

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING: May 9, 2006 – CONSENT	AGENDA NO.: 25
SUBJECT: 1. Approve letter to John Richardson, Court Appointed Receiver for ALCO Water Company, requesting installation and operation, at County cost, of a water treatment facility for the ALCO/San Jerardo Water System; 2. Authorize the County Administrative Officer to enter into any necessary agreements and expend appropriate funds not to exceed \$500,000 for the above water system expenditures.	
DEPARTMENT:	CAO – Intergovernmental Affairs

RECOMMENDATION:

It is recommended that the Board of Supervisors:

1. Approve letter to John Richardson, Court Appointed Receiver for ALCO Water Company, requesting installation and operation, at County cost, of a water treatment facility for the ALCO/San Jerardo water system;
2. Authorize the County Administrative Officer to enter into any necessary agreements and expend appropriate funds not to exceed \$500,000 for the above water system expenditures.

SUMMARY/DISCUSSION:

Staff is concerned about high nitrate and 1,2,3-Trichloropropane levels found in the ALCO water system serving the San Jerardo Cooperative. ALCO Water Company is currently under receivership as determined by Federal Court action. The receiver is in the process of seeking grant funding from the State of California Department of Health Services for permanent correction of water quality problems at San Jerardo. It is estimated that the grant/construction process will take approximately 18 months.

Based on San Jerardo resident health assessments conducted by the Monterey County Health Department, the staff is extremely concerned that an interim water quality solution be provided pending grant award/construction of a permanent solution. The attached letter is a request to the Court-appointed receiver, John Richardson, to install and operate a nitrate and 1,2,3-trichloropropane treatment system at County expense. The letter to Mr. Richardson also requests that he assist the County in obtaining reimbursement of the costs for such a treatment system.

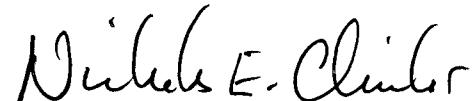
OTHER AGENCY INVOLVEMENT:

Environmental Health, Public Works, Redevelopment Agency and the County Administrative Office have participated in this matter. County Counsel is in concurrence with this recommendation.

FINANCING:

It is estimated that the cost of installation/operation of a water treatment system for San Jerardo will be approximately \$500,000 for an 18-month period. If the Board approves this recommendation, the expenditure of County funds would occur in Fiscal Year 2006-07, and would be accommodated within the General Fund.

Prepared by:



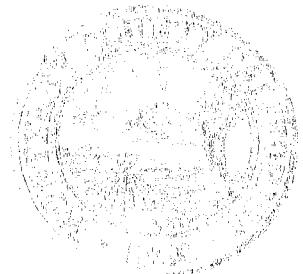
Nicholas E. Chiulos
Interim Chief of Intergovernmental Affairs

Attachment:

Draft letter to John Richardson, Court Appointed Receiver for ALCO Water Company

Cc: John Richardson
Jan Sweigert, Dept. of Health Services
Marc Del Piero, Pajaro-Sunny Mesa Community Services District
Horacio Amezquita, San Jerardo Cooperative

MONTEREY COUNTY



THE BOARD OF SUPERVISORS

FERNANDO ARMENTA

LOUIS R. CALCAGNO

W.B. "BUTCH" LINDLEY

JERRY C. SMITH, *Chair*

DAVE POTTER, *Vice Chair*

May 9, 2006

Mr. John Richardson
c/o ALCO Water Company
2941 Park Avenue, Suite H
Soquel CA 95073

Re: San Jerardo Cooperative

Dear Mr. Richardson:

The Monterey County Board of Supervisors is concerned about the high level of nitrates and 1,2,3-Trichloropropane found in the ALCO water system serving the San Jerardo Cooperative. We understand you have submitted grant applications to the State of California Department of Health Services for grant funding necessary to correct water quality problems, and that funding and construction of improvements could take approximately 18 months.

Based upon San Jerardo resident health assessments conducted by the Monterey County Health Department, the Board of Supervisors is extremely concerned that an interim water quality solution for San Jerardo be provided pending grant award/construction for a permanent solution. Accordingly, the Board of Supervisors requests that you install and operate an ion exchange (Nitrates) and carbon filter (1,2,3-Trichloropropane) water filtration system for San Jerardo at County expense, not to exceed \$500,000.

The Board of Supervisors believes that ALCO Water Company bears responsibility for correction of the water quality problems at San Jerardo. However, due to our concerns regarding public health of San Jerardo residents, the Board of Supervisors is willing to fund your installation and operation of the Nitrate/1,2,3-Trichloropropane filtration system.

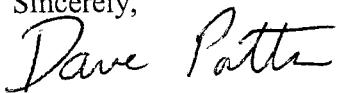
We would request your assistance in obtaining reimbursement of the County's costs for ALCO Water Company.

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Re: *San Jerardo Cooperative*

We further request that if necessary, you seek appropriate authorization from the Court for the actions we request.

As this is a critical matter, we would appreciate your written response to this letter as soon as possible.

Sincerely,



Dave Potter
Vice Chair, Board of Supervisors

cc: Board of Supervisors
Lew C. Bauman, CAO
Jan Sweigert, Department of Health Services
Marc Del Piero, Pajaro-Sunny Mesa Community Services District
Horacio Amezquita, San Jerardo Cooperative

May 3, 2006

Mr. John Richardson
c/o ALCO Water Company
2941 Park Avenue, Suite H
Soquel CA 95073

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Dear Mr. Richardson:

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As this is a critical matter, we would appreciate your written response to this letter as soon as possible.

Sincerely,

Jerry Smith
Chair, County of Monterey
Board of Supervisors

cc: Each Supervisor
Lew C. Bauman, CAO
Jan Sweigert, Dept. of Health Services
Marc Del Piero, Pajaro-Sunny Mesa Comm. Srv. Dist.
Horacio Amezquita, San Jerardo Cooperative