

**DEPARTMENT OF WATER RESOURCES
PUBLIC HEARING ON GRANT AWARD
FLOOD PROTECTION CORRIDOR PROGRAM**

RECIPIENT: County of Orange Public Facilities and Resources Department
LOCATION: Laguna Hills City Council Chambers, 25201 Paseo de Alicia,
Suite 150, Laguna Hills, CA
DATE: June 16, 2004: 4:00 to 5:00 pm

I. Self Introductions. Attendees included:

Dr. Michelle Stevens, DWR
Marilyn Thoms, County of Orange WCRD
Sonia Nasser, County of Orange WCRD
Larry McKenney, County of Orange WCRD
Cathy Nowak, County of Orange HBP
Roger Von Butow, South Orange County Watershed Conservancy, et al
Rick Wilson, Surfrider Foundation
Dr. Marcus Lenger, Clean Aliso Creek Association, et al
Bruce Poshumus, SDRWQB
Bill Claypool, Montage Resort
Larry Norton, Park Ranger, Aliso and Wood Canyon Park
Michael Hazzard, Clean Aliso Creek Association, et al
Michael Beanan, South Laguna Civic Association, et al

II. Welcome: Dr. Michelle Stevens, DWR

Good evening ladies and gentlemen.

Welcome to the Hearing on the Department of Water Resources decision to award the County of Orange Public Facilities and Resource Department (COUNTY) funding to proceed with its application under the Flood Protection Corridor Program for the Aliso Creek Mid-stem Restoration and Flood Protection Project.

The purpose of today's hearing is to receive public comments concerning the intention of DWR to award \$1,000,000.00 to the DISTRICT to undertake THIS PROJECT.

My name is DR. MICHELLE STEVENS. I represent DWR's Division of Flood Management in Sacramento. I'm responsible to conduct this Hearing and to represent the

State of California. I will describe the nature, origin and authority of this program, and why the Review Panel recommended this particular project for an award. The Agenda for the meeting will then include the following:

- Marilyn Thoms, Aliso Creek Watershed Planner, County of Orange, will discuss the project specifics of the portion of the Aliso Creek Mid-Stem Restoration and Flood Protection Project proposed for funding by the Flood Protection Corridor Program.

Finally, we will open this meeting to the audience to state their questions and concerns. We are particularly interested in information that might bear on whether we should proceed to execute a funding agreement for this project (which is the same as final approval), or if there are concerns that can be mitigated, what would be appropriate conditions of the funding agreement to satisfy the concerns. This hearing is being recorded by the project sponsor, to record your concerns.

Let me please briefly cover some ground rules:

Please make sure you have signed the sheet at the entrance to the hearing hall. If you want to be kept informed of future developments, please provide mailing address and/or e-mail address.

Protocols for today's Hearing are simple. If you wish to speak please fill out a white card with your name. Comments will be limited to 3 minutes per person. Please identify yourself as you begin, so we can identify each speaker as we review the minutes.

Please avoid, when speaking, repeating the previous speaker's presentation.

If you have written comments, I will receive them after everyone that has had a chance to speak.

If you have written comments and do not wish to present them, come to the front when I call for additional input, state your name and at least identify the material that you choose to enter in to the record.

You may submit a written statement on one of the comment sheets available, or in any other form that you wish.

Are there any other questions regarding this hearing procedure?

Q – When are comments due?

A - Comments on the project will be received for 30 days from today's date, to allow ample time for review.

First, let me review the Flood Protection Corridor Program as envisioned by the State. It began with voter approval of the March 2000 Proposition 13. This portion of the

Proposition provided funding for innovative projects that developed non-structural approaches to avoiding or reducing future flood damages. Non-structural approaches to flood management include levee removal, levee setbacks, topographic re-contouring to provide additional floodplain area and additional transitory storage, widening of stormwater conveyance channels at the lower part of a drainage system to more rapidly drain water from the lower part of a system, removing structures from a floodplain, raising structures in a floodplain so they are above the anticipated highest flood elevation, and placing controls on land in floodplains to preclude development in areas that are difficult to protect against flooding. These flood management measures must be coupled with either agricultural land preservation or ecosystem restoration and preservation, or both.

In response to the 2002-2003 grant proposal solicitation, the State received and reviewed 45 applications requesting a total of \$143 million in funds. Through an intensive review, evaluation and ranking process, where review came from several panels of experts, representing a variety of professions and State agencies, 15 projects were placed on a "Priority" list. Participants on the Project Evaluation Team represented DWR, the Governor's Office of Emergency Services, the Department of Fish and Game, the Department of Conservation, and the Department of Food and Agriculture.

Two of the projects were withdrawn, and the remaining 14 of the 43 projects have been recommended for all or partial funding, which at this juncture totals \$29.14 million dollars.

Marilyn Thoms, Aliso Creek Watershed Planner, County of Orange, will discuss the project specifics of the portion of the Aliso Creek Mid-Stem Restoration and Flood Protection Project for funding by the Flood Protection Corridor Program. Please hold your questions until the end of this presentation.

III. Aliso Creek Mainstem Restoration and Flood Protection Project – Marilyn Thoms

The Aliso Creek Mainstem project lies between the South Orange Coast Wastewater Authority Treatment Bridge and Pacific Park Drive (reference to map at front of the room) . The original project, as outlined in the U.S. Army Corps of Engineers Watershed Management Plan, budgeted approximately \$25M for exotic species eradication and ecosystem restoration for the mainstem portion of the creek.

WCRD began putting together the funding for the project 2 years ago. The Federal cost share portion of the funding was 65% (\$16.25M) and the County local share was 35% (\$8.75M). The County also applied for a \$5M DWR grant, a Prop 13 State Water Board grant, and a Coastal Conservancy/Wetlands Recovery Project grant. The only funding secured to date is the \$1M that we are here to discuss today.

How can we best move forward utilizing the \$1M grant that must lead to completion of construction 3 years from signing of grant?

The County of Orange is proposing to break down the project into 3 phases (reaches). The \$1M would be used to fund Phase I.

Phase I will focus on flood protection activities in the lower reach (South Orange County Wastewater Authority Treatment Plant Bridge upstream to the Aliso Creek Wildlife Habitat Enhancement Project - ACWHEP). Phase II will address the redesign of the ACWHEP structure, and Phase III will address issues upstream of the ACWHEP structure to Pacific Park Drive.

Phase I will include hiring a consultant to develop concept plans for the restoration of the creek, utilizing previous studies prepared for the creek and employing “Value Engineering” principals. The goal of this plan will be to reduce channel erosion, increase channel stability, reduce flood potential and restore substantial ecological resources. Upon development of the concept plan, public hearings will be conducted to receive input from interested stakeholders.

Once the concept plan has been finalized, the consultant will prepare plans and specifications, obtain permits, and prepare all environmental documentation. This portion of the project will be budgeted at \$200,000. The County will then follow a competitive bid process to hire a construction firm to complete the project. Construction at this time will be budgeted at \$800,000.

The primary objectives for the Project are to provide flood control for properties downstream and adjacent to the Aliso Creek Main-Stem project area; to preserve and enhance the site’s unique wildlife habitat areas; and to provide recreational amenities and ecological educational opportunities to the community’s residents and visitors.

Sonia Nasser added that there is not a specific project at this time, that there have been numerous documents proposed for that particular reach of Aliso, and that now we are proposing to create a design that is acceptable to stakeholder, acceptable within the guidelines of the grant, and beneficial to the creek. The County is looking for input on the best thing to do now that we actually have funding to build something. Ideally this will be something that will not have to be taken out later, that could be phased in, and that we would be able to secure additional grant funding for.

We will now open the hearing to public comments. Who wants to be first?

Q – Where would the funding for design drawing and specs come from?

A – The \$200K ear marked for planning. The grant period will run 3 years from the time of signing. The planning phase is the most important. There will not be a project until the planning and environmental documentation is done. There needs to be flood protection benefits as well as no adverse effects to adjacent landowners.

Q – We are being asked to make comments on a project, which is a lot different than making comments on something with specificity. There are no specifics and it is difficult

to want to make comments either in this venue or any other in writing, which I do intend to submit, but since there is nothing specific in a sense it is confusing to be asked to support full concept of the project.

A- In the establishing legislation for the Flood Protection Corridor project, many of the projects that were approved were for land acquisition. Public Hearings are to be done for projects involving land acquisition. DWR decided to do them for all projects, and in Aliso Creek there is creative potential of other projects because there is not a concrete proposal on the table right now. It will be developed and on every step of the way there will be public review – CEQA, 404 etc requires it. There is no agreement yet. We are here inviting your comments to guide the alternative selection to given the funding requirements to guide the next phases of evaluation using existing data. This is why we are having an open ended public hearing.

Q – What is the role of NGO’s beyond just being “stakeholders allowed to give input”. Why is there not an element for NGO’s to partner?

A - Awards can go directly to NGO’s, there are no restriction on who can be awarded funding other than someone who is reputable and will stay in business long enough to see the project through. One way that NGO’s can be involved is to hold the conservation easement and perform monitoring.

Comment – On behalf of Surfrider Foundation - Aliso Creek watershed has numerous environmental problems, not only flood control problems but water quality problems – problems that have been termed instability. We are certainly interested in anything that addresses these problems as long as it doesn’t exasperate other aspects/problems within the watershed. We are glad to hear that Prop 13 is specifically designed for non-structural flood control problems because certainly there have been a lot of structural flood control solutions over the years that have other water quality and other problems. Also I heard it stated that it was important that this project have no adverse flood impacts. Anything that is proposed here is important that you kind of look at it as a holistic solution and something that will not fix one problem and lead to another problem.

Comment – Scientifically concerned with tendencies to spot treat problems. Cannot solve the problem with using the same consultants over and over and over and over. You cannot solve the problem with the same mindset that created the problem. I like that the County is going to look at several alternatives. Having worked all over the world, I would recommend partnering with a University. I understand that this is all about flood control, and a noted Scientist once said that a healthy river will not flood. I would like to see a more innovative approach and looking at the watershed as a whole.

Comment – Coastkeeper will be sending in there comments separately. Individual concerned with constructed wetlands portion of scope. Michelle pointed out that there is not a constructed wetlands component planned for this project. This project will restore native species grassland chaparral riparian, but no discussion of treatment wetlands for this program.

Concerned with urban water runoff, feels that additional data needs to be gathered. The South Laguna Civic Association is interested in harvesting excess water to a certain baseline, and then selling with a portion of the project being used for restoration.

Are there any other questions or comments?

Q – What is the target/goal of this program? What is going to be considered an actual improvement – what is your conceptual target?

A – The first step in restoration planning is to establish your vision and from the beginning of restoration definition from the Society of Ecological Restoration – what is your baseline and what are your goals and without having a public forum process to determine what the goals are and the goals are not going to be based solely on reduction and CFS – if we wanted to do that we would do a structural alternative. We would have to really evaluate what is the functional health of the ecosystem, not only in terms of life prediction, also in terms of habitat and this grant is not for water quality although there is a big water quality concern in the watershed and I'm sure that a lot of the problems in the watershed are exasperated by impermeable surfaces and excess runoff so it is a holistic package and you have to look at the different functions in the watershed before you come up with your goals and the reason why you have stakeholder groups is to go through the whole planning process – what are your goals, what are your functions, what kind of conceptual model are you using, what's your adaptive management? If you are going to do it right, we can't just sit here and tell you we are going to reduce the flow by this – because then we automatically will be doing just what you don't want us to do in your emails – WE ARE NOT READY, AIMING, FIRING – we are asking what are your goals and objectives through the stakeholder process.

Comment – Would like to see additional use of ET Controllers to control urban runoff.

IV. Closing – Michelle Stevens

I will now close this Public Hearing. If you would like to submit additional written comments, please send them to me at 3310 El Camino Avenue, Sacramento, CA 95821 or by e-mail at mstevens@water.ca.gov within 30 days of today's date. Questions and responses will be posted within 30 days to our website - www.dfm.water.ca.gov/fpcp/ go to 2002 - 2003 Grant Solicitation.

Thank you all for coming.