



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: PW/Laguna Sanitation  
Department No.: 054  
For Agenda Of: 11/18/2008  
Placement: Administrative  
Estimated Tme:  
Continued Item: No  
If Yes, date from:  
Vote Required: 4/5

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

**FROM:** Department Scott McGolpin, Public Works Director, 568-3010  
Director(s)  
Contact Info: Mark A. Schleich, Deputy Public Works Director, 568-3600

**SUBJECT: Proposition 50 Grant Funds Distribution through the Integrated Regional Water Management Plan for Santa Barbara County**

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**County Counsel Concurrence**

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Other Concurrence:** N/A

As to form: N/A

**Recommended Actions:**

Adopt the attached resolution authorizing the Public Works Director or his designees to enter into the *Memorandum of Understanding for Administration of Santa Barbara Countywide Proposition 50 Grant Funding and Reporting* and the *Proposition 50 Integrated Regional Water Management Subgrant Agreement* with the Santa Barbara County Water Agency.

**Summary Text:**

The Laguna County Sanitation District is initiating a project to improve its short-term recycled water facilities. Grant funding for a portion of the cost is available through Proposition 50. The District participated in the preparation of the Santa Barbara County Integrated Regional Water Management Plan along with other participants and recipient entities. Of the \$25 million awarded by the State Water Resources Control Board (SWRCB), \$525,000 was awarded to the District.

The Santa Barbara County Water Agency (Agency) is acting as the go-between with the SWRCB and the local recipient entities. The attached resolution allows for the execution of a memorandum of understanding for the administration of the grant program as well as a subagreement between the District and the Agency that provides for the distribution of grant funds to the District.

**Background:**

The Laguna County Sanitation District distributes recycled water to off site users as a means of discharge. Presently, water volume is limited when a user requires more than can be produced. To ensure water quality, reduce maintenance, and prevent impacts from algae, the first of four 1 million gallon storage tanks is proposed. Subsequent tanks will be installed when additional off site users come on line.

To help fund the project, the District participated in the preparation of a countywide integrated water management plan (IRWMP) in pursuit of grant funding from Chapter 8 of Proposition 50. The Agency headed up this effort in 2006 with other groups of cities, special districts, water companies, and joint powers authorities to develop the first IRWMP, completed in May 2007. The IRWMP contained roughly 100 projects that addressed one or more regional objectives. Twenty-nine agencies cooperated in preparation of the IRWMP and selected 14 projects for consideration of grant funding. The State of California issued its Proposition 50 Chapter 8 Integrated Regional Water Management (IRWM) Grant Program Guidelines in June 2007 pursuant to the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Water Code Section 79560 et seq.). The Guidelines required a grant applicant to provide the SWRCB with a resolution adopted by the grantee's governing body designating an authorized representative to submit the application and execute an agreement with the SWRCB for an IRWM implementation grant. On December 11, 2007, the Agency Board adopted the resolution to submit the Proposition 50 Round 2 Grant Application to the SWRCB California for consideration for grant funding. The SWRCB awarded \$25 million in the Round 2 grant process, of which, \$525,000 was awarded to the District for improvements to its recycled water system.

The Proposition 50 grant funds will be distributed by the SWRCB through the Agency. This is because the SWRCB will only enter the Grant Agreement with a single entity and the Agency is the common denominator between water entities within the County. The Agency proposes to execute the Implementation Grant Agreement with the SWRCB and in turn proposes to execute an administration memorandum of understanding as well as a subagreement with all of the participating entities receiving grant funds. The Agency will be responsible to review and submit claims to the SWRCB from all of the grant recipients and then distribute the grant funds to them.

This resolution will help expedite processing of the documents between the SWRCB and the Agency, as they must be in effect by December 31, 2008 in order to avoid additional administrative grant requirements that take effect on January 1, 2009. Adopting this resolution will allow the Public Works Director or his designees to complete documentation required of the District and enable the Agency to enter into all agreements necessary to begin implementation of the grant program.

**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			\$ 525,000.00
Federal			
Fees			
Other:			\$ 1,278,296.00
<b>Total</b>	\$ -	\$ -	\$ 1,803,296.00

**Narrative:**

The project is budgeted in fiscal year 2008-09 as a District capital project. The costs are estimated as shown above. Additional costs will be encumbered to fund grant administrative activities

**Staffing Impacts:**

**Legal Positions:**                      **FTEs:**

There are no staffing impacts.

**Special Instructions:**

Please forward one (2) copy of certified minute order and to (2) certified copies of the executed resolution to Martin Wilder at the Laguna County Sanitation District offices in the Public Works building in Santa Maria.

**Attachments:**

Resolution

**Authored by:** Martin J. Wilder, Utilities Manager, 739-3542

**Copy:** Rochelle Camozzi  
Colleen Hankins,