray Kerridge
City Manager

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Background Information:

The Lower Sunrise Side Channel is located in the lower American River about 0.4 miles downstream of the Sunrise Boulevard Bridge. The side channel cuts across a point gravel bar on the south side of the river and contains running water when the river flows exceed 3,500 cubic feet per second (cfs). At flows greater than 4,000 cfs the channel has sufficient flow to attract spawning steelhead. Steelhead spawn in the lower American River from December through March, which is coincident with flood control operations at Folsom Dam. It is common for flood control releases to exceed 4,000 cfs for several days, or more, and then to be reduced below 3,500 cfs which results in dewatering and desiccation of redds. This was documented in 2002, 2003, and 2004. In the winter of 2005/2006 a second side channel was formed that is expected to have similar issues.

The purpose of the Lower Sunrise Side Channel project is to prevent the dewatering and desiccation of steelhead redds by grading the two side channels such that water is flowing in the channels at river flows as low as 1,500 cfs. An interpretive component will improve the public's understanding and appreciation of this threatened species in the heavily used publicly accessible American River Parkway.

This project is a priority action under the Fisheries and Instream Habitat Plan, which is incorporated into the River Corridor Management Plan (RCMP). The RCMP is a coordinated approach to management of the lower American River that was developed and endorsed by 38 organizations and local governments in 2002, including the City of Sacramento. Further, the project is a key project under the Habitat Management Element (HME) of the Water Forum Agreement, of which the City is a signatory. The HME implements one of the Agreement's co-equal objectives, which is to preserve the fishery, wildlife, recreational and aesthetic values of the lower American River. The Grant provides funding for the project under the California River Parkways Grant Program, pursuant to the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Proposition 50).

Under the inter-agency agreement governing operation of the CCOMWP, the City Council acts as the approval authority for contract items such as this.

In 2004, the Sacramento Area Flood Control Agency (SAFCA), acting as lead agency on behalf of the Lower American River Task Force (LARTF), sent out a request for proposals (RFP) for a restoration project at the Lower Sunrise Side Channel site. The LARTF is the stakeholder group responsible for the production and implementation of the RCMP.

At the time of the RFP, SAFCA, the Water Forum and the California Department of Water Resources had teamed together on the project in anticipation of receiving funding to implement it through the Central Valley Project Improvement Act (CVPIA) Anadromous Fisheries Restoration Program.

In September 2004, following a rigorous evaluation and interview process spearheaded by SAFCA with participation from the CCOMWP on behalf of the Water Forum, the

project team of Philip Williams & Associates, EDAW and Restoration Resources was selected as the best qualified team to provide the services necessary to implement the project (technical studies and specifications, environmental review, and project construction). However, the agencies were subsequently notified that CVPIA funding was not available.

Since then the Water Forum has taken over the lead on this project and has been actively seeking funding from other sources. In October, 2006 the City Council authorized CCOMWP, in partnership with Sacramento County Department of Regional Parks and others, to submit an application for funding through the California River Parkways Grant Program. This report requests authorization to enter into the Grant Funding Agreement in the amount of \$510,035.

Also in 2006, the CCOMWP and SAFCA took advantage of high velocity flows in the river and jointly funded preliminary data collection at the site in anticipation of eventually receiving funding to complete the project. This data was collected by Philip Williams and Associates. In 2006 the Water Forum also conducted a public workshop, bringing together local, state and federal agencies and community groups, to discuss the project and begin the design process. Members of the project team that was chosen through the RFP process in 2004 participated in these discussions and contributed their expertise on project design and construction at no cost.

Now that grant funding is available for the project, the CCOMWP is requesting Council authorization for the contracts with Philip Williams & Associates and Restoration Resources, in order to proceed with the project. The contract with EDAW for environmental review does not require Council approval because it will be less than \$100,000.

Because the construction portion of the project was not separately bid in accordance with the City's standard construction contract procedures, it is necessary to suspend competitive bidding to execute the contract for this portion of the work, to be performed by Restoration Resources. The City Code allows the Council to suspend competitive bidding upon a finding that it is in the City's best interests. Staff believes that it is in the City's best interests to do so because (1) the project team selected as the best qualified to provide the services necessary to implement the project through the prior RFP process includes Restoration Resources for performance of the construction portion of the project, (2) Restoration Resources possesses the expertise and experience necessary to successfully perform this type of specialized restoration work, and (3) since the RFP process was concluded, this project team has continued to participate in preliminary project activities while alternative grant funding for the project has been secured.

RESOLUTION NO.

Adopted by the Sacramento City Council

SUNRISE SIDE CHANNEL PROJECT

BACKGROUND

- A. The State of California funds the California River Parkways Grant Program under the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Proposition 50).
- B. On October 31, 2006, the Sacramento City Council adopted Resolution No. 2006-797 authorizing the City County Office of Metropolitan Water Planning (CCOMWP) to apply for grant funding from the California River Parkways Grant Program for the Sunrise Side Channel Project on the American River (the "Project"). The Project will protect steelhead redds in the project area from drying up during river fluctuations, and will enhance the production of wild spawning steelhead in the lower American River and interpretive facilities in the American River Parkway.
- C. This grant funding has been awarded, in the amount of \$510,035, subject to execution of the Grant Funding Agreement.
- D. In 2004, the Sacramento Area Flood Control Agency (SAFCA), acting as lead agency on behalf of the Lower American River Task Force, sent out a request for proposals (RFP) for the Project. In September 2004, following a rigorous evaluation and interview process spearheaded by SAFCA with participation from the CCOMWP on behalf of the Water Forum, the project team of Philip Williams & Associates, EDAW and Restoration Resources was selected as the best qualified team to provide the services necessary to implement the project (technical studies and specifications, environmental review, and project construction). However, the agencies were subsequently notified that the anticipated federal funding for the Project was not available.
- E. Since then, the CCOMWP, on behalf of the Water Forum, took over the lead on the Project and began seeking funding from other sources, resulting in the \$510,035 grant from the California River Parkways Grant Program.
- F. Because the construction portion of the Project was not separately bid in accordance with the City's standard construction contract procedures, it is necessary to suspend competitive bidding to execute the contract with Restoration Resources for this portion of the work. It is in the City's best interests to suspend competitive bidding for this work because (1) the Project team selected as the best qualified to provide the services necessary to

implement the project through the prior RFP process includes Restoration Resources for performance of the construction portion of the project, (2) Restoration Resources possesses the expertise and experience necessary to successfully perform this type of specialized restoration work, and (3) since the RFP process was concluded, this Project team has continued to participate in preliminary Project activities while alternative grant funding was secured.

- G. Awarding contracts to the Project team for performance of the Project does not require any funding from the City's general fund.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The CCOMWP Director is authorized to execute a Grant Funding Agreement with the State of California Resources Agency for the Sunrise Side Channel project, in the amount of \$510,035.

Section 2. The CCOMWP's FY2007-08 Revenue and Expense Budgets shall be augmented as follows:

Revenue: 514-OGR-G722-3511 \$510,035

Expenditures: 514-OGR-G722-4258 \$510,035

Section 3. The City Manager is authorized to execute a Professional Services Agreement with Philip Williams & Associates for technical work in support of the Project, for an amount not to exceed \$117,473.

Section 4. In the best interests of the City, competitive bidding is suspended for the construction portion of the Project, and the City Manager is to execute a contract with Restoration Resources for this work, for an amount not to exceed \$355,649.