

*City of
Encinitas*

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August 22, 2012

The Honorable Robert J. Trentacosta
Presiding Judge
San Diego County Superior Court
220 W. Broadway
San Diego, CA 92101

Dear Presiding Judge Trentacosta:

The City of Encinitas has reviewed the San Diego County Grand Jury Report on Storm Drains in Leucadia. The Grand Jury has looked into drainage in an area that is dominated by topography that does not allow free flowing surface drainage. The natural storm water flow path contains peaks and valleys, creating sump areas.

In accordance with California Penal Code §933C, the City of Encinitas offers the following responses to the Grand Jury's findings and recommendations:

Finding 01: Further improvements to the Leucadia storm water drainage system are necessary.

Response: The City of Encinitas **wholly** disagrees with Finding 01.

1. Beginning with the construction of the Leucadia Low Flow storm drain system in 2001 the City of Encinitas has made several improvements to drainage in the Leucadia area. This included construction of a 24" storm drain and appurtenant laterals along North Coast Highway that begins at Athena Street and flows in a northerly direction and outlets into two detention basins located north of La Costa Avenue.
2. Enhancements to the low flow system were constructed in 2003 and included the installation of orifice plates and a sluice gate on laterals to the main 24" storm drain line.
3. Surface drainage along Vulcan Avenue was improved in 2004 with the addition of drainage ditches on the west side of Vulcan Ave, between Orpheus Avenue and Union Street, and a second ditch also on the west side of Vulcan Ave, north of Leucadia Boulevard.
4. The City also operates a storm water pump station, north of Phoebe Street, on North Coast Highway 101. New pumps were installed at the station and new inlets were constructed improving the operation of the station. This improvement came on-line in 2004.

5. A permanent 8" pressure storm drain was also constructed in Leucadia Boulevard from Leucadia Roadside Park to the Beacons Beach parking lot. The line was connected to an existing line that outlets at Beacons Beach.

Collectively, these improvements have had a beneficial effect on the drainage in the Leucadia area. Some ponding still occurs but it is more of a nuisance than flooding problems. The City has not had to pay any flood damage claims in the flood plain area since 2003. Although the City recognizes that further improvements to the storm drain system may be desirable, but the City has determined that the cost of these improvements are prohibitive when looked at from a cost/benefit perspective. The City must balance the needs of all City residents, in many areas of public services, against available revenues. This issue is discussed more fully below in our response to Finding 03 and Recommendation 12-44.

Recommendation 12-42: Develop an immediate plan of action or Council resolution to solve Leucadia's storm water flooding.

Response: The recommendation has been implemented.

The City contracted with Rick Engineering Company to study the hydrologic and hydraulic conditions in the Leucadia area in 2003. Additional studies were completed in 2004 and 2005, and included a preliminary design for a 100-year flood control project. On November 9, 2005, an Agenda Report covering five alternatives to address drainage issues in Leucadia was presented to the Encinitas City Council. A copy of the agenda report and minutes are attached as Attachment 1.

The five alternatives were as follows:

1. Initiate Environmental Review of the Leucadia 100-year Flood Control Project based on the current Preliminary (30%) Design and pursue local, State, and federal funding options.
2. Suspend further work on the Leucadia 100-year Flood Control Project until such time as construction funding is identified.
3. Determine that long term flood protection for Leucadia will be best provided in conjunction with a future Grade Separation Project.
4. Choose a lower level flood protection alternative for implementation.
5. Establish a policy supporting elevation of existing flood prone structures, possibly including pursuing grants and/or low interest loan options.

The City Council considered all alternatives and finally approved alternates 2 and 3. Refer to City's response to Finding 01, which details the improvements the City has constructed.

Finding 02: Storm drainage through the Leucadia bluffs at Beacons Beach and possibly other locations should be considered by the City of Encinitas.

Response: The City of Encinitas wholly disagrees with Finding 02.

In 1995, the City hired Barrett Consulting Group to analyze and prepare a report on the feasibility of micro-tunneling through the bluff at locations along Neptune Avenue. Those locations required micro-tunneling through private property to reach a beach outlet. Tunneling through the bluffs opens up a whole new area of liability for the City to consider.

At Beacons Beach, which is owned by the State of California, there are other issues to be considered such as bluff erosion, high ground water levels, and possible bluff failures.

The State of California Department of Parks and Recreation and the California Coastal Commission would be involved in the permitting process for any bluff tunneling, and the permitting process will be very problematic as neither the California Coastal Commission nor their staff have gone on record as to whether or not the project is acceptable. A copy of a letter dated July 5, 2012, from the Coastal Commission concerning bluff tunneling is attached as Attachment 2.

Recommendation 12-43: Include storm water flow through the bluff at Leucadia Roadside Park as part of an overall storm drain fix.

Response: The recommendation will not be implemented.

The City believes that micro-tunneling through the bluff is a very high risk venture due to geologic problems in the Beacons Beach area. As stated above, the permitting process will be very problematic as neither the California Coastal Commission nor their staff has gone on record as to whether or not the project is acceptable. Please refer to the July 5, 2012, from the Coastal Commission as noted above.

Finding 03: Funding Leucadia storm water drainage work through a Special Assessment District (S.A.D) is an option for the City of Encinitas.

Response: The City of Encinitas wholly disagrees with Finding 03.

The City has used assessment districts to fund other public improvements such as street lights. Under this approach the funding becomes the responsibility of the benefitting property owners. The City had proposed a redevelopment district in Leucadia some years ago, but the property owners were strongly opposed to forming the district. In this instance, because of the high cost of construction and the requirement for a two-third vote of property owners within the benefit area, the City disagrees with forming a Special Assessment District.

Recommendation 12-44: Explore storm drain, capital improvement tax funding for Leucadia via formation of a Special Assessment District.

Response: The recommendation will not be implemented.

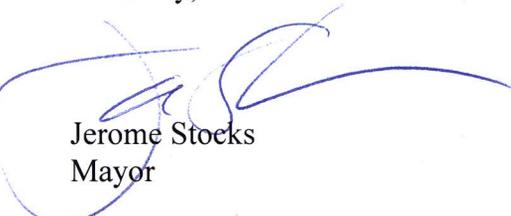
The formation of a 1915 Act Special Assessment District would require a two-thirds vote of approval by property owners within the benefit area. There are currently 152 property owners who would benefit if the 100-year storm drain is constructed. As outlined in the 2004 Rick Engineering report and addendum dated 2005, based on a detailed hydrologic study, the construction of a storm drain, sized to accommodate a 100-year storm would cost an estimated \$36 million. The average cost of the improvements per benefitting property owner would be \$236,842. If bonds are issued to fund the

project district, the average cost over a 20-year period would be \$23,684 per benefitting property owner per year.

On August 22, 2012, the City Council reviewed and unanimously approved this response to the Grand Jury Final Report on Storm Drains in Leucadia.

The City thanks the Grand Jury for the opportunity to respond to this report. If you have any questions about our response, please feel free to contact the City Manager, Gus Vina, at 760-633-2610.

Sincerely,



Jerome Stocks
Mayor

Attachments:

- 1 November 9, 2005 Agenda Report
2. Letter dated July 5, 2012 from Coastal Commission

cc: City Council
City Manager
Director of Engineering & Public Works