



Staff Report

TO: Board of Harbor Commissioners
FROM: James B. Pruet, General Manager
DATE: January 15, 2025
SUBJECT: Princeton Shoreline Project

Issue:

Mitigation and prevention of the damage caused to the Princeton Shoreline by the construction of the Pillar Point Harbor Breakwater.

Recommendation/Motion:

Receive updates and provide direction to staff.

Fiscal Implications/Budget Status:

Feasibility Phase: Cost share requirement of \$210,000 over two fiscal years.

Background/Discussion:

The Princeton Shoreline Project is a fantastic opportunity for San Mateo County and the Harbor District to partner with the Army Corps of Engineers to address the coastal erosion of the Princeton waterfront. This has been a priority of the District for several years.

The Princeton Shoreline in Pillar Point Harbor has, overtime, retreated to the point that public and private property is at risk of flooding. The natural barrier (the beach/dunes) has washed away at an accelerated rate. Due to the change in current caused by the construction of the Pillar Point breakwater, a Federal Navigation Project.

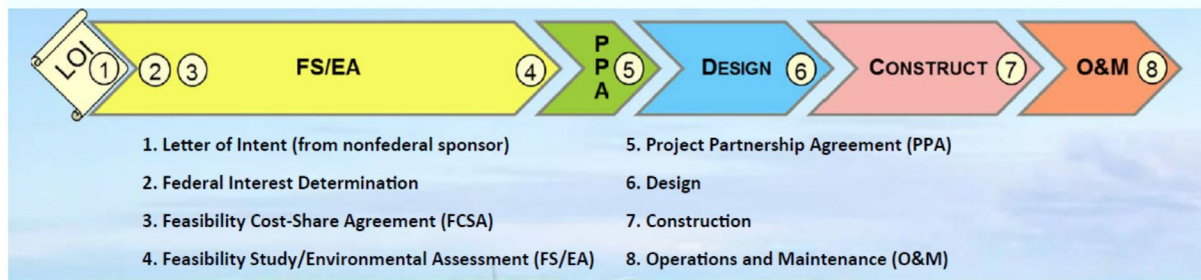
To mitigate the current damage and prevent future damage caused by the breakwater, the Harbor District requested the assistance of the U.S. Army Corps (ACOE) of Engineers (ACOE) under the ACOE's Continuing Authorities Program (CAP) Section 111 of the River and Harbor Act of 1968, as amended. See attached letter dated April 1, 2024.

Continuing Authorities Program:

The CAP consists of nine legislative authorities under which the ACOE can plan, design, and implement certain types of water resource projects without project specific congressional authorization. The purpose of the CAP is to plan and implement projects of limited size, cost, scope, and complexity.

All projects under the CAP follow a project timeline as shown below beginning from the initial request or Letter of Intent, thru Construction and into Operation and Maintenance.

Navigating your Project through the Continuing Authorities Program



The feasibility phase is initially Federally funded up to \$100,000. Any remaining feasibility phase costs are shared 50/50 with the non-Federal sponsor after executing a feasibility cost sharing agreement (FCSA).

The final design, preparation of contract plans and specifications, permitting, real estate acquisition, project contracting and construction, and any other activities required to construct or implement the approved project are completed during the Design and Implementation phase.

The Corps and the non-federal sponsor sign a project partnership agreement (PPA) near the beginning of the implementation phase. Costs beyond the feasibility phase are shared as specified in the authorizing legislation for that section.

Section 111 of the of the 1968 River and Harbor Act:

Section 111 provides authority for the ACOE to develop and construct projects for prevention or mitigation of damages caused by Federal navigation work. This applies to both publicly and privately owned shores located along the coastal shorelines of the United States. Each project is limited to a federal cost of not more than \$10.0 million.

The ACOE can initiate an investigation of a prospective mitigation of damages project upon receipt of a request from a sponsoring agency empowered under state law to provide the required local cooperation.

A recommendation to construct a project under Section 111 to prevent or mitigate shore damage attributable to a federal navigation project may be considered when both of the following conditions exist:

- The navigation project has been determined to be the cause of the damage, and abandonment of the navigation project is not the most viable solution.
- Analysis based on sound engineering and economic principles clearly demonstrates the feasibility of the proposed work.

Construction Requirements for federal cost sharing are as follows:

- If the work recommended is confined to mitigation work where erosion was totally caused by the federal navigation works, costs are shared in the same manner as the project causing the problem.
- If the work recommended is a combination of mitigation and restoration of beaches eroded due to other causes, mitigation work will be shared in the same manner as the project causing the erosion or shoaling and the remaining work will be 100 percent local, unless it qualifies as a Federal beach erosion control project.

Current Status:

The following requirements have already been completed:

- Letter of Intent (attached)
- Feasibility Cost Benefit Analysis

Next Required Steps to move project forward:

- Complete the following documents:
 - Draft Feasibility Phase Project Management Plan. (Attached).
 - Cost-Share Agreement (FCSA). (Attached).
 - “Non-Federal Sponsor’s Self-Certification of Financial Capability for Agreements.” (Attached) (*Julie van Hoff, Director Administrative Services*)
 - “Certification Regarding Lobbying.” (Attached) (*Jim Pruett, General Manager*).
 - “Certificate of Authority.” (Attached) (*Trisha Ortiz, General Counsel*)
 - Project Partnership Agreement (PPA).

Project Management Plan (PMP):

The PMP for the Feasibility Phase defines the planning approach, activities to be accomplished, schedule, and associated costs that the Federal Government and the non-Federal sponsor (NFS) will be supporting financially. The primary purpose of the PMP is to serve as a management tool. It includes scopes of work that are used for fund allocations by the project manager. It forms the basis for identifying commitments to the NFS and serves as a basis for performance measurement. The PMP describes the initial tasks of the Feasibility phase and continues through the preparation of the final integrated feasibility report.

The PMP is a basis for change. Because planning is an iterative process without a predetermined outcome, additional or less costs and time may be required to accomplish reformulation and evaluations of the alternatives. Changes in scope will occur as the technical picture unfolds. With clear descriptions of the scopes and assumptions outlined in the PMP, deviations are easier to identify. The impact in either time or money is easily assessed, and decisions can be made on how to proceed.

The scope of this PMP is for the Feasibility Phase only, which culminates in a final decision document (Integrated Feasibility Report and appendices) detailing the preferred alternative chosen to carry into Design. A separate PMP will be provided for the Design and Implementation Phase of the project that incorporates negotiation of a Project Partnership Agreement, design, plans and specifications, construction, and project closeout.

Cost-Share Agreement (FCSA).

Each of the FCSA documents will require different people/titles for signatures. Suggested person/title has been listed above in italics.

No signatures are required at this time. Once the ACOE has identified and/or been provided the correct person/title to sign each document, the ACOE will update the documents and reroute them for legal review prior to signature.

Cost Share:

The ACOE Office of Counsel determined that SMCHD's cost share will be 8.4% for the feasibility and design & implementation phases. This percentage was calculated based on the amount SMCHD contributed to the original project divided by the total cost of the original project.

For the 24-month feasibility phase, Harbor District, based on the 8.4%, will have to contribute \$105,000 per fiscal year for two years (FY25/26, FY26/27).

It is not certain how expensive D&I will be or how long it will take but if we assume a maximum of \$10 million expended over 3 years that works out to \$280,000 per fiscal year over the course of the D&I phase.

Real estate acquisitions will not affect the amount owed in the feasibility phase. There is a discussion to be had with the ACOE as to how land costs will affect the cost share in the D&I phase.

Summary/Recommendation:

Receive updates and provide direction to staff.

Attachments:

- 1) [SMCHD Ltr to ACOE dtd April 1, 2023](#)
- 2) [Draft Feasibility Phase Project Management Plan.](#)
- 3) [Non-Federal Sponsor's Self-Certification of Financial Capability for Agreements.](#)
- 4) [Certification Regarding Lobbying](#)
- 5) [Certificate of Authority](#)