



JAMES A. NOYES, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"Enriching Lives"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
www.ladpw.org

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE

REFER TO FILE: **W-0**

March 4, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY
SAFE DRINKING WATER STATE REVOLVING FUND GRANT
DELEGATED AUTHORITY
SUPERVISORIAL DISTRICT 5
3 VOTES**

IT IS RECOMMENDED THAT YOUR BOARD:

As the governing body of the Los Angeles County Waterworks District No. 40, Antelope Valley (District):

Adopt the enclosed resolution authorizing the Director of Public Works or his designee to execute and carry out a funding agreement, and any amendments thereto (Funding Agreement), with the State Department of Water Resources (Water Resources). The Funding Agreement secures grant funding from Water Resources under the Safe Drinking Water State Revolving Fund (SRF) program for the purpose of providing water service to Hillcrest Mobile Home Park (Hillcrest), located in unincorporated County area near Lake Los Angeles.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

In April 2001, the State Department of Health Services (Health Services) issued a technical report regarding the condition of the Hillcrest water system. The report indicated that the water system's wells showed levels of radiological contamination

above the maximum levels allowed by the State. The report also referenced a 1996 order issued by the Los Angeles County Department of Health Services ordering Hillcrest to disconnect all on-site piping from its wells to its water storage tanks because the groundwater was contaminated.

As a result of the State report, Hillcrest requested the District to provide drinking water to its mobile home park. The District agreed to provide such service upon a condition that Hillcrest install a water pipeline and meter connecting the District's water system to the mobile home park.

Hillcrest lacked the funding necessary to install such a pipeline and meter, and thus on June 8, 2000, Hillcrest applied to Health Services for an SRF grant to fund the construction. The approximate cost of the project was estimated to be \$207,000.

On November 17, 2001, Health Services approved a grant to fund 80 percent of the project cost, subject to a condition that the District enter into a Funding Agreement with Water Resources, the agency designated to administer the grant. Hillcrest agreed to provide the remaining 20 percent of the funding for the project. In December 2001, the grant approval was amended to reflect minor changes in the project's budget.

As a condition of entering into the Funding Agreement, Water Resources requires the governing body of the District to adopt a resolution formally authorizing a designee to execute and carry out the requirements of said Funding Agreement. The material terms of this Agreement are that Water Resources will provide grant funding for 80 percent of the project cost in the amount of \$165,520 and that Hillcrest will provide the remaining 20 percent in the amount of \$41,380. The District will not be required to fund any portion of the project and will not have any liability in that connection whatsoever. The District's sole responsibility is to provide grant contract management services over the funds and to provide water services to Hillcrest and maintain the proposed pipeline for a minimum of 20 years.

The grant contract management services include, but are not limited to, approving claims for reimbursement of construction costs, executing a budget and expenditure summary, signing the contractor's release form, signing a certification of project and completion, and designating a contract grant manager.

County Counsel is reviewing a draft funding agreement and will work with Water Resources to finalize the terms of the Funding Agreement.

The Honorable Board of Supervisors
March 4, 2004
Page 3

Implementation of Strategic Plan Goals

This action is consistent with the County's Strategic Plan Goal of Organizational Effectiveness as it will provide effective and efficient processing of the SRF grant.

FISCAL IMPACT/FINANCING

There will be no impact on the County General Fund. The portion of the project not funded by the SRF grant will be funded by Hillcrest.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This action is required as a condition for receiving the SRF grant.

ENVIRONMENTAL DOCUMENTATION

As the lead agency, Water Resources has determined that the project is categorically exempt under Section 15303 of the regulations to the California Environmental Quality Act.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact on current County services or projects as a result of this action.

CONCLUSION

After the approval of this recommendation, please return three approved copies of this letter and the signed Resolution to Public Works, Waterworks and Sewer Maintenance Division, for processing to Health Services and Water Resources.

Respectfully submitted,

JAMES A. NOYES
Director of Public Works

GMP:lb
BDL2154

Enc.

cc: Chief Administrative Office
County Counsel

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF LOS ANGELES, CALIFORNIA,
AS THE GOVERNING BODY OF THE
LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY
TO AUTHORIZE THE DIRECTOR OF PUBLIC WORKS OR HIS DESIGNEE
TO EXECUTE AND CARRY OUT THE TERMS OF A FUNDING AGREEMENT
WITH THE STATE DEPARTMENT OF WATER RESOURCES
FOR THE PURPOSE OF PROVIDING WATER SERVICE
TO THE HILLCREST MOBILE HOME PARK

WHEREAS, the Hillcrest Mobile Home Park (Hillcrest) needed to secure a new water source that meets requirements of the California Safe Drinking Water Act; and

WHEREAS, Hillcrest requested that Los Angeles County Waterworks District No. 40, Antelope Valley (District), provide water service to the mobile home park; and

WHEREAS, the District agreed to provide such service upon a condition that Hillcrest install a water pipeline and meter connecting the District's water system to the mobile home park; and

WHEREAS, due to lack of funding, on June 8, 2000, Hillcrest made an application to the California Department of Health Services (Health Services) under the Safe Drinking Water State Revolving Fund (SRF) program for \$202,900 for the construction of a water pipeline and a meter to provide water service from the District's water system to Hillcrest (the Project); and

WHEREAS, on November 17, 2001, the State Department of Water Resources, acting on behalf of Health Services (collectively referred to as the State), issued a Notice of Application Acceptance to Hillcrest and District committing \$162,320 from the SRF for Project No. 1900827-01 to carry out the Project. The remaining \$40,580 was to be funded by Hillcrest; and

WHEREAS, on December 16, 2003, at Hillcrest's request, the State agreed to an increase in the Project budget from \$202,900 to \$206,900 due to minor adjustments in the budget; and

WHEREAS, on December 16, 2003, the State authorized issuance of an agreement (Funding Agreement) to fund \$165,520 for the Project under the SRF program, provided, among other things, that the District sign the agreement and act as the contract grant manager. The remaining \$41,380 was to be financed by Hillcrest; and

WHEREAS, prior to executing the Funding Agreement, the State requires, among other things, the governing body of the District to approve a resolution authorizing an officer of the District to execute said Funding Agreement and any amendments thereto and to carry out its terms and conditions as a contract grant manager. The terms and conditions include, but are not limited to, approving claims for reimbursement of construction costs, executing the budget and expenditure summary, signing the contractor's release form, and certifying completion of the Project.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that the Director of Public Works or his designee, is hereby authorized to execute the Funding Agreement and any amendments thereto, and to carry out its terms and conditions as a contract grant manager.

The foregoing Resolution was adopted on the _____ day of _____, 2004, by the Board of Supervisors of the County of Los Angeles as the governing body of the Los Angeles County Waterworks District No. 40, Antelope Valley.

VIOLET VARONA-LUKENS
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM:

LLOYD W. PELLMAN
County Counsel

By _____
Deputy