



Board Agenda Item 57

DATE: August 7, 2018

TO: Board of Supervisors

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

SUBJECT: Authorization Amendment for Emergency Drought Funding Assistance Program

RECOMMENDED ACTION(S):

Authorize the Director of the Department of Public Works and Planning, subject to review and approval by County Counsel and the Auditor-Controller/Treasurer-Tax Collector, to execute amendments to the Emergency Drought Funding Assistance Program grant from the Department of Water Resources, as deemed necessary by the Director for receipt of \$2,463,560 for the Fresno County Westside Water Distribution Improvement project at County Service Areas 30 (El Porvenir) and 32 (Cantua Creek), including cumulative changes of up to \$250,000 in the grant amount.

Approval of the recommended action will authorize the Director of the Department of Public Works and Planning (Director) to execute amendments to the Emergency Drought Funding Assistance Program grant agreement (Agreement) from the Department of Water Resources (DWR) for replacement of water distribution system pipelines, including cumulative changes of up to \$250,000 in the grant amount. The original Agreement (Attachment A), executed on January 10, 2017, provided for reimbursement to the County in the amount of \$100,000 for expenditures related to the administration and oversight of improvements to the water distribution systems for County Service Areas (CSAs) 30 and 32. The amendment, which was proposed by DWR, would change the terms of the Agreement by shifting the construction contract acquisition and oversight into the County's purview, and increasing the level of grant reimbursement from \$100,000 to \$2,463,560. This item pertains to locations in District 1.

ALTERNATIVE ACTION(S):

Non-approval of the recommended action would result in the expiration of the current Agreement on August 18, 2018, delaying the improvement project, and result in the need to coordinate further with either the State Water Resources Control Board (SWRCB) or DWR to obtain a different source of funding for the continuation of the project.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. Design of the water distribution systems will be paid for by DWR, and the County's associated oversight and construction costs will be reimbursed under the grant agreement. Sufficient appropriations (\$2,463,560) and estimated revenues were included in the Department of Public Works and Planning - County Service Area No. 32 Org 9172 FY 2018-19 Adopted Budget.

DISCUSSION:

CSAs 30 and 32 have water treatment and distribution systems serving their communities. The systems are under SWRCB compliance orders for exceeding disinfection byproduct (DBP) maximum contaminant levels, which are deemed potentially harmful. The Department of Public Works and Planning staff, while coordinating with the SWRCB regarding the funding of planned improvements to the water supply for the two communities, determined that the current water distribution systems have significant issues due to receding topography and experience a water loss rate beyond typical. The Department shared the information with SWRCB staff, who contacted the DWR as part of the ongoing drought-related interagency cooperation.

DWR administers a portion of the Emergency Drought Funding Assistance Program grant which has already been allocated. The funding is intended to assist small communities with deficiencies or stresses to their water supply. DWR has offered to provide assistance and reimbursement funding to the County for the design and construction of replacement distribution systems for CSAs 30 and 32.

On December 6, 2016, the Board authorized the Director to execute an agreement, as well as any amendments thereto, which were deemed necessary by the Director to fulfill the functions of the agreement, including acceptance of grant funds from the DWR. The agreement terms presented to the Board provided a \$100,000 grant funding for reimbursement to the County for expenditures related to the administration and oversight of improvement design and construction (review plans and specifications, inspections during construction, etc.) while DWR would directly engage a consultant for the design of improvements to the distribution system for the two CSAs, and would also engage a contractor to perform the construction project. On June 28, 2018, DWR submitted an amendment to the agreement which substantially changes terms by shifting the construction contract acquisition and oversight into the County's purview, and increasing the level of grant reimbursement from \$100,000 to \$2,463,560.

With your Board's approval, the authorization approved on December 6, 2016, will be amended to allow the Director to engage a construction contractor and oversee the construction project's contract in addition to the continued administration and oversight of improvements to the water distribution systems. The award of the construction contract will be brought before your Board at a later date.

OTHER REVIEWING AGENCIES:

DWR is providing funding, oversight, and coordinated assistance with this project and has engaged a consultant to perform the design, reimbursed the County for administrative oversight expenses, and offered to provide reimbursement grant funding for the construction of improvements.

REFERENCE MATERIAL:

BAI #38, December 6, 2016

ATTACHMENTS INCLUDED AND/OR ON FILE:

Location Map
Attachment A

CAO ANALYST:

Sonia M. De La Rosa