

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: ENVIRONMENTAL RESOURCES

BOARD AGENDA# *B-8

Urgent _____ Routine X

AGENDA DATE March 30, 2004

CEO Concurs with Recommendation YES Q NO _____
(Information Attached)

4/5 Vote Required YES _____ NO ✓

SUBJECT: APPROVAL TO GRANT MONTEREY PARK TRACT COMMUNITY SERVICES DISTRICT \$7,500 FOR ENGINEERING STUDIES NEEDED FOR THE DISTRICT TO APPLY FOR GRANTS TO CONSTRUCT INFRASTRUCTURE IMPROVEMENTS TO THE DISTRICT WATER SYSTEM, AND TO ASSIST THE DISTRICT IN APPLYING FOR GRANTS

STAFF RECOMMENDATIONS:

1. AUTHORIZE THE DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT TO EXPEND COMMUNITY DEVELOPMENT BLOCK GRANT - PROGRAM INCOME (CDBG/PI) FUNDS IN THE AMOUNT OF \$7,500 FOR A PROJECT TO PREPARE AN ENGINEERING STUDY TO DETERMINE THE STATUS OF THE WATER SYSTEM INFRASTRUCTURE AND THE WATER QUALITY AT MONTEREY PARK TRACT.
 2. AUTHORIZE THE DIRECTOR OF PLANNING AND COMMUNITY DEVELOPMENT TO EXECUTE AN AGREEMENT WITH THE MONTEREY PARK TRACT COMMUNITY SERVICES DISTRICT TO GRANT THE DISTRICT \$7,500 FOR ENGINEERING STUDIES NEEDED FOR THE DISTRICT
- (Continued on next page)

FISCAL IMPACT:

A major component of the USDA grant application process is the submittal of a preliminary engineering study containing a detailed description of the deficiencies of the entire water system and remedies for their correction with an associated cost. To help offset the cost of the preliminary engineering study, it is proposed to allocate funding from CDBG/PI in the amount of \$7,500 for a portion of the engineering report. This funding will be combined with funding from the Monterey Park Track Community Services District (MPTCSD) and, in kind services, provided by Self- Help Enterprises in

(Continued on next page)

BOARD ACTION AS FOLLOWS:

No. 2004-211

On motion of Supervisor Grover, Seconded by Supervisor Paul
and approved by the following vote,
Ayes: Supervisors: Paul, Mayfield, Grover, Simon, and Chairman Caruso
Noes: Supervisors: None
Excused or Absent: Supervisors: None
Abstaining: Supervisor: None

- 1) X Approved as recommended
- 2) _____ Denied
- 3) _____ Approved as amended
- 4) _____ Other:

MOTION:

Christine Ferraro
CHRISTINE FERRARO TALLMAN, Clerk

APPROVAL TO GRANT MONTEREY PARK TRACT COMMUNITY SERVICES DISTRICT \$7,500 FOR ENGINEERING STUDIES NEEDED FOR THE DISTRICT TO APPLY FOR GRANTS TO CONSTRUCT INFRASTRUCTURE IMPROVEMENTS TO THE DISTRICT WATER SYSTEM, AND TO ASSIST THE DISTRICT IN APPLYING FOR GRANTS

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STAFF
RECOMMEN-
DATIONS:

(Continued)

- TO APPLY FOR GRANTS TO CONSTRUCT INFRASTRUCTURE IMPROVEMENTS TO THE DISTRICT WATER SYSTEM.
3. AUTHORIZE THE CHIEF EXECUTIVE OFFICE, THE DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT, AND THE DEPARTMENT OF ENVIRONMENTAL RESOURCES TO ASSIST AND WORK WITH THE MONTEREY PARK TRACT COMMUNITY SERVICES DISTRICT AND SELF-HELP ENTERPRISES TO PREPARE APPLICATIONS FOR GRANTS TO CONSTRUCT INFRASTRUCTURE IMPROVEMENTS TO THE DISTRICT WASTER SYSTEM.

FISCAL
IMPACT:

(Continued)

the amount of \$7,200. Monterey Park Tract Community Services District will provide \$5,000 as their contribution to this effort.

DISCUSSION:

As a public works project, the Monterey Park Tract water system became a public water system in October of 1987 following many years of poor water quality being delivered by each of the on-site wells. Numerous water tests and extensive surveys of the community at that time revealed that the shallow private wells were contaminated. A grant was secured to destroy each home-site well, drill two deep public water wells, and install pumps, piping and other infrastructure to loop the community with one water system. The water system currently serves approximately 55 residential dwellings and 23 other potential home sites.

The Monterey Park Tract Community Services District (MPTCSD) was established on May 29, 1984 for the purposes of overseeing the collection and treatment of sewage and water distribution. The MPTCSD Board of Directors consists of five elected officials residing within the District. The MPTCSD meets every fourth Monday at 7:00 pm at the Monterey Park Tract Youth Center located on Foy Avenue.

As the administrator of a public water system, the MPTCSD is required to have the well water tested for numerous constituents according to Title 22 of the California Code of Regulations. Two constituents of concern are nitrates and manganese. The first, nitrate, has a Maximum Contaminate Level (MCL) of 45 milligrams per liter (mg/L). In May of 2003, a water

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sample taken from the primary well produced a nitrate result of 74.6 mg/L. A follow up water sample was taken in June with a nitrate result of 63.9 mg/L. Both tests were clearly above the MCL of 45 mg/L. The second constituent, manganese, has an MCL of 50.0 micrograms per liter (ug/L- parts per billion). The manganese level in the May water sample was 79.3 ug/L. In addition to poor water quality, the MPTCSD has also been experiencing difficulties with the infrastructure as evidenced by reduced water pressure and a leaky storage tank.

In order to have the best chance of receiving the USDA Rural Utilities Service grant funding, the MPTCSD must submit the grant application prior to the June 1, 2004 deadline. A major component of the grant application is the above-mentioned engineering study. During their meeting on March 22, 2004, the MPTCSD Board of Directors unanimously approved proceeding with the preparation of the grant application to the USDA through a partnership with Self-Help Enterprises and Stanislaus County. Approval to expend \$5,000 from the District's reserves towards the cost of preparing and providing the elements of the application was also granted at the time.

Self-Help Enterprises, located in Visalia, is a nonprofit housing and community development organization dedicated to self-help housing, sewer and water development, housing rehabilitation, multifamily housing, and homebuyer programs in the San Joaquin Valley of California. The goal of Self-Help Enterprises is to help farm laborers and other low-income families to help themselves. Providing assistance to Monterey Park Tract will be possible through their community development program. Self-Help's community development program works as a catalyst in seeking funding and technical assistance for communities developing or improving water and wastewater systems.

As mentioned earlier, to help offset the cost of the preliminary engineering study, Stanislaus County would allocate CDBG/PI funding in the amount of \$7,500 for a portion of the engineering report. The Infrastructure Loan Agreement needed to secure the \$7,500 will be executed upon board authorization for the expenditure of funds (Attachment A). Self-Help Enterprises is willing to provide the in-kind services in the preparation of the preliminary engineering report and the environmental study. It is estimated that their cost will be approximately \$7,200. The Department of Environmental Resources will provide between 20 and 40 hours of staff support for this project.

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Should MPTCSD be awarded the grant, Stanislaus County, Self-Help Enterprises and Monterey Park Track Community Services District will be reimbursed for the costs associated with the preparation of the engineering study and grant application. If they are not successful in obtaining grant funding each party will absorb their costs.

POLICY

ISSUE:

These recommendations are consistent with the Board's priorities of ensuring a safe and healthy community, and facilitating efficient government operations. They will also achieve multi-jurisdictional cooperation.

STAFFING

IMPACT:

None.

COOPERATIVE AGREEMENT (Monterey Park Tract Water System)

This Cooperative Agreement is made and entered into by and between the County of Stanislaus ("County"), and the Monterey Park Tract Community Services District ("District") on MARCH 30, 2004.

WHEREAS, the District operates and maintains a municipal water system to provide potable water to residents and businesses within the District boundaries, and the District desires to rehabilitate and improve the water system; and

WHEREAS, the District intends to prepare or cause to be prepared an application to the United States Department of Agriculture, Rural Development USDA/RD Division for a grant of funds to facilitate the repair or replacement of water system infrastructure; and

WHEREAS, the District desires to prepare or cause to be prepared an Engineer's Report that will define and describe components of the water system that may require repair or replacement; and

WHEREAS, the District does not, at this time, have the funds to prepare or cause the preparation of the Report; and

WHEREAS, the County has determined that there is a need for a reliable and sufficient supply of potable water for County residents served by the District, and the County desires to assist the District in the improvement of its water infrastructure to preserve and protect low to moderate income housing; and

WHEREAS, the Board of Supervisors has found and determined that the Project will help to meet the necessary social needs of the population of the County; and

WHEREAS, the improvement of the District municipal water system is an eligible activity as described in the Program Income Reuse Plan, and the County considers it an appropriate project; and

NOW, THEREFORE, the parties mutually agree as follows:

1. Pursuant to Government Code section 26227, and subject to the terms and conditions of this Agreement, the County shall contribute and pay to the District the sum of \$7,500.00 to fund preparation of an Engineer's Report that will define and describe components of the water system that may require repair or replacement.

2. The District shall use the funds contributed by the County to pay for the preparation of the Engineer's Report, and the District shall submit to the County invoices requesting payment regarding work performed, which shall be signed by the District Engineer certifying to the completion of work represented on the Request for

Payment.

3. The District agrees that if it is awarded USDA/RD funds for improvement of the District municipal water system, the District shall reimburse the County for the funds contributed to the District for preparation of the project Engineer's Report. The District shall have no obligation to reimburse the County for contributed funds if the District is not awarded USDA/RD funds.

4. The full and complete extent of any obligation or liability of the County is limited to the County funds contributed toward the Engineering Study in an amount not to exceed \$7,500. The District agrees to assume all costs, expenses and liability associated with construction, operation and maintenance of the Project. The parties further agree that the District shall fully indemnify and hold harmless the County and its officers and employees from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorney fees, arising out of, resulting from, or in connection with the construction, operation or maintenance of the District municipal water system.

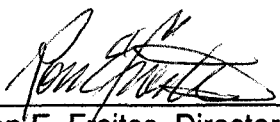
5. The parties agree to take such actions as may be reasonably necessary to effectuate the purpose of this Agreement.

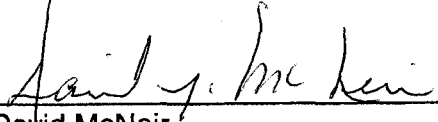
6. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof, and may be modified only by written agreement between both parties. The Agreement supersedes and replaces all prior negotiation and agreement, written, or oral, proposed or final.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by and through their respective officers on the date first above written.

COUNTY OF STANISLAUS

MONTEREY PARK TRACT COMMUNITY SERVICES DISTRICT

By: 
Ron E. Freitas, Director
Department of Planning and Community
Development

By: 
David McNeir
Chairman of the Board of Directors

"County"

"District"

APPROVED AS TO FORM:
Michael H. Krausnick
County Counsel

By: 
John P. Doering
Assistant County Counsel