

ATTACHMENT A

March 27, 2012

Board Report and
Associated Attachments

Before the Board of Supervisors in and for the County of Monterey, State of California

- a. Authorize the additional expenditure of \$50,000 from the County's Capital Projects Fund 402 to Aromas Water District to finalize preparations for the creation of an assessment district and conduct of a Proposition 218 majority protest procedure for the connection of Oak Ridge Mutual Water Company and a portion of Via Del Sol Drive Area to the Aromas Water System;
- b. Transfer \$50,000 from County Capital Projects Fund 402, Unit 8174, Account 7521, Buildings and Improvements to Account 7201, Contributions to Other Agencies;
- c. Authorize the RMA Director to execute an amendment No. 1 to the Agreement with the Aromas Water District outlining the Agreement Terms for Funding of specified work and repayment via successful Proposition 218 Assessment District;
- d. Consider the Mitigated Negative Declaration approved by the Aromas Water District for this project in taking the actions set forth above, and find on the basis of the whole record that there is no substantial evidence that the project will have a significant effect on the environment with implementation of mitigation measures; and,
- e. Authorize, should Assessment District fail, the County funds provided to Aromas Water District will be deemed a County Contribution without repayment.

Upon motion of Supervisor Salinas, seconded by Supervisor Armenta, and carried by those members present, the Board hereby;

- a. Authorized the additional expenditure of \$50,000 from the County's Capital Projects Fund 402 to Aromas Water District to finalize preparations for the creation of an assessment district and conduct of a Proposition 218 majority protest procedure for the connection of Oak Ridge Mutual Water Company and portion of Via Del Sol Drive Area to the Aromas Water System;
- b. Transferred \$50,000 from County Capital Projects Fund 402, Unit 8174, Account 7521, Buildings and Improvements to Account 7201, Contributions to Other Agencies;
- c. Authorized the RMA Director to execute an amendment No. 1 to Agreement with the Aromas Water District outlining the Agreement Terms for Funding of specified work and repayment via successful Proposition 218 Assessment District;

- d. Considered the Mitigated Negative Declaration approved by the Aromas Water District for this project in taking the actions set forth above, and finds on the basis of the whole record that there is no substantial evidence that the project will have a significant effect on the environment with implementation of mitigation measures; and,
- e. Authorized, should Assessment District fail, the County funds provided to Aromas Water District will be deemed a County Contribution without repayment.

PASSED AND ADOPTED on this 27th day of March 2012, by the following vote, to-wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker, and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 76 for the meeting on March 27, 2012.

Dated: March 29, 2012

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By


Deputy

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING: March 27, 2012 (Consent)	AGENDA NO.:
SUBJECT:	
a. Authorize the additional expenditure of \$50,000 from the County's Capital Projects Fund 402 to Aromas Water District to finalize preparations for the creation of an assessment district and conduct of a Proposition 218 majority protest procedure for the connection of Oak Ridge Mutual Water Company and a portion of Via Del Sol Drive Area to the Aromas Water System;	
b. Transfer \$50,000 from County Capital Projects Fund 402, Unit 8174, Account 7521, Buildings and Improvements to Account 7201, Contributions to Other Agencies;	
c. Authorize the RMA Director to execute an amendment No. 1 to the Agreement with the Aromas Water District outlining the Agreement Terms for Funding of specified work and repayment via successful Proposition 218 Assessment District;	
d. Consider the Mitigated Negative Declaration approved by the Aromas Water District for this project in taking the actions set forth above, and find on the basis of the whole record that there is no substantial evidence that the project will have a significant effect on the environment with implementation of mitigation measures; and,	
e. Authorize, should Assessment District fail, the County funds provided to Aromas Water District will be deemed a County Contribution without repayment.	
DEPARTMENT: RMA – Public Works	

RECOMMENDATION:

It is Recommended that the Board of Supervisors:

- a. Authorize the additional expenditure of \$50,000 from the County's Capital Projects Fund 402 to Aromas Water District to finalize preparations for the creation of an assessment district and conduct of a Proposition 218 majority protest procedure for the connection of Oak Ridge Mutual Water Company and portion of Via Del Sol Drive Area to the Aromas Water System;
- b. Transfer \$50,000 from County Capital Projects Fund 402, Unit 8174, Account 7521, Buildings and Improvements to Account 7201, Contributions to Other Agencies;
- c. Authorize the RMA Director to execute an amendment No. 1 to Agreement with the Aromas Water District outlining the Agreement Terms for Funding of specified work and repayment via successful Proposition 218 Assessment District; and;
- d. Consider the Mitigated Negative Declaration approved by the Aromas Water District for this project in taking the actions set forth above, and find on the basis of the whole record that there is no substantial evidence that the project will have a significant effect on the environment with implementation of mitigation measures; and,
- e. Authorize, should Assessment District fail, the County funds provided to Aromas Water District will be deemed a County Contribution without repayment.

SUMMARY/DISCUSSION:

In April of 2010, the Board approved the expenditure of \$155,000 from the County's Capital Projects Fund 402 to Aromas Water District ("District") for preparation of an Engineer's Report to include surveying, engineering and design fees, Appraisers Fee, LAFCO Report Fee and Environmental Document costs for the connection of Oak Ridge Mutual Water Company and portion of Via Del Sol Drive Area to the Aromas Water System (the sum of \$7,500 was previously advanced under the authority of the CAO). A copy of the Board Report for that item,

which sets forth the background for this matter, and the Board Order are enclosed as Attachment A. The District has proceeded with the work, and the next steps towards creation of an assessment district and conduct of a Proposition 218 majority protest procedure are now ready to be taken. Enclosed as Attachment B is a copy of a letter from the District requesting the additional funding. Consistent with the prior agreement with the District, it is now necessary for the County to advance additional funds for these purposes. The District has indicated that these final steps can be accomplished for an additional amount not to exceed \$50,000.

As with the previously authorized advances, if an assessment district is successfully formed to implement this project the District will repay the total sum advanced (\$212,500). Should a majority protest occur, and the formation of a district fail, the County funds provided to the District will be deemed a County Contribution without repayment. County Counsel has determined that: "The County of Monterey has a legitimate public purpose in the use of its funds for this purpose. The project will contribute to the public health, safety, and welfare by contributing to a project designed to provide potable water to certain County residents in a situation where those citizens do not have a reliable source of potable water."

OTHER AGENCY INVOLVEMENT:

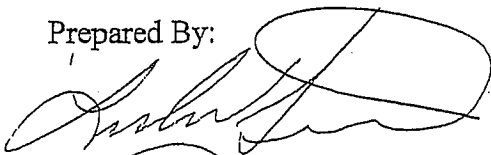
The RMA Director has been apprised of the additional expenditure of \$50,000 from the Capital Projects Fund to provide to the District. County Counsel will assist the RMA Director in preparing an amendment to the existing Agreement between the County and the District for this additional funding.

The District previously approved a mitigated negative declaration ("MND") for this project, a copy of which and its approving resolution, are enclosed as Attachment C. The County is a Responsible Agency pursuant to CEQA, and it will be necessary for the Board of Supervisors to consider the MND (but not approve it) in approving this additional funding, and find on the basis of the whole record that there is no substantial evidence that the project will have a significant effect on the environment with implementation of mitigation measures.

FINANCING:

There are sufficient appropriations in the Capital Projects Fund to provide for this \$50,000 expenditure of funds for the preparation of this critical work.

Prepared By:



Leslie J. Girard
Assistant County Counsel

Date: 3/21/12

Approved by:



Benny Young
RMA Director

Date: 3/21/12

Attachments: Board Order
April 13, 2010, Board Report and Order
Letter from Aromas Water District
District Resolution & Mitigated Negative Declaration

cc: Lew Bauman, CAO
Paul Greenway, Director of Public Works
Michael J. Miller, Auditor-Controller

ATTACHMENT A

MONTEREY COUNTY BOARD OF SUPERVISORS

S-3

MEETING: April 13, 2010 (Consent)	AGENDA NO.: 37
SUBJECT:	<ol style="list-style-type: none">1. Authorize the expenditure of \$155,000 from the County's Capital Projects Fund 402 to Aromas Water District for preparation of an Engineer's Report to include surveying, engineering and design fees, Appraisers Fee, LAFCO Report Fee and Environmental Document costs for the connection of Oak Ridge Mutual Water Company and portion of Via Del Sol Drive Area to the Aromas Water System; and2. Transfer \$155,000 from County Capital Projects Fund 402, Unit 8174, Account 7521, Buildings and Improvements to Account 7201, Contributions to Other Agencies;3. Authorize the County Administrative Officer to execute an Agreement with the Aromas Water District outlining the Agreement Terms for Funding of specified work and repayment via successful Proposition 218 Assessment District; and,4. Authorize, should Assessment District fail, the County funds provided to Aromas Water District will be deemed a County Contribution without repayment.
DEPARTMENT:	County Administrative Office

RECOMMENDATION:

It is Recommended that the Board of Supervisors:

1. Authorize the expenditure of \$155,000 from the County's Capital Projects Fund 402 to Aromas Water District for preparation of an Engineer's Report to include surveying, engineering and design fees, Appraisers Fee, LAFCO Report Fee and Environmental Document costs for the connection of Oak Ridge Mutual Water Company and portion of Via Del Sol Drive Area to the Aromas Water System; and,
2. Transfer \$155,000 from County Capital Projects Fund 402, Unit 8174, Account 7521, Buildings and Improvements to Account 7201, Contributions to Other Agencies;
3. Authorize the County Administrative Officer to execute an Agreement with the Aromas Water District outlining the Agreement Terms for Funding of specified work and repayment via successful Proposition 218 Assessment District; and,
4. Authorize, should Assessment District fail, the County funds provided to Aromas Water District will be deemed a County Contribution without repayment.

SUMMARY/DISCUSSION:

The Oak Ridge Mutual Water System is located in the County of Monterey and presently has an inadequate supply of water. The County and Aromas Water District agreed that a Water System Engineer's Study was necessary to determine the feasibility of Aromas replacing the Oak Ridge distribution system, connecting to the Aromas system, providing an additional source of supply, additional storage and operating the system. The County previously entered into an agreement with Aromas Water District for \$7,500 to provide funding for this Engineering Study. This study provided the engineering work necessary to determine the feasibility of connecting Oak Ridge Mutual Water Company and portions of Via Del Sol Drive Area to the Aromas Water System. Under the Agreement, to the extent permitted by law, Aromas will repay the \$7,500 to the County if an assessment district is successfully formed to implement a project to connect Oak Ridge and portions of Via Del Sol Drive Area to Aromas.

Preliminary conclusions have been identified for the connection. According to the Engineer's Water System Study, "Oak Ridge Mutual Water Company and the Via Del Sol Drive area could be integrated into the water system of the Aromas Water District System." (Attached is a copy of the Water System Engineer's Report prepared by Freitas & Freitas, Engineering and Planning Consultants, Inc. for Connection of Oak Ridge Mutual Water Company and Via Del Sol Drive Area to Aromas Water District.)

In addition to the \$7,500 previously provided by the County for the Water System Engineer's Study there is a need to provide \$155,000 in funding to Aromas Water District for preparation of an Engineer's Report to include surveying, engineering and design fees, Appraisers Fee, LAFCO Report Fee and Environmental Document costs for the connection of Oak Ridge Mutual Water Company and portion of Via Del Sol Drive Area to the Aromas Water System. As with the \$7,500 previously provided if an assessment district is successfully formed to implement this project, Aromas will repay the \$155,000. Should a Proposition 218 Assessment fail, the County funds provided to Aromas will be deemed a County Contribution without repayment. County Counsel has determined that: "The County of Monterey has a legitimate public purpose in the use of its funds for this purpose. The project will contribute to the public health, safety, and welfare by contributing to a project designed to provide potable water to certain County residents in a situation where those citizens do not have a reliable source of potable water."

OTHER AGENCY INVOLVEMENT:

The Public Works Director has been apprised of the expenditure of \$155,000 from the Capital Projects Fund to provide to Aromas Water District. County Counsel will assist the County Administrative Officer in development of the Agreement between the County and the Aromas Water District for this \$155,000 funding.


FINANCING:

There are sufficient appropriations in the Capital Projects Fund to provide for this \$155,000 expenditure of funds for the preparation of this critical work.

Approved by:


Lew Bauman
County Administrative Officer

Prepared By:


Rosie Pando
Assistant County Administrative Officer

Attachment -- Water System Engineer's Report prepared by Freitas & Freitas, Engineering and Planning Consultants, Inc. for Connection of Oak Ridge Mutual Water Company and Via Del Sol Drive Area to Aromas Water District

cc: Yaz Emrani, Director of Public Works
Michael J. Miller, Auditor-Controller
Charles McKee, County Counsel

Before the Board of Supervisors in and for the County of Monterey, State of California

Budget No: 09/10 - 126

Consider the following staff recommendations:

- a. Authorize the expenditure of \$155,000 from the County's Capital Projects Fund 402 to Aromas Water District for preparation of an Engineer's Report to include surveying, engineering and design fees, Appraisers Fee, LAFCO Report Fee and Environmental Document costs for the connection of Oak Ridge Mutual Water Company and portion of Via Del Sol Drive Area to the Aromas Water System;
b. Transfer \$155,000 from County Capital Projects Fund 402, Unit 8174, Account 7521, Buildings and Improvements to Account 7201, Contributions to Other Agencies;
c. Authorize the County Administrative Officer to execute an Agreement with the Aromas Water District outlining the Agreement Terms for Funding of specified work and repayment via successful Proposition 218 Assessment District; and
d. Authorize, should Assessment District fail, the County funds provided to Aromas Water District will be deemed a County Contribution without repayment. (This item was moved from the Consent Calendar)

Upon motion of Supervisor Calcagno, seconded by Supervisor Armenta, and carried by those members present, the Board hereby:

- a. Authorized the expenditure of \$155,000 from the County's Capital Projects Fund 402 to Aromas Water District for preparation of an Engineer's Report to include surveying, engineering and design fees, Appraisers Fee, LAFCO Report Fee and Environmental Document costs for the connection of Oak Ridge Mutual Water Company and portion of Via Del Sol Drive Area to the Aromas Water System;
b. Transferred \$155,000 from County Capital Projects Fund 402, Unit 8174, Account 7521, Buildings and Improvements to Account 7201, Contributions to Other Agencies;
c. Authorized the County Administrative Officer to execute an Agreement with the Aromas Water District outlining the Agreement Terms for Funding of specified work and repayment via successful Proposition 218 Assessment District; and
d. Authorized, should Assessment District fail, the County funds provided to Aromas Water District will be deemed a County Contribution without repayment. (This item was moved from the Consent Calendar)

PASSED AND ADOPTED this 13th day of April, 2010, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker, Potter
NOES: None
ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 75 for the meeting on April 13, 2010.

Dated: April 16, 2010

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By [Signature] Deputy