MEMORANDUM

Date: February 13, 2014

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: C.H. Huckelberry,
County Administrator

Re: **Flood Control District Advisory Committee – Arroyo Chico**

Enclosed please find a communication I recently directed to the Flood Control District Advisory Committee (FCDAC) to obtain their views on policy recommendations with regard to two issues highlighted in our recent sponsoring of the Tucson Drainage Area project known as Arroyo Chico.

The Regional Flood Control District (RFCD) is now making an additional payment to finish the High School Wash component of Arroyo Chico. This additional allocation will be on the Board's agenda of February 18, 2014 for approval. It essentially adds certain costs to be reimbursed by the RFCD. These costs are basically for utility relocations and betterments requested by the City of Tucson, as well as a $100,000 contingency. I have recommended that the Board make these allocations without qualification to bring this longstanding and significant flood control investment to completion.

Over time, the RFCD has contributed $18.7 million to the overall project, which now totals $45 million. The estimated final phase of $3.7 million of federal funds will complete the project. The County, however, is required to contribute an additional $1,177,000 to pay for a) betterments requested by the City of Tucson, b) utility relocation and c) a contingency.

The water utility relocation cost is a cost of the RFCD entirely since the RFCD is not included in the intergovernmental agreement (IGA), license agreement and supplemental IGA between the City and County regarding the sewer merger. This is a technicality that allows the City to avoid their normal financial obligation of sharing this utility relocation cost. I have asked the Flood Control Advisory Committee to make policy recommendations to the Board regarding a) whether any future flood control project requested for the benefit of a single jurisdiction should pay all utility relocation costs or whether these utility relocation costs should be at the expense of the benefiting jurisdiction; b) whether there should be any payment by the RFCD for project betterments requested by a jurisdiction; and c) whether the RFCD should have a local match requirement to sponsor jurisdictional requests for flood control projects very similar to the federal government, which requires a 35-percent local match to any federal dollars

expended for flood control purposes. Requiring a jurisdictional match would ensure the jurisdiction places a priority on the project funding request they are making to the RFCD.

We await the recommendation of the FCDAC. In the meantime, I recommend the Board approve the additional funding to complete the High School Wash component of the Arroyo Chico project as presented on the February 18, 2014 agenda.

CHH/dr

Attachment

c: John Bernal, Deputy County Administrator for Public Works
Suzanne Shields, Director, Regional Flood Control District

MEMORANDUM

Date: February 11, 2014

To: Chair and Members
Flood Control District Advisory Committee

From: C.H. Huckelberry
County Administrator

Re: **Additional Resolution No. 2014-FC Authorizing an Increase in the Local Costs Associated with the Tucson Drainage Area Project, also known as Arroyo Chico**

It is important to know that Pima County's Regional Flood Control District (RFCD) is nearing the end of the multiyear Tucson Drainage Area Project, also known as Arroyo Chico. This project first began with the Randolph South Detention project (now the Dell Urich Golf Course), which was followed by the development of additional detentions basins at Cherry Field and Park Avenue.

The County has contributed $18,737,000 to the Corps as required local matches in implementing the various projects and project cost components. Total project costs are now $45 million, including the federal project costs. The High School Wash box culvert storm drain is the final phase of this project and is estimated to cost $3,750,000. Had the County not already paid a local match, we would be contributing an additional $1,325,000, or 35 percent of the project cost. However, the County has already met all of the local match obligations for the overall project; hence, no additional local match is required.

The amount of funds that have been deposited with the US Army Corps of Engineers over the years to cover our local match requirements and other project financial obligations has only $202,000 in funding authority remaining. An additional contribution from the RFCD is needed to provide financial assurances of additional local sponsored cost, which are not required matching funds, but are to offset costs associated with project betterments requested by the City of Tucson of $652,000, as well as a utility relocation of $425,000 required of the local sponsor as a result of constructing the box culvert storm drain. The total cost of the utility relocation related to water utilities is $207,240

As you know, this project has received some media attention recently due to intermingling with the streetcar testing and the Fourth Avenue Spring Street Fair. I communicated with the Board of Supervisors in a January 17, 2014 memorandum, which explained that the costs now being requested are related primarily to the storm drain, a betterment request of

the City of Tucson and a utility relocation. To now cover these costs and have a total $100,000 contingency for the project, the RFCD must deposit another $975,000 to our remaining balance of $202,000.

As I indicated in my January 21, 2014 memorandum to Suzanne Shields, a policy needs to be developed that identifies local government cost sharing for betterments and utility relocation costs where the local governing agency is requesting capital improvements from RFCD to ensure the local jurisdiction requesting the improvement has placed a priority on its implementation and is willing to commit its local funds to project completion. I would suggest the Board so direct such policy development for your consideration.

CHH/anc

Attachment

c: John Bernal, Deputy County Administrator for Public Works
Suzanne Shields, Director, Regional Flood Control District

RESOLUTION NO. 2014-FC_____

A RESOLUTION OF THE PIMA COUNTY FLOOD CONTROL DISTRICT BOARD OF DIRECTORS APPROVING A CONTRIBUTION OF ADDITIONAL FUNDING FOR PHASE 3 OF THE TUCSON DRAINAGE AREA PROJECT *(District 5)*

WHEREAS, the Tucson Drainage Area Project, also known as the Arroyo Chico Drainage Improvement Project, is a multi-year federally funded project that the Pima County Flood Control District (District), as the local sponsor, initiated with the U.S. Army Corps of Engineers (ACOE) in 1999 under Federal Contract Number 01-04-125833-0499, and

WHEREAS, the Tucson Drainage Area Project ("the Project") was authorized by Section 101 (a) (5) of the Water Resources Development Act of 1999 (WRDA 1999) and Public Law 106-53 to provide flood protection within the central area of the City of Tucson which includes the Arroyo Chico Wash and its tributaries, and

WHEREAS, the final phase of the Project ("Phase 3") is the construction of the High School Wash Storm Drain and Channel Improvements upstream of Campbell Avenue, which has been approved and funded by the ACOE, and

WHEREAS, the ACOE has determined that the District's share of costs for Phase 3 is $1,077,000.00, which includes the local share for the construction of the storm drain improvements and $425,000.00 in utility relocation costs, and

WHEREAS, the District's current funding agreement with the ACOE, Contract Number CT14*198, has $202,000.00 in remaining funds which will be credited toward the District's share of the costs for Phase 3,

NOW, THEREFORE, upon motion duly made, seconded and carried, be it resolved that:

1. The Board hereby approves and authorizes the District to contribute $975,000.00 in additional funds to Phase 3 of the Tucson Drainage Area Project, which represents the local sponsor's estimated share of $1,077,000.00 plus $100,000.00 in contingency funds, and minus the $202,000 in remaining funds in Contract Number CT14*198.

2. The Board further authorizes the Procurement Director to add the $975,000.00 of District funds to Contract Number CT14*198.

3. The appropriate District officers and employees are hereby authorized and directed to perform all acts necessary and desirable to give effect to this Resolution.

PASSED, ADOPTED AND APPROVED this _____ day of _____, 2014.

PIMA COUNTY REGIONAL FLOOD CONTROL DISTRICT
BOARD OF DIRECTORS

_____
Sharon Bronson, Chair

Attest:

_____
Clerk of the Board

Approved as to form:

_____
Deputy County Attorney