



# Board Agenda Item 43

DATE: March 1, 2016

TO: Board of Supervisors

SUBMITTED BY: Bernard Jimenez, Interim Director  
Department of Public Works and Planning

SUBJECT: United States Department of Agriculture Emergency Community Water Assistance  
Grant application for property owners along Church Ave wishing to connect to County  
Service Area 39AB (Beran Way/Prospect)

## RECOMMENDED ACTION:

- 1. Authorize Department of Public Works and Planning staff to apply for the United States Department of Agriculture Emergency Community Water Assistance Grant for County Service Area 39AB (Beran Way/Prospect) for project costs of connecting seven residential properties along Church Ave east of Valentine Ave to the County Service Area 39AB water system.**
- 2. Direct Department of Public Works and Planning staff to negotiate an agreement with Self Help Enterprises for administration of the grant and design and construction of the improvements needed for connecting seven residential properties along Church Ave east of Valentine Ave to County Service Area 39AB, including limitations on the County's liability to the United State Department of Agriculture and for cost overruns on the project.**

Recommended action No. 1 would authorize staff of the Department of Public Works and Planning (Department) to apply for a United States Department of Agriculture (USDA) Emergency Community Water Assistance Grant (ECWAG) on behalf of County Service Area 39AB (CSA 39AB) for funding of project costs to connect seven residential properties (Out-of-District Properties) on six different parcels on Church Ave just outside of the CSA 39AB boundaries to the CSA 39AB water system. Recommended action No. 2 directs the Department to negotiate an agreement with Self Help Enterprises (SHE) under which SHE would design and construct the improvements needed to connect the seven residents to CSA 39AB, and be responsible for grant administration and project management.

## ALTERNATIVE ACTION(s):

If your Board does not approve the recommended actions, the Out-of-District Residents will be required to find an alternative source of funding for the project.

## FISCAL IMPACT:

There may be net County costs associated with the recommended actions. The associated costs related to the recommended actions may be reimbursable by a funding agreement between the County and USDA for the ECWAG, should the County be awarded the ECWAG. If the USDA does not award the ECWAG to the County, then all costs associated with recommended actions would be net County costs. If the ECWAG is not awarded or the costs are deemed ineligible, the estimated net County cost will be approximately \$2,000 and will be absorbed by the Department's current net County cost allocation within Public Works and Planning Org 4360.

DISCUSSION:

CSA 39AB was formed in 1990 to provide domestic water service to two residential subdivisions west of the City of Fresno (City) (see attached map), near Valentine and Jensen. Currently 140 dwellings and an elementary school are connected to the water system. The County purchases water from the City on behalf of CSA 39AB and provides that water to the CSA 39AB connections. The water is transferred from the City to the County through two master meters at the City's boundaries. County mainlines connected to the City master meters transfer the water to the connections of CSA 39AB.

One of the County mainlines runs from the meter location at Church and West to Zone A of CSA 39AB located at Valentine and Church. Representatives of the Out-of-District Properties on Church Ave, which are outside of the CSA 39AB boundary, contacted the Department to request connection to the CSA 39AB water system (Out-of-District Properties identified on attached map). The representatives stated that the residential wells on the Out-of-District Properties were diminishing in production and there was great concern of complete loss of water. Department staff met with the representatives in November of 2014 and requested that the interested property owners retain an engineer to conduct a study to develop a buy-in cost for the Out-of-District Properties and also determine whether the existing infrastructure could sustain additional connections. Staff also requested that the engineer investigate any other agencies that would need to be involved in the expansion of services for CSA 39AB, like the Local Agency Formation Commission (LAFCo) and their associated fees.

The owners of the Out-of-District Properties retained an engineer in the following months; however no study was conducted as was requested by Department staff; instead, in July of 2015, SHE contacted the Department regarding efforts they were making to help the owners of the Out-of-District Properties. SHE informed staff that they had tested the wells of the Out-of-District Properties and the results showed high levels of contaminants including nitrates. SHE also informed Department staff that they were going to apply for funding on behalf of the Out-of-District Properties to pay for the study requested by the County and construction costs.

A meeting was conducted with the representatives of the Out-of-District Properties, SHE and Department staff in August of 2015. During the meeting SHE informed staff that they could not apply for ECWAG funding on behalf of the Out-of-District Properties because the USDA required that the water-providing agency be the applicant. SHE requested that the County apply for ECWAG funds on behalf of the Out-of-District Properties. Since the meeting in August, SHE has offered to fill out the application and perform all grant administration and project related work if the County agreed to be the applicant. The Department agreed to bring this item to the Board for consideration.

During the following months, Department staff has worked with SHE and their consulting engineer to provide information required for the ECWAG application. The ECWAG application is near completion and will soon be ready for submittal if the Board approves the first recommended action.

If the second recommended action is approved, Department staff will work on an agreement with SHE that will authorize SHE to perform all grant administration and project management work, including limitation on the County's liability to the USDA and for cost overruns on the project. This agreement would be presented to the Board for approval at a later date, if ECWAG funds are awarded to the County by USDA. At that time staff would also present an authorizing resolution for the Director of the Department to sign a funding agreement with USDA for the ECWAG funds as well as a budget resolution for CSA 39AB to increase appropriations and revenues by the estimated cost of the project. Also at that time, staff would request authorization from the Board to apply for a district boundary change for CSA 39AB from the LAFCo. The district boundary change would add the Out-of-District Properties to the district. These costs are not included in the already incurred estimated costs in this Agenda Item. If the Board authorizes staff to apply for the ECWAG, the LAFCo fees would be part of the project estimated cost submitted to the USDA.

ATTACHMENTS INCLUDED AND/OR ON FILE:

Location Map

CAO ANALYST:

John Hays