

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 7/14/2015	(3) CONTACT/PHONE Jeff Lee, Project Manager (805) 781-1043	
(4) SUBJECT Request to approve a reimbursement agreement between the San Luis Obispo County Flood Control and Water Conservation District (District) and County of San Luis Obispo on behalf of CSA 16 (County) for the construction of the Shandon Turnout Project. District 1.			
(5) RECOMMENDED ACTION It is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District, approve and execute a "County Reimbursement Agreement for Construction of the Shandon Turnout Project" between the District and the County.			
(6) FUNDING SOURCE(S) San Luis Obispo County Flood Control and Water Conservation District Fund 1300000000 and CSA 16 Fund 2502500000	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? N/A
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: 4/12/13, #13; 8/28/12, #19; 1/25/11, #D-1; 5/5/15, #17	
(17) ADMINISTRATIVE OFFICE REVIEW David E. Grim			
(18) SUPERVISOR DISTRICT(S) District 1			

Reference: 15JUL14-C-11

County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works
Jeff Lee, Project Manager

VIA: Mark Hutchinson, Deputy Director of Public Works

DATE: 7/14/2015

SUBJECT: Request to approve a reimbursement agreement between the San Luis Obispo County Flood Control and Water Conservation District (District) and County of San Luis Obispo on behalf of CSA 16 (County) for the construction of the Shandon Turnout Project. District 1.

RECOMMENDATION

It is recommended that the Board, acting as the Board of Supervisors for the San Luis Obispo County Flood Control and Water Conservation District, approve and execute a "County Reimbursement Agreement for Construction of the Shandon Turnout Project" between the District and the County.

DISCUSSION

Pursuant to prior Agreements between the Department of Water Resources (DWR), the Central Coast Water Authority (CCWA) and the District, the District agreed to construct the Turnout Project on behalf of and for the use of CSA 16 (Shandon). However, upon completion of construction, the facilities will be operated by CSA 16. Therefore, the cost of project implementation will be covered by CSA 16 as outlined within the County Reimbursement Agreement included as an attachment. Approval of the recommended action by the District Board of Supervisors authorizes the District to construct the project on behalf of CSA 16 with costs reimbursed back to the District and completes a necessary step towards project construction.

The community of Shandon depends on groundwater as their only source of drinking water. Groundwater supplies are sufficient to provide for the existing water needs of the community, but have historically been affected by drought. In response to Governor Brown's proclaimed State of Emergency and as a result of the multi-year drought, the CSA 16 State Water Project (SWP) Turnout Project is under development to provide a secondary source of water to CSA 16.

On January 25, 2011, the Board provided policy direction to not sell CSA 16's 100 acre-feet per year SWP allocation and directed staff to develop a turnout facility for Shandon's connection to the SWP. Since CCWA operates the waterline on behalf of the (DWR), the Board, on August 28, 2012, approved a "Utility Reimbursement Agreement for Design Services" between CCWA and the District to design the project and obtain plan approval from DWR. The Utility Reimbursement Agreement will be satisfied with approval of the Turnout Project plans by DWR.

The Turnout Project consists of a new turnout facility from the Coastal Branch of the State Water Project (SWP) to provide access to the community's 100 acre-feet per year water allocation from the SWP to augment the CSA 16 water supply. The project entails construction of a concrete vault to house turnout equipment along with a 2-inch waterline from the existing tap in the 48-inch SWP line to the existing 10-inch pipeline on the CSA 16 water system.

OTHER AGENCY INVOLVEMENT/IMPACT

DWR and CCWA have been involved in the planning, design and approval of the project plans.

The CSA 16 Advisory Group has been periodically updated on the project status.

County Counsel has reviewed and approved the Agreement as to legal form and effect.

FINANCIAL CONSIDERATIONS

Approval of the attached Reimbursement Agreement is necessary in order for the San Luis Obispo County Flood and Water Conservation District to be reimbursed for the construction costs of the County Service Area 16 State Water Project Turnout. The construction of the project is budgeted and is being funded in CSA 16, however the costs of the construction portion of the project will simply pass through the District. This is necessary since the contractual relationship on State Water is with the District and not the County. The project is slated to go out to bid once DWR approves the project. Upon award a budget adjustment will be brought to your board to appropriate the funds in the District for the pass through costs.

RESULTS

Approval of the recommended actions will result in approval of a Reimbursement Agreement for the Turnout Project to improve the community's water reliability; thereby contributing to a safe, healthy and livable community.

File: 300463

Reference: 07JUL14-C-11

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ATTACHMENTS

1. Vicinity Map
2. County Reimbursement Agreement for Construction of the Shandon Turnout Project