



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Department Name:** Public Works  
**Department No.:** 054  
**For Agenda of:** August 22, 2023  
**Placement:** Administrative  
**Estimated Tme:**  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

---

**TO:** Board of Directors, Laguna County Sanitation District

**FROM:** Department Director(s) Scott D. McGolpin, P.E., Director, (805) 568-3010  
Contact Info: Jeanette Gonzales-Knight, P.E., Interim Deputy Director,  
(805) 882-3627

**SUBJECT:** **Approval of a Professional Services Agreement with Carollo Engineers, Inc. for Indirect Potable Reuse Study Using American Rescue Plan Act (ARPA) Funds – Fourth and Fifth Supervisorial Districts**

---

**County Counsel Concurrence**

As to form: Yes

**Other Concurrence:** Risk Management

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Recommended Actions:**

That the Board of Directors:

- a) Approve and authorize the Chair to execute a professional services agreement with Carollo Engineers, Inc. for an indirect potable reuse study using American Rescue Plan Act (ARPA) funds in the amount of \$300,000; and,
- b) Find that the proposed action does not constitute a “Project” within the meaning of the California Environmental Quality Act, pursuant to 14 CCR § 15378 (b)(4) and (b)(5), in that it is a government administrative or fiscal activity that will not result in direct or indirect changes in the environment.

**Summary Text:**

This item is on the agenda in order to consider approval of a professional services agreement between the Laguna County Sanitation District and Carollo Engineers, Inc. (not a local vendor) to use ARPA funds to further study elements required to pursue implementation of an indirect potable reuse project for the Laguna County Sanitation District. This project is intended to establish an alternative potable water supply not currently available in the Santa Maria Valley. The attached scope of work details tasks at a cost of \$300,000.

**Background:**

The Laguna County Sanitation District was formed in 1958 to provide wastewater services to the Orcutt and southern Santa Maria area. The reclamation plant collects wastewater and treats it to disinfected tertiary levels by applying advanced treatment (reverse osmosis) to a portion of the flow that contains brine from water softener discharge. To date, water has been recycled for beneficial uses such as agricultural and landscape irrigation. While water recycling offsets groundwater demand, it does not provide a potable supply pursuant to the Santa Maria Valley Groundwater adjudication case. In recent years the State Water Resources Control Board has evaluated treatment criteria that defines indirect potable reuse (IPR) that does augment the potable water supply. Locally, this is being studied by neighboring communities such as Carpinteria and Pismo Beach. Such an augmentation would be extremely beneficial to the Santa Maria Valley, which depends primarily on ground water and State Water Project water for its supply of potable water.

Although a statutorily authorized power, the supply of potable water is not currently exercised by the Laguna County Sanitation District and sewer service revenue cannot be used to evaluate potable supply alternatives. For this reason, the Santa Barbara County Water Agency funded an Orcutt area indirect potable reuse feasibility study for the Laguna County Sanitation District, which was completed by Carollo Engineers, Inc. in July 2023. Based on that assessment, several options exist for the Laguna County Sanitation District to pursue a project at varying levels and costs.

U.S. Treasury guidance allows the use of ARPA funds to make necessary investments in water, sewer, and broadband infrastructure. This includes granting access to a broad range of water and sewer projects, such as those articulated in the Environmental Protection Agency’s Drinking Water State Revolving Fund (DWSRF). DWSRF eligible projects are presumed to be necessary investments in infrastructure. During budget hearings in June 2023, the Board of Supervisors authorized \$300,000 in ARPA funding to further the development of an indirect potable water project. These funds will be used to provide groundwater modeling, a U.S. Bureau of Reclamation funding application report, consider a financing structure for purveying or wholesaling potable water, and evaluate basin objectives for certain constituents. These projects fall under the DWSRF, as they involve creating new sources to increase drought resilience, including aquifer storage and a recovery system for water storage. This action requests the Board to enter into an agreement with Carollo Engineers, Inc. who is on the Public Works Department qualified engineering services list and has competence and professional qualifications in this field to perform this work. The qualified engineering services list was obtained by Board action on December 14, 2021 and complies with the Federal Government’s Brooks Act and the State’s Mini-Brooks Act, which govern professional services selection.

**Performance Measure:**

The proposed scope of services will further develop the IPR project intended to aid in providing long term potable water supply in the Santa Maria Valley.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>	<b><u>Annualized On-going Cost:</u></b>	<b><u>Total One-Time Project Cost</u></b>
General Fund			
State			
Federal (County ARPA)			\$ 300,000.00
Fees			
Other			\$ -
<b>Total</b>	\$ -	\$ -	\$ 300,000.00

One-time County ARPA funds will be used for this work. Appropriations for this project were included as an expansion to the Laguna County Sanitation District FY 2023-24 Recommended Budget.

**Key Contract Risks:** This contract has a risk assessment of medium. The vendor is a professional engineering firm with extensive experience and experience in the subject matter and has worked with the District in the past.

**Special Instructions:**

Retain one (1) original agreement for Clerk of the Board records and return the other two (2) original agreements to:

- Laguna County Sanitation District, attention Martin Wilder.

**Attachments:**

Attachment A: Agreement for Services of Independent Contractor with Carollo Engineers, Inc. (3 originals)

**Authored by:**

Martin Wilder, P.E., Laguna County Sanitation District Manager, (805) 803-8750

**Copy:**

Julie Hagen, CPA, Deputy Public Works Director of Finance and Administration