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Agenda Item No. _____

File Code No. _____



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 26, 2013

TO: Mayor and Councilmembers

FROM: Water Resources Division, Public Works Department

SUBJECT: Approval Of Supplemental Agreement For Management Of The Integrated Regional Water Management Program Grant Application

RECOMMENDATION:

That Council authorize the Public Works Director to execute, subject to approval as to form by the City Attorney, a Supplemental Agreement with the Cachuma Resource Conservation District and project proponents to manage the activities related to the development and submittal of an Integrated Regional Water Management Plan Grant Application, with the City's share of costs not to exceed \$55,012.

DISCUSSION:

On September 11, 2012, Council authorized the Public Works Director to execute a Memorandum of Understanding (MOU) that outlines processes for cost sharing and decision making regarding the contents of the Integrated Regional Water Management Plan (IRWMP). The IRWMP establishes objectives for regional water management.

Using the objectives of the IRWMP, a suite of projects has been identified for grant funding. These projects will help meet the objectives identified in the IRWMP. The City's Recycled Water Filter Replacement Project has been included as one of the projects recommended for funding, with a requested funding amount of \$3 million dollars.

The requirements of the grant application are cumbersome and complicated by the fact that the application is comprised of projects from a number of distinct agencies, all of which require substantial information gathering and subsequent integration of the information into a comprehensive application. The timeline for grant submittal is also short, with applications due in March 2013. The participating partners have selected RMC Water and Environment (RMC) to compile and submit a competitive application. RMC has successfully completed similar grant applications for the region in the past. Total costs for the grant application are \$118,000. Costs are being distributed in proportion to the amount of funding requested by each participating partner, with the

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City's portion totaling \$55,012, which is 47 per cent of the total \$118,000 grant application.

Given the short timeline for grant preparation and submittal, the City Administrator has authorized a purchase order, not to exceed \$25,000, to begin the preliminary work required for the grant application. Council's authorization of the costs for the application development and submittal process will fund the completion of the grant application. Should Council not authorize the costs for the application development and submittal, staff will immediately direct the consultant to cease all work related to the City's participation in the grant application.

At their regular meeting of February 11, 2013, the City's Board of Water Commissioners voted - - - to () the staff recommendation.

BUDGET/FINANCIAL INFORMATION:

Partial funding for the Recycled Water Filter Replacement project is available in the current Water Capital Budget. Additional funding is being budgeted for Fiscal Year 2014. The costs for the grant application will be funded from the money already allocated for this project. A successful grant application will significantly offset the need for water funds for this project. The total estimated project costs are approximately \$8 million. The costs for the grant application are less than 1% of the estimated project cost.

PREPARED BY: Rebecca Bjork, Water Resources Manager/avb

SUBMITTED BY: Christine F. Andersen, Public Works Director

APPROVED BY: City Administrator's Office