

MONTEREY COUNTY BOARD OF SUPERVISORS

S-4

MEETING:	April 13, 2010 (Consent)	AGENDA NO.:	38
SUBJECT:	<ol style="list-style-type: none">1. Authorize loan in the amount of \$195,900 to Monterey County Water Resources Agency from the County's Capital Project Fund 402 for preparation of Environmental Impact Report for the Granite Ridge Water Supply Project; and,2. Authorize repayment of this loan from the following sources, Proposition 84, successful Proposition 218 ballot proceeding, or repayment from Monterey County Water Resources Agency Ad Valorem Taxes or any of its other appropriate revenue sources. Terms of this loan to be developed by the County Administrative Office and the Water Resources Agency; and,3. Direct Auditor-Controller to set up loan repayment4. Amend FY 2009-10 Capital Project Fund 402 Budget to provide for transfer of funds to Monterey County Water Resources Agency Budget as indicated in the Board Order.		
DEPARTMENT:	County Administrative Office		

RECOMMENDATION:

It is recommended that the Board of Supervisors:

1. Authorize loan in the amount of \$195,900 to Monterey County Water Resources Agency from the County's Capital Project Fund 402 for preparation of Environmental Impact Report for the Granite Ridge Water Supply Project; and,
2. Authorize repayment of this loan from the following sources:
 - a. California Department of Public Health Grant Opportunity – Proposition 84: \$180 million will be available for small community drinking water system infrastructure improvements; priority will be given to projects that address chemical and nitrate contaminants; each project may get up to a total of \$15 million. If grant funding is not obtained, then,
 - b. Repayment from successful Proposition 218 ballot proceeding, or,
 - c. If the above sources are not available then loan to be repaid by the Monterey County Water Resources Agency from its Ad Valorem Taxes or any of its other appropriate revenue sources. Terms of this loan to be developed by the County Administrative Office and the Water Resources Agency.
3. Direct the Auditor Controller to set up loan repayment, and,
4. Amend FY 2009-10 Capital Project Fund 402 Budget to provide for transfer of funds to Monterey County Water Resources Agency Budget as indicated in the attached Board Order.

SUMMARY/DISCUSSION:

The Granite Ridge Water Supply Project is a proposed joint Monterey County and Monterey County Water Resources Agency effort to develop a water supply to serve existing lots of record experiencing water supply problems. The Board previously approved the generation of an Engineer's Report for this project and this Agreement was also administered by the Monterey County Water Resources Agency. The cost of that Agreement was a not to exceed amount of \$148,728. Costs related to the Engineer's Report as well as for the Environmental Impact Report will be included in the total project cost for a future Proposition 218 ballot proceeding.

On December 15, 2009, the Board approved a professional services agreement with RMC Water and Environment to prepare an Environmental Impact Report for the Granite Ridge Water Supply Project and designated the General Manager of the Monterey County Water Resources Agency to administer the Agreement. It was indicated the Agreement was in an amount not to exceed the sum of \$195,900 with a term of January 1, 2010 to December 31, 2010 unless terminated sooner pursuant to the terms of the Agreement.

Additionally, on December 15th, the Board directed the County Administrative Office and Water Resources Agency to determine the appropriate source of funding for the Agreement with RMC Water and Environment to prepare an Environmental Impact Report for the Granite Ridge Water Supply Project.

Staff from the County Administrative Office met with staff from the Water Resources Agency regarding the funding source for this Environmental Impact Report (EIR). The cost of this EIR, as well as the cost of an Engineer's Report are to be reimbursed to the County from a successful Proposition 218 ballot proceeding. As to the funding for the EIR, in the interim the County is loaning the Water Resources Agency the funds to pay for the Environmental Impact Report. Funds in the amount not to exceed \$195,900 will be loaned from the County's Capital Project Fund 402 to the Water Resources Agency. Repayment of this loan is expected to come from the following sources:

1. California Department of Public Health Grant Opportunity – Proposition 84: \$180 million will be available for small community drinking water system infrastructure improvements; priority will be given to projects that address chemical and nitrate contaminants; each project may get up to a total of \$15 million. If grant funding is not obtained, then,
2. Repayment from successful Proposition 218 ballot proceeding, or,
3. If the above sources are not available then loan to be repaid by the Monterey County Water Resources Agency from its Ad Valorem Taxes or any of its other appropriate revenue sources. Terms of this loan to be developed by the County Administrative Office and the Water Resources Agency.

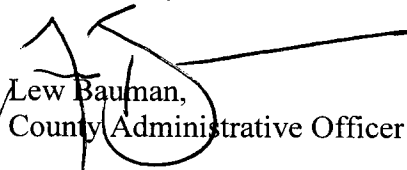
OTHER AGENCY INVOLVEMENT:

CAO Staff have been in communication with the Monterey County Water Resources Agency General Manager. Additionally, the Public Works Director was notified of the recommendation to transfer funds from the Capital Project Fund as a loan to the Water Resources Agency to be repaid in the future. Auditor-Controller's Office is aware of this recommendation.

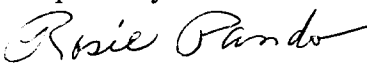
FINANCING:

Sufficient funds are available in the County's Capital Project Fund 402 to accommodate this loan of \$195,900.

Approved By:


Lew Bauman,
County Administrative Officer

Prepared by:


Rosie Pando
Assistant County Administrative Officer

cc: Michael J. Miller, Auditor-Controller
Curtis Weeks, General Manager, Water Resources Agency
Yaz Emrani, Director of Public Works