

**SAN LUCAS COUNTY WATER DISTRICT**  
**State of California**

Resolution No. 10 - 2018  
Authorizing the County of Monterey to submit an application to the State Water Resources Control Board for planning funds under the Safe Drinking Water State Revolving Fund program, to fund certain pre-construction activities for a project to provide a long-term reliable water supply for the District. This action includes authorizing the Director of the Monterey County Resource Management Agency to sign the Application, and, if funding is acquired, to prepare the feasibility study report.

WHEREAS, the San Lucas County Water District ("District") is the municipal water purveyor for the unincorporated community of San Lucas; and

WHEREAS, in March 2011, the District's sole source of water supply, a well located on land owned by Wendell J. Naraghi et al and being leased to and farmed by Mission Ranches of King City, became contaminated with nitrates in the groundwater, and the Monterey County Health Department Environmental Health Bureau ("EHB") issued a "do not drink" order to all residents of the community of San Lucas. This order contained a directive for the District to obtain a new source of supply that meets legal water quality standards; and

WHEREAS, on September 18, 2012, the District adopted Resolution No. 81-2012 authorizing the County of Monterey ("County") to assist the District's efforts to improve its community water supply by acting on behalf of the District to seek funding, including but not limited to, preparation and submittal of an application to the California Department of Public Health ("CDPH") for planning funds under the Safe Drinking Water State Revolving Fund ("SDWSRF") program ("Application"), including authorizing the Director of the County Resource Management Agency ("Director") to sign the Application, and, if funding was acquired, to prepare the necessary engineering and environmental studies and reports, acquire rights-of-way, apply for permits, and, upon concurrence by the District and EHB, design and construct a new municipal water supply project, all at no cost to the District; and

WHEREAS, On October 15, 2013, CDPH completed and executed Funding Agreement No. SRF 13P116 for a Planning Grant to fund the preparation of the said engineering and environmental studies and reports, acquire rights-of-way, apply for permits, and, prepare construction-ready bid documents for a new municipal water supply project, with an expiration date of April 15, 2015, and the County began preparation of an analysis to determine the most reasonable alternative to provide the said new long-term reliable water source to the District; and

WHEREAS, in November 2014, Mission Ranches constructed an "interim" well to temporarily provide potable water to the District until such time as the District could develop a permanent long-term source of water; and

WHEREAS, on March 26, 2015, the State Water Resources Control Board ("SWRCB") approved Amendment No. 1 to said Planning Grant to reflect SWRCB's assumption of the Funding Agreement from CDPH and to extend the expiration date of said Agreement to October 15, 2016; and

WHEREAS, on May 29, 2015, the County's consultant delivered to the District a Final Feasibility Study analyzing five different alternatives to construct a new long-term water supply for the District and;

WHEREAS, after consulting with several agencies, including CDPH, SWRCB, and RWQCB, on September 17, 2015 the District Board of Directors voted to select Alternative 4, purchase water from California Water Services via construction of an intertie pipeline to King City, as the Preferred Alternative to develop a long-term permanent water supply for the District; and

WHEREAS, on October 19, 2015, SWRCB staff gave verbal approval for the District to use the above-referenced Planning Grant funds to proceed with the engineering design of the Intertie Pipeline alternative; and

WHEREAS, on August 18, 2016, SWRCB directed the District and County to stop work on the engineering and environmental analysis of the proposed Intertie Pipeline, citing the project's potential extreme cost, and directed the District/County to instead pursue the development of Alternative No. 3, a new groundwater source with treatment if required; and

WHEREAS, during the summer of 2016, the water being withdrawn from Mission Ranches' interim well exceeded the State-mandated maximum contaminant level for nitrates, and on October 26, 2016, EHB issued a new "do not drink" order to the District, which order continues to remain in effect; and

WHEREAS, On February 3, 2017 SWRCB directed the County to prepare an outline scope of work for a project-level feasibility analysis of a treated groundwater project (Alternative 4), and after review, on February 23, 2017 directed the County to submit a detailed scope of services and fee estimate for the proposed feasibility study; and

WHEREAS, after consideration of the submitted scope and fee estimate, together with a scope and fee estimate submitted by a consulting firm retained by Mission Ranches, on August 14, 2017 the County Board of Supervisors' Capital Improvement Committee recommended and directed the County to proceed with the proposal provided by the County's consultant; and

WHEREAS, on October 16, 2017, SWRCB staff indicated its intention to not renew the now-expired Funding Agreement No. SRF 13P116, and on December 7, 2017 directed the County to submit on behalf of the District an application for a new SRF grant to fund the complete cost of the remaining pre-construction activities required to make the project bid-ready; and

WHEREAS, on April 12, 2018, the District's Board of directed the County include additional feasibility study of Consolidation with King City (Alternative 5);

WHEREAS, County has expressed its willingness to continue to assist the District's efforts to

improve its community water supply by acquiring funds and implementing the activities necessary to achieve that result or any other mutually acceptable solution to the community's water supply problems; NOW, THEREFORE,

BE IT RESOLVED by the Board of Directors of the San Lucas County Water District:

- a. The above recitals are true and correct.
- b. The County is requested and authorized to continue to assist the District's efforts to improve its community water supply by acting on behalf of the District to seek funding, including but not limited to, submittal of an Application to the SWRCB to fund the certain pre-construction activities for a project to provide a long-term reliable water supply for the District.
- c. The District further requests and authorizes the Director to sign the Application, and, if funding is awarded, to prepare the referenced project-level feasibility studies and pre-construction activities at no cost to the District.
- d. The District further requests the County to continue to work with the District on other alternatives to address the community's water supply problems.

PASSED AND ADOPTED this 12<sup>th</sup> day of July, 2018 by the following vote, to wit:

AYES: *Javier Cervantes, Curtis Carroll, Sheri Braden*

NOES:

ABSENT: *Michael Cervantes*

*Sheri Braden*

Sheri Braden  
Vice President

I, Susan Madson, Secretary of the San Lucas County Water District, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Directors made and entered in the minutes thereof for the meeting on July 12, 2018.

By: *Susan C. Madson*  
Susan Madson, Secretary