



Midpeninsula Regional  
Open Space District

R-15-108  
Meeting 15-19  
July 22, 2015

## AGENDA ITEM 4

### AGENDA ITEM

Grant Funding Agreement with the Santa Clara Valley Water District for Hendrys Creek Stream Channel Restoration Project at Sierra Azul Open Space Preserve

### GENERAL MANAGER'S RECOMMENDATION

A handwritten signature in black ink, appearing to be "J. G. ...".

Adopt a resolution authorizing the General Manager to execute a funding agreement with the Santa Clara Valley Water District to implement the Hendrys Creek Stream Channel Restoration Project at Sierra Azul Open Space Preserve.

### SUMMARY

The Santa Clara Valley Water District (SCVWD) has invited the Midpeninsula Regional Open Space District (District) to apply for partnership funds under the Safe, Clean Water and Natural Flood Protection Program (Program) e. If approved, this grant application would provide funds to implement the Hendrys Creek Stream Channel Restoration Project (Project). Maximum funding of \$500,000 would be available per project, where the overall Program has a total allocation of \$2.557 million in Fiscal Year 2016. Adoption of the attached resolution (see Attachment 1) will enable the General Manager to submit an application for these funds. Unfunded project costs, including the cost-share requirement of a 25% contribution, can be financed by Measure AA. The Acterra Stewardship Program (Acterra) is interested in becoming a potential implementation partner, which serves to fulfill a grant objective to increase collaborations and partnerships with nonprofit organizations for stewardship activities, thereby creating a stronger application and demonstrating leveraged resources.

### MEASURE AA

The 5-year Measure AA Project List approved by the Board on October 29, 2014, includes Project #22.1 (Hendrys Creek Restoration – Design and Implementation) (R-14-130). This project meets the goals of Project #22.1 by protecting and restoring riparian and wetland habitats in the Hendrys Creek watershed.

### DISCUSSION

The Hendrys Creek property is located east of the Lexington Reservoir, adjacent to the Cathedral Oaks area of Sierra Azul Open Space Preserve (Preserve), in the middle portion of Hendrys Creek canyon. The Board approved purchase of the POST Hendrys Creek property on May 13, 2015 (see Report R-15-71), through a Memorandum of Understanding (MOU) with Peninsula Open Space Trust (POST) and Santa Clara Valley Water District (SCVWD). Since 2010, the

SCVWD has been interested in partnering with the District to protect the Hendrys Creek watershed and the flows that it contributes to Lexington Reservoir. The District closed escrow on the Hendrys Creek property on June 26, 2015, which conveyed the property in fee title to the District, and SCVWD funded the full purchase price of \$1,500,000 from their Multi-Year Stream Maintenance Program. These actions also included the recording of the Conservation Easement and Long Term Management Plan from the District to SCVWD.

Because of the restrictions in the conservation easement related to resource sensitivity, this property is designated as a Conservation Management Unit (CMU) and is therefore closed to public access except by permit.

The Long-term Management Plan that was prepared as a requirement of the purchase calls for initial stream restoration and sediment-reduction practices, including excavation of fill material from stream channels. Otherwise, the property will be maintained in its current condition with no use changes anticipated.

On May 11, 2015, the SCVWD issued a request for proposals under the Safe, Clean Water and Natural Flood Protection Special Tax Funded Program that include objectives and priority themes that are a near-perfect fit for the stream restoration work proposed for the Hendrys Creek property. Staff attended the SCVWD's May 27, 2015 Grant Workshop and had follow-up discussions with grant administrators about the eligibility of the Hendrys Creek Stream Channel Restoration Project, at which time the SCVWD encouraged the District to submit an application to request partnership funding. In addition, SCVWD staff has confirmed that, based on the existing partnership between the District and SCVWD, there would be no conflict of interest in submitting an application for this Project.

As part of this grant application, the District has an opportunity to partner with Acterra, which would benefit both parties by leveraging resources. In addition to potentially funding the physical stream channel restoration work that is required under the Long Term Management Plan, the grant is also able to fund related project assistance work from Acterra potentially including the preparation of quarterly grant monitoring reports, development of a weed abatement program, locally native seed collection, production, and installation of native plants.

### **FISCAL IMPACT**

Preliminary cost estimates for the Project, including assistance from Acterra, are between \$400,000 and \$500,000. A minimum of a 25% contribution is required by the District, which will be funded through Measure AA. If grant funds are secured, the vast majority of the costs to implement the Long Term Management Plan for the Hendrys Creek Property will be funded through outside grant funds, freeing up Measure AA funds for other capital work. To assist the District with an expedited preparation of the grant application, a consultant grant writer will be retained under the General Manager's authority.

### **BOARD COMMITTEE REVIEW**

This item was not previously reviewed by a Committee.

**PUBLIC NOTICE**

Public notice was provided as required by the Brown Act.

**CEQA COMPLIANCE**

An Initial Study/Mitigated Negative Declaration and Mitigation Monitoring Program for the Hendrys Creek purchase and implementation of the Long Term Management Plan was approved by the Board on May 13, 2015 (see Report R-15-71).

**NEXT STEPS**

With Board adoption of the attached resolution, District staff will complete a SCVWD grant application package that includes a scope of work, budget, implementation schedule, and performance goals. The application package is due no later than August 10.

Attachment

1. Resolution for Santa Clara Valley Water District Partnership Funds

Responsible Department Head:  
Jane Mark, AICP, Planning Manager

Prepared by:  
Meredith Manning, Senior Planner, Planning Department

**RESOLUTION NO. 15-\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT APPROVING AND AUTHORIZING EXECUTION OF THE GRANT AGREEMENT FOR GRANT OR PARTNERSHIP FUNDS UNDER THE SAFE, CLEAN WATER AND NATURAL FLOOD PROTECTION PROGRAM FROM THE SANTA CLARA VALLEY WATER DISTRICT FOR THE HENDRYS CREEK STREAM CHANNEL RESTORATION PROJECT AT SIERRA AZUL OPEN SPACE PRESERVE**

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WHEREAS, the Santa Clara Valley Water District has enacted the 2016 Safe Clean Water Project D3 Grants and Partnerships Program, which provides funds for restoration of wildlife habitat.

WHEREAS, the Santa Clara Valley Water District’s Water Resources Planning and Policy Unit has been delegated the responsibility for the administration of the grant and partnership program, setting up necessary procedures; and

WHEREAS, said procedures established by the Santa Clara Valley Water District require Applicant’s Governing Body to certify by resolution the approval of Applicant to apply for and accept grant program funds; and

WHEREAS, Applicant will enter into a Grant Agreement with the Santa Clara Valley Water District;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Midpeninsula Regional Open Space District hereby:

1. Approves the submission of an Application for grant funds from the Safe, Clean Water and Natural Flood Protection Program Project D3;
2. Approves the acceptance of grant funds from the Safe, Clean Water and Natural Flood Protection Program Project D3, upon approval of grant funding for the Project by appropriate authorities;
3. Certifies that the Applicant has or will have sufficient funds to operate and maintain the Project(s);
4. Certifies that the Applicant will review and agree to the Special Provisions, General Provisions, Financial Provisions and Insurance Requirements contained in the Agreement; and
5. Appoints General Manager, Stephen E. Abbors, as agent to conduct all negotiations, execute and submit all documents including, but not limited to Applications, agreements, payment requests and so on, which may be necessary for the completion of the Project.

\* \* \* \* \*

PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on \_\_\_\_\_, 2015, at a Regular Meeting thereof, by the following vote:

**AYES:**  
**NOES:**  
**ABSTAIN:**  
**ABSENT:**

**ATTEST:**

**APPROVED:**

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Secretary  
Board of Directors

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President  
Board of Directors

**APPROVED AS TO FORM:**

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General Counsel

I, the District Clerk of the Midpeninsula Regional Open Space District, hereby certify that the above is a true and correct copy of a resolution duly adopted by the Board of Directors of the Midpeninsula Regional Open Space District by the above vote at a meeting thereof duly held and called on the above day.

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District Clerk