



**SAN BENITO COUNTY
AGENDA ITEM
TRANSMITTAL FORM**

Dom Zanger
District No. 1
Vice-Chair

Kollin Kosmicki
District No. 2
Chair

Mindy Sotelo
District No. 3

Angela Curro
District No. 4

Ignacio Velazquez
District No. 5

Item Number: 1.27

MEETING DATE: 06/10/2025

DEPARTMENT: RESOURCE MANAGEMENT AGENCY

AGENDA ITEM PREPARER: Steve Loupe

DEPT HEAD/DIRECTOR: Steve Loupe

SUBJECT:

RESOURCE MANAGEMENT AGENCY- S. LOUPE, PUBLIC WORKS ADMINISTRATOR

Approve the Memorandum of Understanding (MOU) with Sunnyslope County Water District pertinent to the Urban Community Drought Relief Program, Grant Agreement no. 4600015432, and Authorize the Board Chair to sign the MOU.

SBC FILE NUMBER: 939

AGENDA SECTION:

CONSENT AGENDA

BACKGROUND/SUMMARY:

In 2023, the County applied for grant funding from the California Department of Water Resources, under the Urban Community Drought Relief Grant program, for a project to consolidate several small community water systems within the communities of Tres Piños, Stonegate, Venture Estates, and Best Roads with the Sunnyslope Water District ("the Small Water Systems Consolidations with Sunnyslope Project"). This project will provide new, reliable water sources and management to these small communities by consolidating their water systems with the larger Sunnyslope Water District. The consolidation will provide approximately 148 acre-feet per year of water supply reliability. The Sunnyslope County Water District will be the lead agency for project planning, environmental review, and construction. The County's role will be to serve as the grant administrator. On March 27, 2023, the Department of Water Resources notified the County it has awarded grant funding in the amount of \$13,274,684.00 for the Small Water Systems Consolidations with Sunnyslope Project. A copy of the Grant Agreement and Board Resolution is attached to this report.

The proposed MOU is written to provide an understanding of responsibilities between the County of San Benito and the Sunnyslope County Water District (SCWD).

SCWD is the Local Project Sponsor and is responsible for design and construction of the water system that will provide a safe, reliable water source to the various small water systems noted above. SCWD will then send invoices to the County for the work performed on a quarterly basis. SCWD will work with the County to obtain a State Revolving Fund that finances the \$4,401,413 of local cost share. The State Revolving Fund loan (SRF), if approved, will be allocated to SCWD. The SRF loan will be repaid thru property assessments of users of the new water system being installed for this project. If the SRF loan is not granted to the project, the local cost share would be reimbursed directly from assessments received from users of the water system.

The County's responsibility is primarily related to three tasks:

- 1) After receiving invoices from SCVWD on a quarterly basis, the County will forward all invoices to the Department of Water Resources on a quarterly basis and request payment from that department.
- 2) The County will review and reimburse SCWD within thirty (30) days of receipt of the quarterly invoices.
- 3) The County will work with SCWD to assess residents benefitting from the new water system connections. The function of the annual assessments will be to repay the State Revolving Loan fund.

RESOLUTION OR ORDINANCE NEEDED FOR THIS ITEM:

N/A

CONTRACT NEEDED FOR THIS ITEM:

No

RFP AND BID HISTORY:

N/A

LAST CONTRACT AMOUNT OR N/A:

N/A

CONTRACT HISTORY (Describe all amendments and previous contracts):

New MOU.

STRATEGIC PLAN GOALS: 1. Operational Development & Excellence

No

STRATEGIC PLAN GOALS: 2. Planning And Sustainable Growth

Yes

STRATEGIC PLAN GOALS: 3. Technology

No

STRATEGIC PLAN GOALS: 4. Community Engagement

Yes

STRATEGIC PLAN GOALS: 5. Health & Safe Community

Yes

BUDGETED:

Yes

BUDGET ADJUSTMENT NEEDED:

No

SOURCE OF FUNDING:

Non-general Fund

UNFUNDED MANDATE:

N/A

SBC BUDGET LINE ITEM NUMBER:

n/a

CURRENT FY COST:

n/a

STAFF RECOMMENDATION:

Approve the Memorandum of Understanding with Sunnyslope County Water District pertinent to the Urban Community Drought Relief Program, Grant Agreement no. 4600015432, and Authorize the Board Chair to sign the MOU.

ATTACHMENTS:

[MOU - Sunnyslope County Water District - Urban Community Drought Relief Program.](#)
[Grant Amendment](#)
[Resolution No.2023-39 -DWR Grant](#)