



Board Agenda Item 38

DATE: December 6, 2016

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Accept Drought Emergency Grant Funding from the Department of Water Resources

RECOMMENDED ACTION(S):

- 1. Approve and authorize the Director of the Department of Public Works and Planning to execute a funding agreement and any amendments thereto as deemed necessary by the Director to administer improvements to the water distribution systems for County Service Area 30 - El Porvenir and County Service Area 32 - Cantua Creek, with the Department of Water Resources, subject to review and approval by County Counsel and the Auditor-Controller/Treasurer-Tax Collector**
- 2. Adopt a Budget Resolution increasing the FY 2016-17 appropriations and estimated revenues in the amount of \$100,000 for County Service Area 32, Cantua Creek, Organization 9172. (4/5 vote)**

Approving the first recommended action will authorize the Director of the Department (Director) to execute a funding agreement (Agreement), as well as any amendments thereto which are deemed necessary by the Director to fulfill the functions of the Agreement, including acceptance of grant funds from DWR. This Agreement provides for reimbursement to the County for expenditures related to the administration and oversight of improvement design and construction for the CSA 30 and CSA 32 water distribution systems.

Approving Recommended Action No. 2 will provide appropriations and estimated revenues in the FY 2016-17 County Service Area 32, Cantua Creek, Organization 9172, to account for the additional anticipated revenues and County expenditures related to the DWR grant.

ALTERNATIVE ACTION(S):

Declining to approve the recommended actions would result in having to coordinate further with the State to obtain a different source of funding for the execution of the project.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. Design of the system will be paid for by DWR, and the County's associated oversight costs will be reimbursed under the grant agreement. The second recommended action will increase appropriations and estimated revenues in the FY 2016-17 County Service Area 32, Cantua Creek, Org. 9172, to account for the anticipated revenues and County expenditures related to the DWR grant agreement. The Department will return at a later date with a short-term cash-flow loan from the County General Fund as per policy adopted under Resolution 16-389.

DISCUSSION:

The County formed CSA 30 in 1980 to provide water, sewer, garbage collection, street lighting and recreational facilities services for the 54-lot El Porvenir farm labor housing development, located at Derrick Avenue, east of Clarkson Avenue, approximately 30 miles southwest of Fresno. CSA 30 also provides water service to two residences outside the CSA 30 boundaries. The County formed CSA 32 in 1981 to provide water, sewer, garbage collection, street lighting and recreational facilities services for the 73-lot Cantua Creek farm labor housing development, located at Clarkson Avenue west of San Mateo Avenue, approximately 30 miles southwest of Fresno and 3.5 miles from El Porvenir. CSA 32 also provides water service to Cantua Creek Elementary School, Cantua Creek school homes, a mobile home park, and three residences outside the CSA 32 boundaries.

CSA 30 and CSA 32 each have water treatment and distribution systems serving the communities. The water treatment systems are under State Water Resources Control Board (SWRCB) compliance orders for exceeding disinfection byproduct (DBP) maximum contaminant levels. Department of Public Works and Planning (Department) staff, while coordinating with the SWRCB regarding funding planned improvements to the water supplies for the communities of County Service Area 30 - El Porvenir (CSA 30), and County Service Area 32 - Cantua Creek (CSA 32), determined that the current water distribution systems of both communities have significant issues due to receding topography and experience water losses rate beyond typical. Through information gathered during that study, the Department discovered that the systems were experiencing consistent post-treatment water loss rates of approximately 20%. Typical loss rates for community water systems are approximately 5%. The rates of loss substantially increase system operating expenses. The Department shared this information with SWRCB staff, who contacted the Department of Water Resources (DWR) as part of the ongoing drought-related interagency cooperation.

DWR administers some of the drought-emergency funding which has been allocated by the State. The funding is intended to assist small communities with deficiencies or stresses to their water supply. DWR has offered to provide assistance to the County by designing and constructing replacement distribution systems for CSA 30 and CSA 32, and by reimbursing the County for a maximum of \$100,000 in expenses related to the oversight of that process. This Agreement will commence upon execution by the DWR and the Director.

Approving the first recommended action will authorize the Director to execute a funding agreement, as well as any amendments thereto which are deemed necessary by the Director to fulfill the functions of the Agreement, including acceptance of grant funds from DWR. This Agreement provides for reimbursement to the County for expenditures related to the administration and oversight of improvement design and construction for the CSA 30 and CSA 32 water distribution systems. Design work will be performed by a consultant retained by DWR, with input from the Department. Construction will be performed by a contractor, retained by DWR, with the Department providing inspection and permitting. Once completed, DWR will provide final as-built plans and specifications and, upon final inspection and approval of the Department, will transfer the improvements to the CSAs. The acceptance and transfer of the improvements will be completed through a Transfer Agreement that will be brought to the Board for approval at a later date.

Approving Recommended Action No. 2 will provide appropriations and estimated revenues in the FY 2016-17 County Service Area 32, Cantua Creek, Organization 9172, to account for the additional anticipated revenues and County expenditures related to the DWR grant. Although both CSAs will benefit from the improvements, it is recommended that the budget resolution be accommodated within one of the two for ease of managing the project. Upon completion of the project, total costs will be allocated to each of the CSAs in proportion to their benefit.

REFERENCE MATERIAL:

BAI #9, September 27, 2016

ATTACHMENTS INCLUDED AND/OR ON FILE:

Location Map
On file with Clerk - Budget Resolution

CAO ANALYST:

John Hays