



Staff Report

File #: 22-0947

**REQUEST FOR CITY COUNCIL AND
CORONA UTILITY AUTHORITY ACTION**

DATE: 12/07/2022

TO: Honorable Mayor and City Council Members
Honorable President and Board Members

FROM: Public Works Department & Utilities Department

SUBJECT:

Amendment No. 1 to the Reimbursement Agreement between the City of Corona and the Orange County Flood Control District for the construction of the Alcoa Dike Project.

EXECUTIVE SUMMARY:

This staff report asks the City Council to approve Amendment No. 1 to the Reimbursement Agreement with the Orange County Flood Control District (District) for the construction of the Alcoa Dike Project and authorize payment of \$400,000, and up to \$3 million per the approved project budget, for non-compensable work related to the Alcoa Dike project. The Alcoa Dike project will construct an earthen dike to protect properties along the southeast corner of Rincon Street and Smith Avenue from the potential effects of inundation and flooding due to the increased volume and elevation of the water behind the Prado Dam. The Army Corps of Engineers is the lead agency on this project in partnership with the District.

RECOMMENDED ACTION:

That the:

- a. City Council approve Amendment No. 1 to the Reimbursement Agreement with the Orange County Flood Control District for the construction of the Alcoa Dike.
- b. City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to the Reimbursement Agreement with the Orange County Flood Control District, and, as necessary, subsequent amendments.
- c. City Council authorize a payment of \$400,000, and up to \$3 million per the approved project budget, to the District for non-compensable work as identified in Exhibit B of the Agreement.

- d. Corona Utility Authority review, ratify, and to the extent necessary, direct the City Council to take the above actions.

BACKGROUND & HISTORY:

On August 15, 2018, the City Council approved a Reimbursement Agreement between the City of Corona (City) and the Orange County Flood Control District (District) for the construction of the Alcoa Dike Project (Project), which detailed the responsibilities for each agency and the compensable and non-compensable work within the City as it relates to the Project. The District has a Project Cooperation Agreement with the U.S. Army Corps of Engineers (Corps) to construct an earthen dike roughly 7,500 feet in length with a height of over 34 feet to protect properties along the southeast corner of Rincon Street and Smith Avenue from the potential effects of inundation and flooding due to the increased volume and elevation of the water behind the Prado Dam. The Corps is the lead agency for both design and construction of the Project and the District would be responsible for maintenance of the facility. The Project began construction in December 2021 and is projected to be complete by the end of 2024.

ANALYSIS:

The City has various facilities, including utilities and roadways within the Project limits. All City facilities with vested, prior property rights are determined as compensable works by the Corps, and costs associated with these works will be borne by the District. All costs associated with the work of City facilities without prior property rights as determined by the Corps will be borne by the City. The details of both compensable and non-compensable work are shown in Exhibit B of the Agreement.

The project is adjacent to the Santa Ana River Trail. To improve safety for bicyclists and pedestrians at the new roadway facilities, City staff has collaborated with the District, Corps, and Southern California Edison (SCE) over the past several months to modify the proposed improvements and widen two intersections at Rincon Street and Butterfield Connector, and Butterfield Drive and Butterfield Connector, to provide an additional buffer between vehicles and pedestrians/bicyclists. According to Exhibit B of the Agreement, all work along Rincon Street is compensable, and all work along Butterfield Connector is non-compensable because it is a new road facility. The extra work requested by the City in Amendment No. 1 is classified as "betterment" because it is Change Order work to the original bid documents; therefore, the City and District are amending the Agreement to identify the work as part of non-compensable work. As such, the District is requesting an initial deposit of \$400,000 for the non-compensable work requested by the City. This is an estimate of the projected cost for the current change order work. The District will provide the actual cost for this work and other non-compensable work to the City when those costs become available.

Staff has budgeted up to \$3 million for the Project for non-compensable items and is requesting authorization to pay the District the initial deposit of \$400,000, and up to \$3 million per the approved project budget. Actual costs with supporting documentation will be provided by the Corps and District to the City for both compensable and non-compensable items that will be reviewed and approved by the District, Corps, and City.

City staff has been working diligently with District, Corps, and SCE to provide safe city facilities and

minimize impacts to the other stakeholders and agencies. Staff recommends approval of Amendment No. 1 to ensure a safe facility along these city facilities that can be modified and constructed as part of the ongoing construction rather than have the improvements be performed after project completion.

FINANCIAL IMPACT:

With the approval of the recommended actions, funding for the payment to the District is available in the following account:

Account Name	Fund	Amount
Butterfield Drive Road Relocation CIP (72620)	227	\$400,000

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action is to approve Amendment No. 1 to the Reimbursement Agreement for the construction of the Alcoa Dike Project. There is no possibility that this action will have a significant effect on the environment. Therefore, no environmental analysis is required.

PREPARED BY: KENNY NGUYEN, CIP MANAGER

REVIEWED BY: SAVAT KHAMPHOU, PUBLIC WORKS DIRECTOR & TOM MOODY, DIRECTOR OF UTILITIES

Attachments:

1. Exhibit 1 - Amendment No. 1 to the Reimbursement Agreement MA-080-18011290
2. Exhibit 2 - Reimbursement Agreement MA-080-18011290