

Meeting of the
Central Valley Flood Protection Board

Department of Water Resources
Staff Report
FloodSAFE Environmental Stewardship and Statewide Resource Office
Delta Levees Flood Protection Program
Delta Levees Maintenance Subventions Program

September 13, 2013

I) INTRODUCTION:

The Delta Levees Maintenance Subventions Program is authorized by the California Water Code, Sections 12980 thru 12995. The Subventions Program has been in effect since passage of the Way Bill in 1973 which has been modified periodically by Legislation. The Water Code Section 12981 states the intent of the legislature as ***“...the physical characteristics of the delta should be preserved essentially in their present form; and that the key to preserving the delta's physical characteristics is the system of levees defining the waterways and producing the adjacent islands...”***

Water Code Section 12987(a) states: ***“Local agencies maintaining project or nonproject levees shall be eligible for reimbursement pursuant to this part upon submission to and approval by the board of plans for the maintenance and improvement of the project or nonproject levees, including plans for the annual routine maintenance of the levees, in accordance with the criteria adopted by the board.”***

DWR staff, on behalf of the Central Valley Flood Protection Board (Board), evaluates applications submitted by local agencies, i.e. reclamation districts and levee maintaining districts, and presents its recommendations to the Board. The Board reviews and approves staff recommendations prior to any agreements being executed between the parties. If approved, the Board will enter into agreements with the local agencies. The agreements are to reimburse local agencies for eligible costs as permitted by the law.

II) GUIDELINES: PROCEDURES AND CRITERIA

Water Code Section 12984 requires the Department of Water Resources to develop and submit to the Central Valley Flood Protection Board, for adoption by the Board, criteria for the maintenance and improvement of nonproject and eligible project levees.

DWR requires guidelines for all expenditures under Proposition 1E (*Disaster Preparedness and Flood Prevention Bond Act of 2006*) and/or Proposition 84 (*The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006*). To meet both of these requirements, DWR developed the Delta Levees Maintenance Subventions Program Guidelines: Procedures and Criteria approved by the Board on September 23, 2011.

III) FUNDING:

Historically, the Subventions Program has reimbursed an average of about \$6 million annually. Since the passage of Propositions 1E and 84, the funding level for the Subventions Program has significantly increased. The increased funding has allowed the program to reimburse between \$8 million and \$16 million each year. This increased funding has covered maintenance and rehabilitation works of nearly 700 miles of project and non-project levees. The table below summarizes the Board approved maximum reimbursement and the actual state reimbursement through the Subventions Program. Funding details for the proposed and recent fiscal years are discussed in the paragraphs that follow.

Fiscal Year	Maximum Reimbursement (\$)	Total Project Cost (\$)	Local Share (\$)	State Reimbursement (\$)
2007-2008	25.75 million	23 million	7 million	16 million
2008-2009	20 million	17 million	5 million	12 million
2009-2010	18 million	13 million	4 million	9 million
2010-2011	15 million	16 million	5 million	11 million
2011-2012	12 million	11 million	3 million	8 million
2012-2013	12 million	Final Claims due November 1, 2013		
2013-2014	12 million (Proposed)	Final Claims due November 1, 2014		

Fiscal Year 2007-08:

The allocated funding for FY 07-08 was \$25.75 million. The board executed 65 work agreements with local levee maintaining agencies for work to be completed between July 1, 2007 and June 30, 2008. Staff received 60 final claims from local agencies totaling about \$23 million of completed work, of which approximately \$16 million was state cost share and \$7 million was local cost share. The unused state cost share funds reverted back to the source, Proposition 84.

Fiscal Year 2008-09:

The allocated funding for FY 08-09 was \$20 million. The board executed 66 work agreements with local levee maintaining agencies for work to be completed between July 1, 2008 and June 30, 2009. Staff received 63 final claims from local agencies totaling about \$17 million of completed work, of which approximately \$12 million was state cost share and \$5 million was local cost share. The unused state cost share funds reverted back to the source, Proposition 84.

Fiscal Year 2009-10:

The allocated funding for FY 09-10 was \$18 million. The board executed 66 work agreements with local levee maintaining agencies for work to be completed between July 1, 2009 and June 30, 2010. Staff received 62 final claims from local agencies totaling about \$13 million of completed work, of which approximately \$9 million was state cost share and \$4 million was local cost share. The unused state cost share funds reverted back to the source, Proposition 84.

Fiscal Year 2010-11:

The allocated funding for FY 10-11 was \$15 million. The board executed 65 work agreements with local levee maintaining agencies for work to be completed between July 1, 2010 and June 30, 2011. Staff received 61 final claims from local agencies totaling about \$16 million of completed work, of which approximately \$11 million was state cost share and \$5 million was local cost share. The unused state cost share funds reverted back to the source, Proposition 84.

Fiscal Year 2011-12:

The allocated funding for FY 11-12 was \$12 million. The board executed 65 work agreements with local levee maintaining agencies for work to be completed between July 1, 2011 and June 30, 2012. Staff received 61 final claims from local agencies totaling about \$11 million of completed work, of which approximately \$8 million was state cost share and \$3 million was local cost share. The unused state cost share funds reverted back to the source, Proposition 1E.

Fiscal Year 2012-13:

The allocated funding for FY 12-13 is \$12 million. The board executed 65 work agreements with local levee maintaining agencies for the work completed between July 1, 2012 and June 30, 2013. The deadline to submit final claims is November 1, 2013.

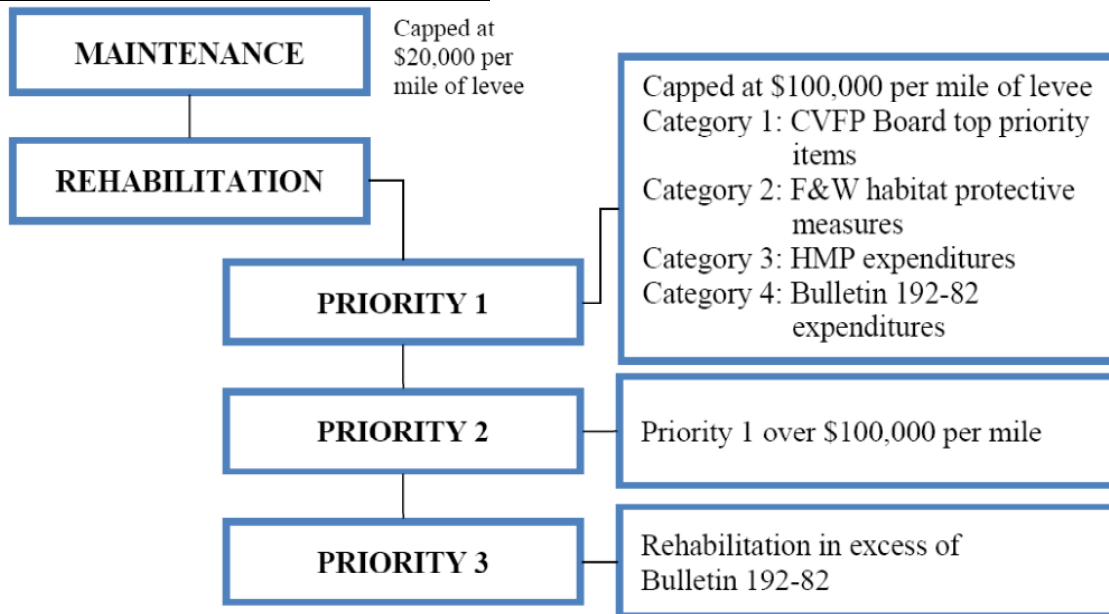
Fiscal Year 2013-14:

The allocated funding for this fiscal year is proposed to be \$12 million. This amount is a reasonable funding level and is the outcome of discussions between staff and the stakeholders. The source of this funding is Proposition 1E.

Staff has received 67 applications totaling approximately \$54 million. Tables 1 thru 3 are prepared for the Board's review and approval. Table 1 lists application amounts by

local maintaining agencies and shows the eligible amount of reimbursements by priority, as defined in the Guidelines: Procedures and Criteria and as shown in Funding Prioritization Scheme (see Figure 1). Table 2 presents the FY 13-14 Funding Plan setting the maximum reimbursement and allocating the proposed \$12 million and the corresponding advance amount. Table 3 provides a summary of reimbursements and corresponding rates for each priority up to the proposed funding of \$12 million.

Figure 1 – Funding Prioritization Scheme



IV) STAFF RECOMMENDATIONS:

Staff recommends the following:

- 1) Board approve Table 2, which establishes maximum reimbursement amounts and the limit on advances providing that the approval is conditional upon DWR receiving adequate funding level to proceed with the Subventions Program.
- 2) Authorize DWR staff to proceed with preparation and circulation of the work agreements for signature by the Board’s Executive Officer.

Tables and Attachments:

Table 1	Application Amounts by Priority
Table 2	Funding Plan
Table 3	Summary of Estimated Reimbursements

Table 1
2013-14 DELTA LEVEE MAINTENANCE SUBVENTIONS PROGRAM
APPLICATION AMOUNTS BY PRIORITY

RD NO	District Name	Levee Length Miles	Application Amount \$	Net Allowable Maintenance \$	Levee Rehabilitation						
					Priority One					Priority 2 \$	Priority 3
					Category 2 Fish & Wild. \$	Category 3 HMP \$	Category 4 Eligible Bull.192-82 \$				
2126	Atlas Tract	2.3	114,000	43,700	5,000	0	63,000	0	0		
2028	Bacon Island	14.4	360,000	273,600	0	0	72,000	0	0		
BIMID	Bethel Island MID	11.5	1,230,000	218,500	21,000	0	979,000	0	0		
2042	Bishop Tract	7.8	216,500	148,200	2,500	50,000	8,000	0	0		
404	Boggs Tract	0.7	161,000	13,300	4,500	0	65,500	77,000	0		
756	Bouldin Island	18	3,006,000	342,000	0	300,000	1,500,000	846,000	0		
2033	Brack Tract	10.8	945,000	205,200	0	0	729,000	0	0		
2059	Bradford Island	7.4	245,003	117,600	33,334	0	83,335	3,334	0		
BALMD	Brannan-Andrus LMD	29.4	2,520,000	558,600	159,000	0	1,773,000	0	0		
800	Byron Tract	9.7	807,500	184,300	10,000	150,000	453,500	0	0		
2098	Cache-Haas Slough	11	152,500	141,000	500	0	0	0	0		
2117	Coney Island	5.4	139,500	102,600	3,500	0	28,000	0	0		
2111	Deadhorse Island	2.6	240,000	49,400	9,000	100,000	79,000	0	0		
2137	Dutch Slough	3.8	582,700	72,200	4,000	311,200	64,800	126,700	0		
536	Egbert Tract	10.6	109,000	98,400	0	0	0	0	0		
2029	Empire Tract	10.5	1,035,000	199,500	0	720,000	105,000	0	0		
773	Fabian Tract	18.8	300,500	270,700	11,000	0	0	0	0		
2113	Fay Island	1.6	245,500	30,400	26,500	100,000	33,500	53,500	0		
3	Grand Island	28.8	2,871,000	547,200	0	0	2,295,000	0	0		
3	Grand Island - Easement	0	80,000	0	0	0	0	80,000	0		
2060	Hasting Tract	16	527,500	304,000	0	0	207,500	0	0		
2025	Holland Tract	11	423,000	209,000	0	150,000	53,000	0	0		
799	Hotchkiss Tract	8.9	178,000	169,100	0	0	0	0	0		
830	Jersey Island	15.5	1,531,000	294,500	688,000	115,000	418,000	0	0		
2038	Jones Island, Lower	9	716,661	157,662	100,000	0	416,665	33,334	0		
2039	Jones Island, Upper	9.3	1,033,334	176,700	100,000	0	714,000	33,334	0		
2044	King Island	9.1	800,000	172,900	0	595,000	23,000	0	0		
307	Lisbon	6.6	367,500	125,400	35,000	0	200,500	0	0		
2027	Mandeville Island	14.3	4,920,000	271,700	0	800,000	630,000	3,204,000	0		
2110	McCormack-Wm. Tract	8.8	245,000	167,200	0	0	69,000	0	0		
2030	McDonald Island	13.7	3,680,000	260,300	25,000	1,345,000	0	2,036,000	0		
2041	Medford Island	5.9	554,000	112,100	0	250,000	186,000	0	0		
150	Merritt Island	18.1	575,000	343,900	0	0	213,000	0	0		
999	Netherlands	32.4	418,000	375,600	10,000	0	0	0	0		
348	New Hope Tract	17.4	812,000	330,600	125,000	200,000	139,000	0	0		
2024	Orwood/Palm Tract	13.9	1,166,669	186,100	100,000	0	833,335	33,334	0		
1007	Pico Naglee	8.3	119,995	33,362	33,334	0	41,665	3,334	0		
551	Pearson District	14.1	656,000	267,900	0	0	374,000	0	0		
2058	Pescadero District	2.5	130,000	47,500	5,000	20,000	55,000	0	0		
2090	Quimby Island	7	322,500	133,000	12,500	50,000	120,000	0	0		
2037	Rindge Tract	15.8	782,000	300,200	0	325,000	141,000	0	0		
684	Roberts Island, Lower	16	733,331	250,662	100,000	0	333,335	33,334	0		
524	Roberts Island, Middle	9.7	246,000	184,300	4,500	0	47,500	0	0		
544	Roberts Island, Upper	15	531,000	285,000	5,000	0	226,000	0	0		
403	Rough & Ready Island	6.8	255,500	129,200	12,500	0	107,000	0	0		
501	Ryer Island	20.6	362,500	319,400	22,500	0	0	0	0		
2074	Sargent-Barnhart	3.5	5,489,200	66,500	232,500	0	117,500	5,069,200	0		
341	Sherman Island	19.5	782,000	370,500	15,000	0	377,000	0	0		
2115	Shima tract	6.6	119,000	95,900	16,500	0	0	0	0		
1614	Smith Tract	2.8	551,500	53,200	25,000	0	255,000	215,500	0		
2089	Stark Tract	3.5	263,500	66,500	2,000	0	191,500	0	0		
38	Staten Island	24.6	1,230,000	467,400	15,000	450,000	273,000	0	0		
548	Terminus Tract	16.1	733,333	233,900	33,334	0	416,665	33,334	0		
1601	Twitchell Island	11.9	453,500	226,100	11,500	25,000	179,000	0	0		
563	Tyler Island	22.9	682,500	435,100	15,000	150,000	59,500	0	0		
1	Union Island, East	14	485,000	266,000	25,000	0	180,000	0	0		
2	Union Island, West	16.2	523,500	307,800	10,000	0	189,500	0	0		
1607	Van Sickle Island	3.7	201,500	70,300	0	0	127,500	0	0		
2065	Veale Tract	5.1	520,000	96,900	0	390,000	28,000	0	0		
2023	Venice Island	12.3	730,125	233,700	15,000	469,125	0	0	0		
2040	Victoria Island	15.1	399,000	286,900	10,000	87,000	0	0	0		
554	Walnut Grove	3.4	95,000	40,600	6,000	0	45,000	0	0		
2026	Webb tract	12.9	376,500	245,100	0	0	118,500	0	0		
828	Weber Tract	1.7	411,668	32,300	33,334	0	136,666	207,668	0		
2122	Winter Island	4.8	676,500	91,200	0	480,000	0	100,500	0		
2072	Woodward Island	8.8	716,661	157,862	100,000	0	416,665	33,334	0		
2119	Wright-Elmwood Tract	7.1	615,500	134,900	30,000	0	443,500	0	0		
2068	Yolano	8.7	165,000	156,300	0	0	0	0	0		
	Total 67 Districts	756.0	53,667,680	13,358,648	2,263,336	7,632,325	17,434,631	12,222,740	0		

**Table 2
2013-14 DELTA LEVEE MAINTENANCE SUBVENTIONS PROGRAM
FUNDING PLAN**

RD NO	Name (Engineer)	Application Amount \$ (1)	Levee Length Miles (2)	Deductible	Eligible Costs \$ (4)	Maximum	Estimated	Advance
				\$ Per Mile (3)		Reimbursement 75 % of (4) \$ (5)	Available Reimbursement \$ (6)	
2126	Atlas Tract (KSN)	114,000	2.3	(2,300)	111,700	83,775	36,525	27,394
2028	Bacon Island (MBK)	360,000	14.4	(14,400)	345,600	259,200	205,200	153,900
BIMID	Bethel Island MID (GEI)	1,230,000	11.5	(11,500)	1,218,500	913,875	179,625	134,719
2042	Bishop Tract (KSN)	216,500	7.8	(7,800)	208,700	156,525	114,882	86,162
404	Boggs Tract (KSN)	161,000	0.7	(700)	160,300	120,225	13,350	10,012
756	Bouldin Island (MBK)	3,006,000	18.0	(18,000)	2,988,000	2,241,000	267,644	200,733
2033	Brack Tract (MBK)	945,000	10.8	(10,800)	934,200	700,650	153,900	115,425
2059	Bradford Island (Green Mt.)	245,003	7.4	(7,400)	237,603	178,202	113,200	84,900
BALMD	Brannan-Andrus LMD (DCC)	2,520,000	29.4	(29,400)	2,490,600	1,867,950	538,200	403,650
800	Byron Tract (KSN)	807,500	9.7	(9,700)	797,800	598,350	151,297	113,473
2098	Cache-Haas Slough (MBK)	152,500	11.0	(11,000)	141,500	106,125	106,125	79,594
2117	Coney Island (KSN)	139,500	5.4	(5,400)	134,100	100,575	79,575	59,681
2111	Deathorse Island (KSN)	240,000	2.6	(2,600)	237,400	178,050	47,515	35,636
2137	Dutch Slough (MBK)	582,700	3.8	(3,800)	578,900	434,175	68,710	51,532
536	Egbert Tract (MBK)	109,000	10.6	(10,600)	98,400	73,800	73,800	55,350
2029	Empire Tract (MBK)	1,035,000	10.5	(10,500)	1,024,500	768,375	176,370	132,278
773	Fabian Tract (KSN)	300,500	18.8	(18,800)	281,700	211,275	211,275	158,456
2113	Fay Island (KSN)	245,500	1.6	(1,600)	243,900	182,925	46,390	34,792
3	Grand Island (MBK)	2,871,000	28.8	(28,800)	2,842,200	2,131,650	410,400	307,800
3	Grand Island - Easement (MBK)	80,000	-	0	80,000	60,000	0	0
2060	Hasting Tract (MBK)	527,500	16.0	(16,000)	511,500	383,625	228,000	171,000
2025	Holland Tract (MBK)	423,000	11.0	(11,000)	412,000	309,000	162,322	121,742
799	Hotchkiss Tract (HDR)	178,000	8.9	(8,900)	169,100	126,825	126,825	95,119
830	Jersey Island (MBK)	1,531,000	15.5	(15,500)	1,515,500	1,136,625	741,147	555,860
2038	Jones Island, Lower (Green Mt.)	716,661	9.0	(9,000)	707,661	530,746	193,246	144,934
2039	Jones Island, Upper (Green Mt.)	1,033,334	9.3	(9,300)	1,024,034	768,026	207,525	155,644
2044	King Island (MBK)	800,000	9.1	(9,100)	790,900	593,175	151,777	113,833
307	Lisbon (KSN)	367,500	6.6	(6,600)	360,900	270,675	120,300	90,225
2027	Mandeville Island (KSN)	4,920,000	14.3	(14,300)	4,905,700	3,679,275	233,492	175,119
2110	McCormack-Wm. Tract (MBK)	245,000	8.8	(8,800)	236,200	177,150	125,400	94,050
2030	McDonald Island (KSN)	3,680,000	13.7	(13,700)	3,666,300	2,749,725	263,937	197,953
2041	Medford Island (MBK)	554,000	5.9	(5,900)	548,100	411,075	93,362	70,022
150	Merritt Island (MBK)	575,000	18.1	(18,100)	556,900	417,675	257,925	193,444
999	Netherlands (MBK)	418,000	32.4	(32,400)	385,600	289,200	289,200	216,900
348	New Hope Tract (W&B)	812,000	17.4	(17,400)	794,600	595,950	349,129	261,847
2024	Orwood/Palm Tract (Green Mt.)	1,166,669	13.9	(13,900)	1,152,769	864,577	214,575	160,931
1007	Pico Naglee (Green Mt.)	119,995	8.3	(8,300)	111,695	83,771	50,022	37,516
551	Pearson District (MBK)	656,000	14.1	(14,100)	641,900	481,425	200,925	150,694
2058	Pescadero District (G&K)	130,000	2.5	(2,500)	127,500	95,625	40,118	30,088
2090	Quimby Island (KSN)	322,500	7.0	(7,000)	315,500	236,625	110,982	83,236
2037	Rindge Tract (MBK)	782,000	15.8	(15,800)	766,200	574,650	237,223	177,917
684	Roberts Island, Lower (Green Mt)	733,331	16.0	(16,000)	717,331	537,998	262,996	197,247
524	Roberts Island, Middle (KSN)	246,000	9.7	(9,700)	236,300	177,225	141,600	106,200
544	Roberts Island, Upper (KSN)	531,000	15.0	(15,000)	516,000	387,000	217,500	163,125
403	Rough & Ready Island (KSN)	255,500	6.8	(6,800)	248,700	186,525	106,275	79,706
501	Ryer Island (KSN)	362,500	20.6	(20,600)	341,900	256,425	256,425	192,319
2074	Sargent-Barnhart (Siegfried)	5,489,200	3.5	(3,500)	5,485,700	4,114,275	224,250	168,188
341	Sherman Island (W&B)	782,000	19.5	(19,500)	762,500	571,875	289,125	216,844
2115	Shima tract (KSN)	119,000	6.6	(6,600)	112,400	84,300	84,300	63,225
1614	Smith Tract (KSN)	551,500	2.8	(2,800)	548,700	411,525	58,650	43,988
2089	Stark Tract (KSN)	263,500	3.5	(3,500)	260,000	195,000	51,375	38,531
38	Staten Island (DCC)	1,230,000	24.6	(24,600)	1,205,400	904,050	378,516	283,887
548	Terminus Tract (Green Mt.)	733,333	16.1	(16,100)	717,233	537,925	200,426	150,320
1601	Twitchell Island (KSN)	453,500	11.9	(11,900)	441,600	331,200	179,129	134,347
563	Tyler Island (KSN)	682,500	22.9	(22,900)	659,600	494,700	343,147	257,360
1	Union Island, East (KSN)	485,000	14.0	(14,000)	471,000	353,250	218,250	163,688
2	Union Island, West (KSN)	523,500	16.2	(16,200)	507,300	380,475	238,350	178,762
1607	Van Sickle Island (MBK)	201,500	3.7	(3,700)	197,800	148,350	52,725	39,544
2065	Veale Tract (MBK)	520,000	5.1	(5,100)	514,900	386,175	87,162	65,372
2023	Venice Island (KSN)	730,125	12.3	(12,300)	717,825	538,369	203,950	152,961
2040	Victoria Island (KSN)	399,000	15.1	(15,100)	383,900	287,925	225,907	169,430
554	Walnut Grove (DCC)	95,000	3.4	(3,400)	91,600	68,700	34,950	26,212
2026	Webb tract (MBK)	376,500	12.9	(12,900)	363,600	272,700	183,825	137,869
828	Weber Tract (Green Mt.)	411,668	1.7	(1,700)	409,968	307,476	49,226	36,920
2122	Winter Island (MBK)	676,500	4.8	(4,800)	671,700	503,775	86,230	64,672
2072	Woodward Island (Green Mt.)	716,661	8.8	(8,800)	707,861	530,896	193,396	145,047
2119	Wright-Elmwood Tract (KSN)	615,500	7.1	(7,100)	608,400	456,300	123,675	92,756
2068	Yolano (MBK)	165,000	8.7	(8,700)	156,300	117,225	117,225	87,919
Total 67 Districts		53,667,680	756.0	(756,000)	52,911,680	39,683,761	12,000,000	9,000,000

Table 3
2013-14 DELTA LEVEE MAINTENANCE SUBVENTIONS PROGRAM
ESTIMATED REIMBURSEMENT SUMMARY

Levee Costs Work Categories	Eligible Costs	Available Reimbursement Amount	Reimbursement Rate
Maintenance Deductible	\$756,000		
Net Maintenance Costs	\$13,358,648	\$10,018,986	75.0%
Fish and Wildlife Costs	2,263,336	\$1,697,502	75.0%
HMP Costs	7,632,325	\$283,512	3.7%
Bulletin 192-82	\$17,434,631	\$0	0.0%
Priority 1 Total	\$27,330,292	\$1,981,014	
Priority 2	\$12,222,740	\$0	0.0%
Priority 3	\$0	\$0	0.0%
Total	\$53,667,680	\$12,000,000	

Note: If the Delta Levee Maintenance Subventions Program were fully funded, the maximum reimbursement rate for each work category would be 75% of eligible cost.