

Project Proposal: Bluff and Jensen Road Area

Salinas Valley Disadvantaged Community Drinking Water and Wastewater Planning Project

Introduction

The Bluff and Jensen Road project area is in rural northern Monterey County west of Highway 1 and consists of approximately 35 homes, most served by individual domestic wells. There are three local small water systems and one state small water system within the project area that fall under the regulatory authority of the County of Monterey, Environmental Health Bureau (EHB). Reported water quality deficiencies include consistent nitrate concentrations over the Maximum Contaminant Level (MCL) in three of the four state and local small systems. One system was added to the County's Out of Compliance list in October 2017 for arsenic exceedance. Bluff Road and Jensen Road are located in a mapped seawater intrusion area at the both 180 and 400-foot pressure aquifer levels. The area is within the boundaries of the Pajaro Sunny Mesa Community Services District (PSMCSD) as approved by the Local Area Formation Commission (LAFCO). PSMCSD owns and operates the Springfield Water System located in proximity to the project area. All residences are assumed to be served by on-site septic systems.

The Salinas Valley Disadvantaged Community Drinking Water and Wastewater Planning Project Team (Project Team) and Technical Advisory Committee (TAC) selected Bluff Jensen as a high priority project area due to high nitrate levels. However, unlike other priority projects, it was not referred to the CECorps for evaluation due to scheduling and community constraints. Community engagement will be a critical next step for this project.

1. Project Summary

Ownership:

Privately owned water systems and property owners with domestic wells

Connections:

Approximately 35 residential connections consisting of 4 local and state small systems and individual domestic wells serving the community

Known violations or restrictions:

Monterey County Environmental Health Bureau (EHB) records for three of the small water systems in the project area include reported nitrate contamination well above the maximum MCL. Three private wells sampled by EJCW in connection with the SWRCB Emergency Drinking Water Program were found to have nitrate above the MCL. EHB's most recent (October 2017) State and Local Small Water Systems Out of Compliance list added

Jensen Rd Water System #02 to the arsenic exceedance category based on August 2017 sampling.

Seawater intrusion also poses a threat to long-term water quality in the area as evidenced by levels of total dissolved solids, chloride and conductivity in wells monitored by the Pajaro Valley Water Management Agency and the Monterey County Water Resources Agency. Monterey County is developing an ordinance and implementation plan to impose a moratorium on new wells in mapped areas of seawater intrusion, with some exceptions.

Physical addresses:

Multiple addresses on Bluff and Jensen Roads

General geographic location:

Unincorporated North Monterey County, west of Highway 1, between Springfield Road to the south and Salinas/Pajaro Road to the north

Water System Types: Local/state small water systems and individual domestic wells

Water System Identification Numbers and Connections:

Bluff Rd.	WS #2	2701842	3
Bluff Rd.	WS #3	2700918	6
Bluff Rd.	WS #4	2701887	3
Jensen Rd.	WS #2	2702195	4

Wastewater: On-site septic systems assumed

Other:

APN: Multiple parcels

Zoning Designation: Generally, CAP (CZ) Coastal Implementation Plan District

Planning Area: North Monterey County, North Monterey County Coastal Protection Plan

Fire District: North County Fire Protection District

2. Project Background

The Bluff Jensen project area was selected as a priority by the Project Team and the TAC due to water quality concerns. The primary water quality issue is nitrate contamination. Wells in lower elevations and deeper wells in the 180 and 400 foot pressure aquifers are at risk of saltwater intrusion. The area was included in seawater intrusion maps delineating areas where seawater intrusion dating back to 1975. The four connection Jensen Rd. WS #02 also appears on the EHB State and Local Small Water System Non-Compliance list for arsenic above the MCL.

Bluff Jensen is a rural, low-density neighborhood located in the North County Coastal Planning Area of Monterey County. Adjoining land uses consist of agricultural fields, greenhouses, food processing and related businesses and residential parcels. The Pajaro River and McCluskey Slough are located nearby. The Monterey County Zoning- Coastal Implementation Plan, Title 20 restricts development “to preserve and enhance farmlands” and “establish necessary support facilities” for agricultural uses. A minimum 40-acre lot size is required for new developments and restrictions apply to most changes in use, including replacement wells and water tanks. Bluff and Jensen roads are Monterey County maintained public roads within the project area.

EJCW conducted a water and wastewater needs assessment in 2015, identifying water and wastewater concerns in suspected disadvantaged communities. Five (5) households in the Bluff Rd and Jensen Rd neighborhood completed the water and wastewater assessment. All reported using bottled water for drinking and four reported using bottled water for cooking. One household reported poor quality tap water and four reported moderate quality tap water.

The Bluff Rd and Jensen Rd area qualifies as a disadvantaged community per California Water Code (§79505.5(a)). The four households currently receiving bottle water meet the income (disadvantaged community criteria) limits of the SWRCB Emergency Drinking Water Program. This community is located with the US Census Block Group #60530101012 in North Monterey County with an MHI of \$38,558, designated a Disadvantaged Community.

PSMCD received a Pre-Planning and Legal Entity Formation grant for the Springfield Terrace area in 2015. A conceptual drawing for a potential phased-in pipeline extension to the project area is attached. A preliminary water demand calculation for the 35 residences is included in the Engineer’s Report analysis as a basis to evaluate test well supply parameters that would enable expansion into Bluff and Jensen Rds. However, due to lapsed time since the analysis was completed water use assumptions were updated.

3. Summary of Preliminary Alternatives Considered

The Project Team has explored several alternatives to address water quality issues at Bluff Jensen: consolidation with the PSMCSD Springfield water system, installation of wellhead treatment and related infrastructure, and point of entry/point of use (POU/POE) treatment to serve all 35 households. The selections were based on likelihood of success, feasibility and, where identified, the cost of development and/or annual operations and management expense.

The POU option was not pursued as nitrate concentration levels exceed the effective treatment capacity of standard systems. Additionally, POU/POE treatment is not an approved long-term solution at the current time. However, the County is in the process of developing guidelines and an implementation ordinance to allow for temporary treatment

under certain circumstances. As part of a future feasibility analysis for this project, temporary treatment options should be reconsidered.

Alternative 1: Consolidation with Pajaro Sunny Mesa Community Services District

This alternative would connect the Bluff Jensen project area to the Springfield line on the westerly side of Highway 1 by a pipeline extension running approximately 16,400 feet to the planned Springfield well and water storage line terminus. However, the extension would not be considered by PSMCSD until the main project is complete.

Upon completion, PSMCSD's Springfield development project would be expected to produce sufficient safe drinking water capacity to accommodate the potential needs of Bluff Jensen residents should a consolidation project be selected as the preferred alternative. However, approval of the Springfield test well project was delayed in the permitting process and the project scope may not be determined until late 2018 or early 2019. After the test well is complete, the engineering study, including an analysis of alternatives, will occur prior to system design. Environmental studies for NEPA and CEQA compliance will be undertaken once the project description and proposed route can be defined. The SRF/Prop1 Construction Application will then follow. This schedule would likely result in a completed project in 2019 or 2020.

Discussions with PSMCSD regarding Bluff Jensen and Hudson Landing indicate a willingness to entertain consolidation requests in the future predicated on completion of current construction and planning projects now in various stages of development. In addition to the Springfield consolidation, PSMCSD is developing a new water storage tank in Pajaro. The PSMCSD Board has directed staff to defer action on any additional planning and pre-development activities for proposed consolidations until administrative capacity is sufficient to accommodate the resulting workload. The focus is to complete the SRF funded Struve and Springfield improvements and to address Sunny Mesa well deficiencies (chromium-6 results over the previously established and now unenforceable MCL) once new regulations are approved, a process that is projected to take approximately two years.

4. Cost Estimates

Alternative 1: Consolidation with PSMCSD-Springfield System

Consolidation with the Springfield System owned and operated by PSMCSD would require, at minimum, the construction of approximately 16,400 feet of pipeline, laterals and meters. It is unknown how many wells would be deconstructed in the consolidation as some individuals might choose to retain a well for non-potable uses. In those situations, backflow prevention devices would be installed. Although a conceptual drawing was prepared and submitted with the PSMCSD LEFA grant, there is insufficient data to estimate development costs with any degree of accuracy at this time. For discussion purposes, the Project Team has used a rough estimate of approximately \$1 million dollars per mile or \$3.1 million for consolidation.

Alternative 2: Nitrate treatment at each individual well.

The Bluff/Jensen area consists of 35 households total including one state small water system serving 6 households that does not require nitrate treatment. We estimate \$660,266 for the total nitrate treatment costs based upon three (3) water treatment systems sized for the 3 local small water systems (Bluff WS #2, Bluff WS #4, and Jensen WS #2) which serve a total of 10 households as well as the cost of individual wellhead treatment for the remaining 19 households that rely on private domestic wells (Table 1). Water quality testing would be required to determine the level of nitrate in the 16 private domestic wells. We assume they all have nitrate contamination due to the very high levels of nitrate in the three (3) domestic wells for which we have data (35-77 mg/L N-NO₃).

Table 1. Summary of Capital Construction Cost and Operation/Maintenance Cost for Bluff / Jensen Wellhead Treatment Option:

Alternative	No. of Wells	Homes per Well	Cost per Well		
			Capital Construction Cost	Monthly O/M Cost ¹	Annual O/M Cost
No 3b – Treatment for individual wells	19	1	\$29,798	\$590	\$7,080
	2	3	\$30,708	\$770	\$9,240
	1	4	\$32,688	\$860	\$10,320
	1	6	no treatment	no treatment	no treatment
	Total = 23		\$660,266 ²	\$13,610 ²	\$163,320

Notes:

¹ Costs were calculated using the methodology detailed in Appendix 4.14 Engineer’s Memorandum. Also, see Tables 5 and 7 of this project proposal.

² The total cost was calculated by multiplying the by monthly cost per well by the total number of wells. For example for O&M, the total cost of \$13,610 = 19*\$590 + 2*\$770 + 1*\$860.

Table 2. Ion Exchange Waste Storage and Hauling:

Community	Number of Residents	Daily Water Use (gallons)	Waste (gallons) ¹			
			Daily	Weekly	Monthly	Yearly
Bluff WS #2	12	1200	30	210	900	10950
Bluff WS #3 (no treatment)	24	2400	n/a	n/a	n/a	n/a
Bluff WS #4	12	1200	30	210	900	10950
Jensen WS #2	16	1600	40	280	1200	14600
Private Domestic Well (1 house)	4	400	10	70	300	3650
Private Domestic Well (19 houses) ²	76	7600	190	1330	5700	69350
<p>Note:</p> <p>¹ Waste = 100 gallons for every 4000 gallons processed for nitrate removal</p> <p>² The Bluff/Jensen area consists of 35 households including 19 private domestic wells.</p>						

Table 3. Capital Construction Costs for Nitrate Removal:

Item	Units	Bluff WS #2 (22 mg/l NO3-N) 3 homes	Bluff WS #4 (53 mg/l NO3-N) 3 homes	Jensen WS #2 (76 mg/l NO3-N) 4 homes	Bluff WS #3 (Non- Detect) NO3-N) 6 homes	Private Domestic Well (67 mg/L NO3-N)	Private Domestic Well (76 mg/L NO3-N)	Private Domestic Well (35 mg/L NO3-N)
Treatment System (Culligan QWE)	lump sum	\$4,472	\$4,472	\$5,792	n/a	\$3,865	\$3,865	\$3,865
Shed Housing ²	lump sum	\$3,000	\$3,000	\$3,000	n/a	\$3,000	\$3,000	\$3,000
Brine Storage ³	lump sum	\$5,000	\$5,000	\$5,000	n/a	\$5,000	\$5,000	\$5,000
Pump ⁴	lump sum	\$3,000	\$3,000	\$3,000	n/a	\$3,000	\$3,000	\$3,000
Lab Analysis	lump sum	\$5,000	\$5,000	\$5,000	n/a	\$5,000	\$5,000	\$5,000
Sub-Total		\$20,472	\$20,472	\$21,792	\$0	\$19,865	\$19,865	\$19,865
Engineering	25%	\$5,118	\$5,118	\$5,448	\$0	\$4,966	\$4,966	\$4,966
Contingency	25%	\$5,118	\$5,118	\$5,448	\$0	\$4,966	\$4,966	\$4,966
Grand total		\$30,708	\$30,708	\$32,688	\$0	\$29,798	\$29,798	\$29,798

Notes:

² Nominal 8' x 8' x 8' wooden shed

³ 3000 gallon above ground storage tank

⁴ 50 gpm pump to transfer brine from tank to hauling truck.

Table 4. Operation and Maintenance Cost for Wellhead Treatment:

Item ¹	Units	Unit Cost	Brine Quantity	Monthly Cost	Yearly Cost
Bluff WS #2 and Bluff Rd. WS #4 - 3 homes, 4 residents per home					
Disposal Cost	gallons per month	\$0.05	900	\$45	\$540
Hauling Cost	gallons per month	\$0.25	900	\$225	\$2,700
Operator cost	monthly cost	\$500	12	\$500	\$6,000
Total				\$770	\$9,240
Jensen Rd. WS #2 - 4 homes, 4 residents per home					
Disposal Cost	gallons per month	\$0.05	1200	\$60	\$720
Hauling Cost	gallons per month	\$0.25	1200	\$300	\$3,600
Operator cost	monthly cost	\$500.00	12	\$500	\$6,000
Total				\$860	\$10,320
Private Domestic Well - 1 home, 4 residents					
Disposal Cost	gallons per month	\$0.05	300	\$15	\$180
Hauling Cost	gallons per month	\$0.25	300	\$75	\$900
Operator cost	monthly cost	\$500	12	\$500	\$6000
Total				\$590	\$7,080

¹ Unit cost for brine disposal is from Monterey One Water. Unit cost for hauling brine is calculated as 4 hours at \$185 per hour/ 3000 gallons = \$0.25/gallon. Hourly haul cost estimate from Don Chapin Company.

5. Community Involvement

Approval of Alternative

EJCW is considering the inclusion of additional outreach activities in a longer-term plan for the IRWM Disadvantaged Community Involvement Program that is expected to be in place starting in 2018. Community outreach materials could include various options and information about water testing opportunities and nitrate and arsenic-related health issues. Community forums could provide an opportunity for discussion of alternatives and lead to selection of a preferred alternative after preliminary engineering results and potential costs for alternatives are developed.

Willingness to Proceed

The residents that EJCW has been in contact with have been supportive of efforts to secure long-term drinking water solutions. If this project remains a priority for the IRWM Disadvantaged Community Involvement Program, EJCW could engage with community members and service providers to determine financing options for consolidation with PSMCSD. Based on experience with prior projects, determining and communicating estimated one time out of pocket and monthly costs to individual parcel and water system owners will be among the major challenges for Bluff Jensen.

PSMCSD has several grant funded projects that are underway or recently completed including a SRF Planning Grant for a project that will include a new well to supply connections for the Moss Landing Manor Mobile Home Park, the Springfield Water System and new infrastructure connecting residences along Giberson and Springfield Roads. An IRWM funded project to replace the main storage tank at Pajaro received approval for reallocation of budgeted funds, enabling the project to move forward. With two major projects underway, PSMCSD is unable to consider allocating staff and other resources to sponsor an application for funding to plan and construct future expansion lines to connect Bluff Jensen to the Springfield system.

Financial Participation

It is unclear whether any financial contribution would be available from the property owners towards the cost of a potential project. The owners' ability and willingness to apply for conventional or below market rate financing will need to be explored further.

The County of Monterey has not been approached specifically about financial participation in this project. However, the County may be able to assist with the development of replacement water and wastewater infrastructure through facilitation of funding applications if that is determined to be necessary at a later

time, or by acting as the project sponsor or fiscal agent. There would be an expectation of cost recovery for staff time and other expenses as eligible project planning and management budget categories.

The residents would be charged the PSMCSD water service rates in effect at the time of connection if the consolidation alternative were approved. Operation and maintenance costs, in addition to capital costs, would be expected to determine the rate structure for the selected alternative.

6. Capacity

A state certified operator is not required for the existing local and state small water systems (serving 2-14 connections) in the project area. Individual property owners are not required to document capacity to manage or maintain their wells.

PSMCSO has experience managing its public water system and other community facilities. The LAFCO Municipal Service Area Report (March 2015) notes adequate financing and reserves for its current operations and proposed annexations for PSMCSO owned and operated systems. Total water supply capacity, through a combination of non-contiguous drinking water systems and production wells is sufficient for anticipated growth. PSMCSO has state certifications for its water system operators and experienced management staff.

Wellhead treatment would require an application to EHB and submittal of a monitoring plan for approval. The selected equipment provider would enter into agreements with the state and local small systems and individual property owners.

7. TAC Recommendation

The Technical Advisory Committee reviewed and approved the recommendation to designate Bluff Jensen as a high priority community. The TAC met to consider the draft Salinas Valley Disadvantaged Community Water and Wastewater Plan and comments have been incorporated in the Plan subsequently approved by the Greater Monterey Water Resource Management Group.

8. Institutional Barriers

Local Agency Formation Commission (LAFCO)

There are no known LAFCO barriers. Bluff Jensen is within the Pajaro Sunny Mesa CSD Service Area Boundary approved in 2015. A Municipal Services Area Report was complete in March 2015 for PSMCSO during the process to approve annexation of PSMCSO owned and operated water systems. It is not anticipated

that a sphere of influence or Service Area Boundary change would be required at this time.

Sponsorship

There are limited choices for sponsorship of funding applications. PSMCSD is one option. However, this option is predicated on obtaining approval of the PSMCD Board of Directors, removal of institutional constraints, and completion of the Springfield consolidation and new well development project and Pajaro Water Storage Tank project. The County of Monterey has applied for funding for Community Development Block Grants (CDBG) and SRF funds to assist public water systems such as the San Lucas Water District, Chualar Water District, and the Monterey County Boronda Sanitation District (San Jerardo). However, County staff has indicated that a similar level of support may not be available in the future. The Project Team has identified sponsorship issues as one of the primary barriers for DAC projects. The Greater Monterey Regional Water Management Group has approved the DAC Plan and recommends formation of a Joint Powers Agency or another method to remove sponsorship barriers for Bluff Jensen and other DAC communities.

Monterey County Environmental Health Bureau (EHB)

The County Drinking Water Program regulates the four small systems at Bluff and Jensen Roads and three systems are currently included on the County's State and Local Small Water System Non-Compliance list. EHB staff supports consolidation with larger systems as a matter of policy. EHB is the permitting entity for new well construction, plan review and approval for system expansions or consolidations and well abandonment. Any proposed transfer of ownership or modification or amendment of a permit would also require EHB approval. Should consolidation with PSMCSD move forward, EHB staff would take the initial lead in determining CEQA exemptions and coordinate environmental permitting with Planning Department Staff.

County Resource Management Agency (RMA)-Planning Department and Public Works

The County of Monterey would act as lead agency for NEPA and non-exempt CEQA determinations for Bluff Jensen due to the unincorporated location within the County. Planning Department staff would be responsible for circulating documents, notifying the State Clearinghouse and working with the Recorder's Office to record the Notice of Determination. Should the County take a sponsorship role, the Planning Department would likely contract out for the preparation of environmental studies.

RMA-Planning would also be the lead agency for any proposed amendments to existing Coastal Area Permits for affected properties. The entire Bluff Jensen area

is within a Coastal Implementation Plan (CAP CZ) District for agricultural preservation. Some uses would require a Coastal Development Permit. A Coastal Administrative Permit would be required for water system facilities serving 14 or fewer connections, replacement tanks or wells with no service connection increase. Public utilities and infrastructure would require a Coastal Development Permit unless otherwise exempt. Other restrictions apply and are specified in Title 20 of the Monterey County Zoning Code. Based on the recent precedent for Pajaro Sunny Mesa's Springfield test well permitting, a 6-12 month window for this process should be built into the project schedule.

An application to Public Works for an Encroachment Permit would be necessary to install improvements in the County's Road Right of Way to facilitate consolidation or for supply pipelines. Completed plans with proposed trenching details would be submitted in conjunction with development permitting. Typically, right of way easements would need to be in place prior to final approval of supply pipelines and laterals to connect to services.

The Planning and Building Departments would need to review and approve any grading, water efficiency improvements, electrical, plumbing and structural modifications or new construction permit requests. Sign-offs from other County departments, including the Water Resource Agency are coordinated by the RMA.

North Monterey County Fire Protection District

Fire protection services for the project area are provided by the North County Fire Protection District. Compliance with the District's specific fire protection requirements will be a condition of approval. Construction of a recently funded PSMCSD replacement water storage tank may alleviate storage capacity concerns identified in early FPD discussions should consolidation occur in the future.

Similarly, backup generators to be included in the Springfield consolidation project would provide emergency drinking water pump capacity during temporary power outages although supplemental generating capacity could be required for a final design incorporating pump stations.

9. Other Barriers

Language / Cultural

Many residents are primary Spanish language speakers, as determined in the EJCW 2015 needs assessment. Outreach and needs assessment efforts to date have been conducted by bilingual staff with EJCW. Consumer health advisories relating to drinking water are provided in English and Spanish.

Technical, Managerial, and Financial (TMF) Issues

To date, the water and wastewater systems at Bluff Jensen have been operated and maintained by property owners. The County does not require a certified water

or wastewater operator under current permitting. Three of the four state and local water system are out of compliance due to nitrate or nitrate and arsenic contamination and have received bottled water notices. Water treatment for bacterial contamination has been limited to application of chlorine when the County Environmental Health Bureau issues a non-compliance letter to an individual water system. Two systems on Bluff Road tested positive for presence of total coliform during April, 2017.

With consolidation, PSMCSD would assume responsibility for maintenance and operations. Consolidation would offer the best potential to meet TMF of the alternatives considered. PSMCSD has previously met TMF requirements during the approval process for transfer of systems into the District under County permitting criteria. Under any other alternative, the water system owner(s) would need to demonstrate the ability to meet TMF requirements.

Other: Not applicable

10. Potential Funding Sources

The Bluff Jensen project would be considered potentially eligible as a consolidation project under State Revolving Fund/Proposition 1 Guidelines for drinking water as it meets Disadvantaged Community criteria and would result in safe drinking water. The drinking water project would be assigned to Category A-Immediate Health Risk for nitrate. Categories C and D for coliform/disinfection reliability and arsenic contamination, and secondary notification for TDS and chloride issues may also apply. Additionally, the project would likely meet factors for priority over other projects in the same category: Disadvantaged Community status and as a project resulting in consolidation or extension of service to a Disadvantaged Community not served by a public water system. The cost per connection due to the potential pipeline distance to connect to Springfield may be the primary consideration for potential funding. A new well or wellhead treatment alternatives may not receive priority, depending on the system configuration and other factors such as limitations on wellhead treatment or County well development or capacity moratoriums that may be implemented.

This project is a potential candidate for Prop 1 Technical Assistance funding for pre-development activities including community education and outreach and feasibility analysis at this stage. A Planning Grant from Prop 1/SRF would be a potential source of funding for other project pre-development activities: project coordination, environmental consultants, design engineering, surveying, hydrology reports, testing and permitting.

Costs of laterals to connect homes to meters could potentially be funded by CDBG or USDA grants or loans. The County of Monterey accepts applications for CDBG funding in January of each year. Funding for the CDBG program for 2018/2019 is uncertain due to federal budget cuts. However, the Project Team is reaching out to potential sponsors who would be able to apply for and administer funding under these programs subject to continued budget authorization.

The Greater Monterey County RWMG applied for Disadvantaged Community Involvement Funding in conjunction with the Central Coast IRWM Region. The Greater Monterey RWMG portion of the application includes project development assistance for a limited number of Disadvantaged Community projects that are not receiving or are not eligible for Prop 1 Technical Assistance. The application is pending final approval and if successful, the RWMG and the Project Team will evaluate and select individual projects for participation. The funding agreement with DWR is expected in 2018. However, if the DWR Agreement is delayed significantly, another funding option, such as Prop 1TA should be considered and the scope of work would likely include preliminary engineering analysis for consolidation feasibility among other activities.

The Bluff Jensen project is not currently included in the Greater Monterey County IRWM plan and would not be eligible for funding. However, the RWMG has adopted a process for adding projects to the plan. Future IRWM project review would occur during each application cycle using the rating and ranking criteria established by the RWMG for the next IRWM Implementation grant. Since the properties and water systems in the project area are not currently owned by a qualifying applicant under IRWM guidelines, an agency sponsor and program proponent would be needed to move forward in a future funding round. PSMCSD or the County of Monterey, among others, would meet the agency sponsorship criteria.

11. Project Team Recommendations

The Project Team considered Bluff Jensen to be a high priority project. The Project Team will continue conversations with PSMCSD and the County regarding drinking water system consolidation. Depending on available resources, prioritization decisions and progress on other projects, it is expected that in July 2018 the Project Team will determine whether Bluff Jensen is a priority project for community engagement activities under the DAC I program in 2018 or 2019.

12. Action Plan

Community engagement is a top priority for this project. The goal of reaching all residents in the Bluff Jensen project area is an important step in the Action Plan. See below.

Engineering- On hold pending community engagement and funding decisions

LAFCO- No action required at present

Consolidation- Maintain contact with PSMCSD

Permitting-On hold pending outcome of community outreach

Referral to Potential Partners-Continue discussions with PSMCSD and County to determine financial and managerial participation and project prioritization.

Other:

The Project Team will continue a dialogue with PSMCSD and the County regarding financing and organizational capacity gaps and opportunities over the next twelve months. Based on the outcome of discussions, the project may be recommended for consideration for an application either for Prop 1/SRF Planning or Disadvantaged Community Involvement funding. The results of community engagement will be evaluated to determine the feasibility of the project

13. Schedule:

Project Team reviews priorities and recommends schedule and funding options for community engagement and pre-development work	July 2018
Share information about potential project with community (mailers, door-to-door outreach, community meetings, etc.)	Sept. 2018-June 2019, pending Project Team decision
Apply for Prop 1/SRF planning grant with PSMCSD or the County to fund both residents' immediate needs and consolidation with Springfield/PSMCSD system.	July-Dec. 2019, pending Project Team decision

14. Budget

The development budget for consolidation with PSMCSD has not been estimated at this point. For discussion purposes only, based on the estimated distance to connect to the Springfield system, a figure of \$ 3.1 million will be used until an engineering analysis is prepared. The wellhead treatment option preliminary

estimate is \$660,266 and is subject to change as community engagement, well testing and other pre-development activities are completed.