



**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: General Services
Department No.: 063
For Agenda Of: December 15, 2015
Placement: Administrative
Estimated Tme: NA
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: General Services Matthew P. Pontes, Director (805) 560-1011

Contact Info: Greg Chanis, Assistant Director (805) 568-3096

SUBJECT: Approve a Supplemental Water Purchase Agreement and Assignment Agreement Regarding Supplemental Water for the Northern Branch Jail AB900 Project. Third District

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Risk Management: As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve as to form and direct the Chair to execute, upon final review and approval of County Counsel, Auditor-Controller, General Services Director and Risk Management, a Supplemental Water Purchase Agreement provided herein as Attachment A, in the amount of \$545,076, with the City of Santa Maria;
- b) Approve as to form and direct the Chair to execute, upon final review and approval of County Counsel, Auditor-Controller, General Services Director and Risk Management, an Assignment Agreement Regarding Supplemental Water provided herein as Attachment B, with Golden State Water Company; and
- c) After considering the Final Subsequent Environmental Impact Report (2008 Final SEIR), State Clearinghouse Number 2007111099, that the Board of Supervisors certified on March 11, 2008, the December 6, 2011 and October 8, 2013 SEIR addendums, and the SEIR addendum attached to this Board Agenda Letter as Attachment C, adopt the attached CEQA findings, and determine, pursuant to 14 CCR 15162(a), that no subsequent EIR or Negative Declaration is required for this project because:

1. No substantial changes are proposed in the project which require major revisions of the 2008 Final SEIR;
2. No substantial changes have occurred with respect to the circumstances under which the project is undertaken which require major revisions of the 2008 Final SEIR; and
3. No new information of substantial importance concerning the project's significant effects or mitigation measures, which was not known and could not have been known with the exercise of reasonable diligence at the time that the 2008 Final SEIR was certified, has been received that requires a subsequent EIR or Negative Declaration.

Summary Text:

General Services is currently managing the design and construction of the Northern Branch Jail Project (NBJP). Staff has determined the most cost effective means of providing water for the NBJP is a combination of potable water supplied by Golden State Water Company and recycled water supplied by Laguna County Sanitation District. As part of the terms and conditions for providing potable water for the NBJP and pursuant to the judgement and stipulation in the *Santa Maria Valley Water Conservation District* litigation, the County is required to acquire 'supplemental water' to offset the potable water demand associated with the NBJP, which has been estimated by an engineering firm at 17.5 acre feet per year for the NBJ AB900 phase. Through a Supplemental Water Purchase Agreement with the City of Santa Maria, the County may purchase supplemental water at a cost of \$30,240 per acre-foot of water, plus a 3% administration fee, for a total per acre foot cost of \$31,147.20. Based on the estimated water demand for the NBJ AB900 phase of 17.5 acre-feet/year, this equates to a one time project expense of \$545,076. As a condition of providing potable water to the site, the supplemental water acquired through this agreement would then be assigned to Golden State Water Company via a separate Assignment Agreement Regarding Supplemental Water. As the certified 2008 Supplemental Environmental Impact Report did not consider acquiring potable water service for the NBJP from Golden State Water Company, staff has provided a proposed addendum and related CEQA findings.

Background:

As part of managing NBJ AB900 project, General Services hired Rosser International, Inc. (Rosser) for architectural-engineering and related professional design services. Rosser sub-contracted with Penfield & Smith (now Stantec) to study the options available for providing water and sewer service to the facility. The 2013 Penfield & Smith Report (2013 Report) studied three options for providing water (potable and non-potable): 1) acquiring water from the City of Santa Maria, 2) acquiring water from Golden State Water Company (GSWC), or 3) developing an onsite well(s). It also studied the feasibility of utilizing recycled water from the Laguna County Sanitation District (LCSD) for non-potable use. The 2013 Report concluded "*Based on the data presented, the apparent choice for water delivery will be a combination of potable water provided by GSWC and recycled water provided by LCSD. This option best utilizes existing infrastructure, primarily water treatment and storage facilities, to keep the cost to the Northern Branch Jail Project at a minimum while providing both reliable and redundant facilities to the site. This option also addresses EIR mitigation requirements by utilizing recycled water onsite.*" An addendum to the 2013 Report, issued in June 2015 (2015 Addendum), provided a final engineer's estimate for potable water demand associated with the NBJ AB900 phase of 17.5 acre feet per year.

Approval of Supplemental Water Purchase Agreement (Recommendation 1)

The County is required to acquire supplemental water to offset the potable water demand of the NBJP. This requirement is part of GSWC's terms and conditions for service and is based on the 2005 Santa Maria Groundwater Stipulation (2005 Stipulation) governing the proposed site of the NBJP (Property)

which is located at the intersection of Betteravia and Black Roads near Santa Maria, in the Santa Maria Groundwater Basin. Staff has determined the most cost effective means of acquiring the required amount of supplemental water is through execution of a Supplemental Water Purchase Agreement for the supplemental water with the City of Santa Maria (City). The current cost of supplemental water from the City is \$30,240 per acre foot. In addition, the City charges an additional 3% administrative fee, for a total cost per acre foot of \$31,147.20. Based on the final engineer's estimate of potable water demand for the NBJ AB900 phase of 17.5 acre-feet/year, this equates to a one time project expense of \$545,076.

Approval of Assignment Agreement Regarding Supplemental Water (Recommendation 2)

The supplemental water acquired from the City for the NBJP must subsequently be "assigned" to the entity actually providing water service, in this case, GSW. Attachment B is the proposed agreement for this assignment.

Approval of Addendum to the Final Subsequent Environmental Impact Report (Recommendation 3)

On March 11, 2008, the Board of Supervisors certified a Final Subsequent Environmental Impact Report for the proposed NBJP (2008 Final SEIR). In evaluating the impacts of providing water service for the NBJP, the 2008 Final SEIR considered water obtained from the City, water obtained from on-site wells and recycled water obtained from LCSD. As discussed previously, and subsequent to the certification of the 2008 Final SEIR, it was determined the most cost effective means of providing water for the NBJ Project includes acquiring potable water from GSW. The attached Addendum to the 2008 Final SEIR, and associated CEQA Findings, address this change in water source and point of connection for the NBJ Project. CEQA guideline Section 15164 allows an addendum to be prepared to the 2008 Final SEIR since only minor technical changes or additions are necessary and none of the conditions described in CEQA guidelines Section 15162 call for the preparation of a subsequent EIR or negative declaration. This addendum addresses minor technical changes and additions which are proposed as part of the final plans and specifications for the NBJ Project and which will not result in any new or more severe significant environmental effects or changes to feasible mitigations measures or alternatives previously certified by the Board.

Fiscal and Facilities Impacts:

The cost of supplemental water for the NBJP is considered a project cost. Accordingly, funds are available in, and payment for the Deposit will be made from the established NBJP budget: Fund 032, Dept. 980, Program 1000, Org. 0001, Project 8600.

Key Risks:

Under the terms of the proposed Supplemental Water Purchase Agreement with the City, the County is required to provide payment to the City of a deposit of 10% of the purchase price (Deposit) for the supplemental water, totaling \$52,920, with the remainder of the purchase price plus 3% City administrative fee due when the County issues the Notice of Completion for the NBJP. The Deposit is fully refundable providing the County shows proof Approval for the NBJP was denied. The Deposit is nonrefundable once the NBJP receives Approval. For the purpose of this agreement, the term "Approval" shall mean when the County's Board of Supervisors awards the contract(s) for construction of the NBJP, or the final resolution of any legal challenge to the project that affirms the approval of the project in substantially the same form as originally proposed.

Special Instructions:

Direct the Clerk of the Board to forward two (2) duplicate original Supplemental Water Purchase Agreements and two (2) copies of the Certified Minute Order to Greg Chanis, General Services Department.

Attachments:

Attachment A: Supplemental Water Purchase Agreement

Attachment B: Assignment Agreement Regarding Supplemental Water

Attachment C: October 20, 2015 Addendum to 2008 SEIR

Attachment D: CEQA Findings

Authored by:

Greg Chanis, Assistant Director

General Services Department, 568-3096