



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: RES 24-136

July 16, 2024

Introduced: 7/1/2024

Current Status: Agenda Ready

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Matter Type: BoS Resolution

- a. Approve submittal of a grant funding application for a possible centralized water treatment system at Laguna Seca Recreation Area from the State of California Drinking Water State Revolving Fund; and
- b. Adopt a Resolution authorizing the Director of Public Works, Facilities, and Parks or designee, to act as agent for the County in processing all documentation to secure these funds; and
- c. Direct Public Works, Facilities, and Parks staff to return to the Board of Supervisors for approval prior to acceptance of any grant awards(s).

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve submittal of a grant funding application for a possible centralized water treatment system at Laguna Seca Recreation Area from the State of California Drinking Water State Revolving Fund; and
- b. Adopt a Resolution authorizing the Director of Public Works, Facilities, and Parks or designee, to act as agent for the County in processing all documentation to secure these funds; and
- c. Direct Public Works, Facilities, and Parks staff to return to the Board of Supervisors for approval prior to acceptance of any grant awards(s).

SUMMARY/DISCUSSION:

The County of Monterey (County) owns the Laguna Seca Recreation Area (LSRA) which includes public campgrounds adjacent to the Weathertech Raceway at Laguna Seca in Salinas, CA. The existing campground facilities are fitted with a water distribution system that is used by campground guests. The campgrounds currently do not supply potable drinking water. All water used for drinking, toilets, kitchen sinks, handwashing, and showers at the Laguna Seca campgrounds are subject to the state regulations outlined in the California Code of Regulations Title 22 § 64431. These standards include the maximum contaminant levels (MCLs) of various inorganic chemicals.

The County ground water well which supplies the LSRA campgrounds has been found to have arsenic levels in excess of the United States Environmental Protection Agency safe drinking water standards. In addition to arsenic, elevated levels of iron, sulfate, nitrate, potassium, copper, manganese and bicarbonates have been identified in the water samples and from data from nearby groundwater wells.

The current Domestic Water Supply Permit, issued on January 21, 1998, classifies the system as a public non-transient, non-community water system. The non-transient, non-community classification is for systems that serve at least 25 of the same persons for over 6 months of the year. The Monterey County Health Department (MCHD) issued Compliance Order No. 16-001 (Compliance Order) in January 2016 to notify the County that the current water system at LSRA does not meet the conditions specified in their Domestic Water Supply Permit. Even though the LSRA complex is transitioning to a concessionaire operation, the County will retain responsibility for water and wastewater operating permits from the State of California Regional Water Quality Control Board (which are administered

through MCHD's Environmental Health Bureau).

Utilizing funding from the Board approved American Rescue Plan Act (ARPA), Public Works, Facilities and Parks (PWFP) has implemented both water and wastewater improvements at LSRA, including system repairs/upgrades and construction of a new wastewater holding tank. Those were necessary to address both needed deferred maintenance and to also assist in maintaining compliance with permitting requirements.

Point of Use (POU) Treatment Alternative

With the assistance of a qualified engineering consultant, PWFP staff has also assessed the feasibility of constructing a dispersed stations water filtration system at LSRA. Presently, the consultant is working with PWFP to develop engineering construction plans and associated permitting requirements for this alternative. If that work were to proceed, four certified POU filtration systems that would be constructed centrally located to provide drinking water for campers as well as on-site staff. Unfortunately, such County action would only bring the system into temporary compliance and be considered an interim treatment system.

The temporary permit would serve to enable the County to provide safe drinking water via the POU filters until full treatment requirements can be funded and implemented. The temporary permit is considered an interim solution until a centralized treatment system is constructed and would need to be re-applied for on a 3-year recurring basis. This would continue until the full treatment requirements can be implemented.

A successful pilot test is necessary prior to actual permitting for construction. At this point, staff is concerned that it may not be possible to complete permitting for the POU system in time for encumbrance of funding for construction prior to the ARPA Program Funding obligation deadline of December 31, 2024

Centralized Treatment Alternative

A centralized system will potentially provide a more cost effective, regulatory compliant, and environmentally superior/sustainable solution for LSRA. A centralized treatment system is defined as: where all water supplied by the public water system for human consumption is treated by the public water system via a single device or facility, regardless of location of the device or facility.

Even if the POU system were to be implemented, one of the permitting requirements is that the County will need to apply for grant funding to show a good faith effort is being made to bring the existing water system into full compliance with the active original permit. Submittal of this application should satisfy that requirement.

There are two options for providing a regulatory compliant and environmentally sustainable centralized treatment system: (1) connect to an existing centralized system; or (2) build a new one on-site. If no funding is available within the three-year time period, the County may apply for an extension of the permit requirements, which may or may not be accepted. The centralized treatment system will need to address the arsenic issues as well as elevated copper levels to bring all samples within the MCL standards.

Grant Program Background

Grant funding can be applied for at the State level for implementing the centralized treatment system. Grants are made available from the State's Drinking Water State Revolving Fund as well as from the Small Community Drinking Water Funding Program.

To accelerate the process, staff recommends that presently available ARPA funding be utilized to prepare the grant application documents and required documentation for centralized treatment, with assistance from the same engineering consultant who has already been working on developing options for water treatment at LSRA. The County will be the lead agency, filing the application and coordinating with the public agency advertising the grant opportunity. The engineering consultant will provide the system reports and background data necessary for the grant, including the Project Information Report, documentation with the MCHD, treatment alternatives, and other background data to assist with preparation of grant application supplemental documents.

An initial grant General Application has already been drafted; however, Board authorization is necessary for actual submittal through the State's online Financial Assistance Application and Submittal Tool (FAAST). A formal Board Resolution is necessary for inclusion in the grant application and is attached for adoption. If the initial application is successful, a full application will be necessary, and likely involve a more extensive process that will take longer to complete; however, staff believes that an initial eligibility decision will be available within 60 days of Board authorization to apply. It is conceivable that ARPA funding could also be made available for costs associated with a potential full application - and obligated prior to the December 31, ARPA Program deadline.

OTHER AGENCY INVOLVEMENT:

Continued coordination with MCHD Environmental Health will be necessary for the Grant Application.

FINANCING:

Should the initial grant application be successful, PWFP recommends that ARPA funds be used for preliminary design and environmental review work as needed to finalize project parameters and allow subsequent application for a full grant or loan from the State Water Resources Control Board or other possible funding authorities for construction funding. PWFP staff believes that a matching County contribution will be necessary for any grant that might be awarded; however, the share amount will be determined as part of developing a Grant Agreement, which will be returned to the Board for approval prior to finalizing.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The Project will construct a sustainable, physical infrastructure that improves the quality of life for County residents and visitors. The recommended action supports the following Board of Supervisors' Strategic Initiatives:

- ☒ Economic Development
- ☐ Administration
- ☒ Health & Human Services
- ☒ Infrastructure
- ☒ Public Safety

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Attachments:

Attachment A - Resolution

Attachments on file with the Clerk of the Board