



**RESOURCE
MANAGEMENT AGENCY
COUNTY OF TULARE
AGENDA ITEM**

BOARD OF SUPERVISORS

ALLEN ISHIDA
District One

CONNIE CONWAY
District Two

PHILLIP A. COX
District Three

J. STEVEN WORTHLEY
District Four

MIKE ENNIS
District Five

AGENDA DATE: December 18, 2007

Public Hearing Required	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Published Notice Required	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Advertised Published Notice	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Meet & Confer Required	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Electronic file(s) has been sent	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Personnel Resolution attached	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Resolution, Ordinance or Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s) Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>						
CONTACT PERSON: Celeste Perez PHONE: 559-733-6291						

SUBJECT: Cross Valley Canal Water Contract Assignment

REQUEST(S):

That the Board of Supervisors:

1. Approve a Letter of Agreement with the US Department of Interior – Bureau of Reclamation (USBR) to initiate actions to assign Tulare County Contract responsibilities to existing subcontracting entities.
2. Authorize the Chairman to sign the Letter of Agreement.

SUMMARY:

For expediency when originally constructed, the Cross Valley Canal project (CVC) had named Tulare County as one of the original Contracted recipients of a water allocation supplied by the CVC. Tulare County's contract included responsibility for funding its' proportionate share of the CVC construction costs, and the annual operations and maintenance costs of the CVC. The CVC is located in Kern County and derives its water from the California Water Project Canal. The allocations of CVC water are used to offset water taken by Contracting Entities from the Friant-Kern Canal, before that water reaches Kern County. When the CVC was originally established, Tulare County acted as contractor for 10 other entities (subcontractors). Tulare County's 10 subcontractors currently are: Alpaugh Irrigation District, Atwell Island Water District, Hills Valley Irrigation District, Saucelito Irrigation District, City of Lindsay, Frasinetto Farms LLC, Stone Corral Irrigation District, Strathmore Public Utilities District, Styro-Tek Inc, and City of Visalia. These entities all have various quantity shares of the 5,308 acre-feet of Tulare County water entitlement that they

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pay through Tulare County to the USBR.

It would be advantageous to the County to transfer the responsibility of annual reporting and handling of the subcontractor payments to those subcontractors. The assignment to the subcontractors has been verified as permissible under Article 30 of the original Agreement between USBR and the CVC Contractors. It has always been the County's intent to transfer its interest in the CVC to the subcontractors when the time was right. Unfortunately, we have been operating under interim renewal agreement with the USBR and the time was not right. Based on conversations with the USBR now is the appropriate time to begin the process to transfer our interest to the subcontractors.

FISCAL IMPACT/FINANCING:

This initial \$5,000 deposit as well as any other supplemental costs will have no direct impact on the General Fund as all costs related to this project are subsequently billed to the subcontractor entities. The initial deposit will be paid from account 001-230-2200-2150.

LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

The County's five year strategic plan includes the Safety and Security Initiative to provide for an adequate and safe water supply. The recommended Board action to approve the Letter of Agreement with USBR will initiate the process of allowing the water users to monitor and control their individual water uses.

ALTERNATIVES:

Do not approve the letter agreement and do not pursue the transfer of the County's interest to the subcontractors. While this is a viable alternative staff would not recommend it as it has always been the intent to transfer our interest in the CVC to the subcontractors.

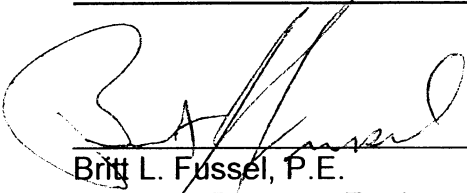
INVOLVEMENT OF OTHER DEPARTMENTS OR AGENCIES:

USBR has verified that the according to provisions of the existing contract, the contract responsibilities can be assigned to the subcontracting entities following approval of the USBR Contracting Officer.

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ADMINISTRATIVE SIGN-OFF:


11/9/07

Britt L. Fussel, P.E.
Assistant Director--Engineering
County Surveyor



Henry Hash
Director

cc: Auditor/Controller
County Counsel
County Administrative Office (2)
Dennis Keller

Attachment(s)

**BEFORE THE BOARD OF SUPERVISORS
COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER OF)
Cross Valley Canal Water Contract) RESOLUTION NO. _____
Assignment) AGREEMENT NO. _____

UPON MOTION OF SUPERVISOR _____, SECONDED BY
SUPERVISOR _____, THE FOLLOWING WAS ADOPTED BY THE
BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD DECEMBER 4, 2007,
BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: JEAN ROUSSEAU
COUNTY ADMINISTRATIVE OFFICER
CLERK, BOARD OF SUPERVISORS

BY: _____
Deputy Clerk

* * * * *

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2. Authorized the Chairman to sign the Letter of Agreement.



United States Department of the Interior

BUREAU OF RECLAMATION
South-Central California Area Office
1243 N Street
Fresno, California 93721-1813



OCT 16 2007

RESOURCE
MANAGEMENT
AGENCY

IN REPLY REFER TO:

SCC-414
WTR-4.00

OCT 15 2007

Letter of Agreement
Contract No. 08-WC-20-3672

Mr. Britt L. Fussel
Assistant Director, P.E.
County Surveyor
County of Tulare
5961 S. Mooney Blvd.
Visalia, CA 93277

Subject: Letter of Agreement for Payment of Costs Associated with the approval of ten
Contract Assignments under the County of Tulare's Contract No. 14-06-8293A-IR11
(Contract) – Central Valley Project (Project)

Dear Mr. Fussel:

This Letter of Agreement (Agreement) is in response to your letter dated September 17, 2007, requesting that the Bureau of Reclamation initiate assignments as provided for in the above referenced Contract. Provisions under Article 30, Assignment Limited - Successors and Assigns Obligation, state that "this Contract shall apply to and bind the successors and assigns of the parties hereto, but no assignment or transfer of this Contract or any right or interest therein shall be valid until approved in writing by the Contracting Officer." The County of Tulare (County) is requesting to assign the entire Contract total of 5,308 acre-feet of Cross Valley Project supplies as identified below:

<u>Subcontractor</u>	<u>Acre-feet</u>
Alpaugh Irrigation County	100
Atwell Island Water County	50
Hills Valley Irrigation County	2,913
City of Lindsay	50
Saucelito Irrigation County	100
Frasinnetto Farms L.L.C (formerly Smallwood Vineyards)	400
Stone Corral Irrigation County	950
Strathmore Public	400
Styro-Tek Inc	45
City of Visalia	300

This Agreement describes the extent to which the County will finance the costs Reclamation incurs to initiate the process of the subject assignments.

Based upon the foregoing, the PARTIES HEREBY AGREE:

1. **ACTUAL COSTS:** The County will pay actual costs incurred by Reclamation to prepare and approve documents, pursuant to the County's Contract, Reclamation policies, the National Environmental Policy Act (NEPA), the Endangered Species Act (ESA), the National Historic Preservation Act (NHPA), and the Fish and Wildlife Coordination Act (FWCA). The estimated costs include Reclamations participation in conferences, meetings, and consultation and coordination with other agencies, as necessary to ensure compliance with state and federal law.
2. **DEPOSIT:** The County shall submit an initial deposit of \$5,000.00 to Reclamation. A special account will be established for reimbursement of direct expenses incurred to prepare and approve your Contract assignments. If additional funds are required to complete the approval process, immediately upon receipt of Reclamation's request, the County will provide additional funds to Reclamation to supplement the original deposit.
3. **REFUND:** Any unexpended fund balance remaining on deposit in the account at the completion of the process and activity associated with this Agreement will be refunded to the County.
4. **TERM:** This Agreement shall continue in effect until terminated on thirty (30) days written notice by either party. The County shall be responsible for all expenses incurred by the Interior Agencies prior to the termination thereof.

If you agree with the above, please have the appropriate officials sign Triplicate copies of this Agreement. One copy is for your records, and the two remaining originals should be signed and returned to Bureau of Reclamation, 1243 'N' Street, Fresno, California 93721-1813; attention, Sheryl Carter, along with an initial check for \$5,000.00.

If you have any questions regarding this matter, please contact me at 559-487-5299 or 559-487-5933 for the hearing impaired.

Sincerely,


Sheryl Carter
Repayment Specialist

By _____
County of Tulare

In Triplicate

cc: Mr. Dennis Keller
209 S. Locust
Visalia, CA 93279