



Legislation Text

File #: 24-970, Version: 1

Memorandum

**Date:** September 24, 2024

**To:** The Honorable Lake County Board of Supervisors

**From:** Pawan Upadhyay, Water Resources Director, Angela de Palma-Dow, Water Resources Coordinator, Michael S. Green, District 4 Supervisor

**Subject:** (Sitting as the Board of Directors, Lake County Watershed Protection District)  
Consideration of Reallocation of District 4 discretionary cannabis tax funds for advance planning in the Scotts Valley and Highland Springs watersheds

**Executive Summary:**

On May 9, 2023, an item was brought to your board to consider the Scotts Valley Community Advisory Council's recommended uses of \$165,000 in District 4 discretionary cannabis tax funds previously allocated by former Supervisor Tina Scott. Per the board minutes, board direction was given to Water Resources staff to work on three (3) project alternatives:

- Scotts Creek hydrological survey
- Aerial Electro Magnetic (AEM) imaging studies of groundwater basins
- In-stream flow monitoring stations

Since that time, the Lake County Watershed Protection District has secured about \$1 million total in grant funds, from several different sources, dedicated to the Scotts Creek/Tule Lake watershed. These grant funds will support a hydrological flow study of Scotts Creek and Tule Lake, and a county-wide AEM project that includes Scotts Valley in its scope of work. District staff also have confirmed with the U.S. Geological Survey (USGS) that they will maintain their stream flow gages in Scotts Valley and federal lands along Scotts Creek for the foreseeable future.

In sum, grant funding has been allocated to fully address two of the three project alternatives recommended by the Scotts Valley Community Advisory Council in 2023, and there is no current need for the district to fund or expand in-stream flow monitoring stations. Accordingly, discussions began in spring 2024 between district staff and Supervisor Green to identify alternative uses for the previously allocated cannabis tax funds. Staff's revised recommendations are as follows:

**Scotts Valley**

1) \$100,000 for development of a Scotts Valley Flood Risk Reduction Plan. These funds would remain in their current budget unit (BU 8104) to be used for the Scotts Valley Flood Assessment Zone. The funds would be used to augment planning and hydrological engineering services to create

a flood reduction plan for Scotts Valley, as part of the overall grant-funded hydrological flow study that will be completed over the next three years.

The district is currently developing an RFQ for engineer-hydrology firms to conduct a grant-funded hydrological and stream flow study in Scotts Valley and Tule Lake, and the selected firm(s) would be required to complete the Scotts Valley Flood Risk Reduction Plan in addition to completing the deliverables for the grant project. This proposed allocation will help ensure that flood risk reduction is included in the grant-funded study, which currently is focused on stream flow improvements and barrier removals for Clear Lake hitch.

This proposal was presented to the Scotts Valley Community Advisory Council at its Aug. 26, 2024, meeting. After discussion, council members voted 4-0, with Chair Gregory Scott abstaining, to recommend approval by the Board of Supervisors of the proposed Scotts Valley Flood Risk Reduction Plan. Further, should grant funds be identified sufficient to cover some or all of the Scotts Valley Flood Risk Reduction Plan development costs, the council recommended any remaining funds be used to address critical infrastructure needs or projects in the Scotts Valley watershed.

#### Highland Springs

2) \$65,000 to develop a Highland Springs Recreation Area Master Plan. These funds would be moved to the watershed district's Highland Springs budget unit (BU 8109) to identify baseline conditions at existing facilities and potential for new facilities appropriate for a regional park. The master plan process also could help analyze the potential transfer of operations and management responsibilities to the parks division of the Lake County Public Services Department, as suggested in the [Lake County Parks, Recreation and Trails Master Plan](https://www.lakecountyprt.com/) <<https://www.lakecountyprt.com/>> recently approved by your board.

The funds would help support staff/community meetings, planning, preliminary designs, community surveying, and any outreach and education needed to research and draft a Highland Springs Recreation Area Master Plan. Should grant funds be identified sufficient to cover some or all of the Highland Springs master plan costs, staff recommends any remaining funds be used to address critical infrastructure needs on developed park areas, disc golf course and/or horse trails.

This proposal was presented to the Big Valley Advisory Council (BVAC) at its Aug. 14, 2024, meeting. After discussion, the BVAC Board voted to recommend approval by the Board of Supervisors of the reallocation pertaining to Highland Springs. The BVAC Board's action was in agreement with the majority opinion of BVAC Assembly members, as expressed by show of hands.

#### Conclusion

Advance planning efforts will help identify and inventory longstanding concerns about flood risks in Scotts Valley, as well as recreational uses and facilities within Highland Springs Recreation Area. Water Resources staff will be present to answer any questions.

#### If not budgeted, fill in the blanks below only:

Estimated Cost: \_\_\_\_\_ Amount Budgeted: \_\_\_\_\_ Additional Requested: \_\_\_\_\_ Future Annual Cost: \_\_\_\_\_

#### Purchasing Considerations (check all that apply):

Not applicable

Fully [Article X](https://library.municode.com/ca/lake_county/codes/code_of_ordinances?nodid=COOR_CH2AD_ARTXPU_S2-38EXCOBI). <[https://library.municode.com/ca/lake\\_county/codes/code\\_of\\_ordinances?nodid=COOR\\_CH2AD\\_ARTXPU\\_S2-38EXCOBI](https://library.municode.com/ca/lake_county/codes/code_of_ordinances?nodid=COOR_CH2AD_ARTXPU_S2-38EXCOBI)>- and/or [Consultant Selection Policy](http://lcnet.co.lake.ca.us/Assets/Intranet/Policy/Policies+$.) <[http://lcnet.co.lake.ca.us/Assets/Intranet/Policy/Policies+\\$.](http://lcnet.co.lake.ca.us/Assets/Intranet/Policy/Policies+$.)>

[26+Procedures+Manual/Ch4\\_2021v2.pdf](#)>-Compliant (describe process undertaken in "Executive Summary")

Section 2-38 <[https://library.municode.com/ca/lake\\_county/codes/code\\_of\\_ordinances?nodeId=COOR\\_CH2AD\\_ARTXPU\\_S2-38EXCOBI](https://library.municode.com/ca/lake_county/codes/code_of_ordinances?nodeId=COOR_CH2AD_ARTXPU_S2-38EXCOBI)> Exemption from Competitive Bidding (rationale in "Executive Summary," attach documentation, as needed)

For Technology Purchases: Vetted and Supported by the [Technology Governance Committee](#)

<<http://lcnnet.co.lake.ca.us/Assets/Intranet/Intranet+Forms/Information+Technology/AdvPlan.pdf>> ("Yes," if checked)

Other (Please describe in Executive Summary)

**Consistency with Vision 2028** <<http://www.lakecountyca.gov/Government/Directory/Administration/Visioning/Vision2028.htm>>

(check all that apply):

- |   |   |   |   |
|---|---|---|---|
| <input type="checkbox"/> Not applicable                     | <input checked="" type="checkbox"/> Well-being of Residents | <input checked="" type="checkbox"/> Public Safety | <input checked="" type="checkbox"/> Disaster Prevention, Preparedness, Recovery |
| <input type="checkbox"/> Economic Development               | <input type="checkbox"/> Infrastructure                     | <input type="checkbox"/> County Workforce         |   |
| <input checked="" type="checkbox"/> Community Collaboration | <input type="checkbox"/> Business Process Efficiency        | <input type="checkbox"/> Clear Lake               |   |

### Recommended Action:

Sitting as the Board of Directors for the Lake County Watershed Protection District:

- a) Move to direct staff to use District 4 discretionary cannabis tax funds previously allocated to Budget Unit 8104 to develop the Scotts Valley Flood Risk Reduction plan at a cost not to exceed \$100,000 total and/or to address critical infrastructure needs or projects.
- b) Move to direct staff to reallocate District 4 discretionary cannabis tax funds not to exceed \$65,000 from Budget Unit 8104 to Budget Unit 8109 to develop the Highland Springs Recreation Area Master Plan and/or to address critical infrastructure needs or projects