



# DRAFT

## CITY OF SANTA BARBARA

### COUNCIL AGENDA REPORT

**AGENDA DATE:** May 25, 2021

**TO:** Mayor and Councilmembers

**FROM:** Water Resources Division, Public Works Department

**SUBJECT:** Authorization To Execute \$1.5 Million Grant Funding Agreement For The Desalination Product Water Pump Station Upgrades Project

#### **RECOMMENDATION:**

That Council adopt, by reading of title only, a Resolution of the Council of the City of Santa Barbara Authorizing the Public Works Director to Negotiate and Execute a Grant Funding Agreement with the Federal Bureau of Reclamation for the Charles E. Meyer Desalination Plant Product Water Pump Station Upgrades Project.

#### **DISCUSSION:**

On February 11, 2021, the City was awarded a \$1.5 million grant from the Federal Bureau of Reclamation (Bureau) for the Charles E. Meyer Desalination Plant Product Water Pump Station Upgrades Project (Project). The Project, which includes improvements to the existing pump station equipment, and piping and instrumentation, will make it possible for the City to pump desalinated water to the regional Cater Water Treatment Plant. By doing this, the Project will provide the City with the flexibility to deliver desalinated water to all reaches of its service area, thereby raising the level of supply reliability for all its customers, particularly during drought. Additionally, the Project builds resiliency in the City's water supply portfolio by increasing the supply of potable water originating on the south side of the Santa Ynez Mountains, through which the City's surface water sources and state water are conveyed.

The grant funding agreement will be managed through the Bureau's WaterSMART Drought Resiliency Projects Program (Program). The Program supports capital projects that build long-term resiliency to drought, improve water quality and management, and reduce the need for emergency response actions. Staff is recommending that Council authorize the Public Works Director to negotiate and execute a grant funding agreement, elements of which will include performance obligations, reporting requirements, general conditions on federal statutes and regulations compliance, bookkeeping standards, and invoicing and reimbursement protocol, among other terms. Staff has previously negotiated funding agreements with the Bureau and is confident that a successful agreement will be negotiated under this opportunity.

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**BUDGET/FINANCIAL INFORMATION:**

The Program requires a 50 percent local match for all awarded projects. Given the \$1.5 million award, the City must be able to demonstrate the ability to expend a minimum of \$1.5 million in matching funds. There are sufficient appropriated funds in the Water Capital Fund to cover the cost-sharing obligations.

**ENVIRONMENTAL REVIEW:**

The recommendation in this report is not subject to the California Environmental Quality Act.

This item was presented to the Water Commission at its meeting on May 20, 2021.

**PREPARED BY:** Amanda Flesse, Acting Water Resources Manager/MBH/rb

**SUBMITTED BY:** Joshua Haggmark, Acting Public Works Director

**APPROVED BY:** City Administrator's Office

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA AUTHORIZING THE PUBLIC WORKS DIRECTOR TO NEGOTIATE AND EXECUTE A GRANT FUNDING AGREEMENT WITH THE FEDERAL BUREAU OF RECLAMATION FOR THE CHARLES E. MEYER DESALINATION PLANT PRODUCT WATER PUMP STATION UPGRADES PROJECT

WHEREAS, on February 11, 2021, the City was awarded \$1.5 million in grant funding through the Federal Bureau of Reclamation’s (Bureau) WaterSMART Drought Resiliency Projects Program (Program) for the Charles E. Meyer Desalination Plant Product Water Pump Station Upgrades Project (Project).

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA AS FOLLOWS:

SECTION 1. The Public Works Director is authorized to negotiate and enter into a grant funding agreement, and take all actions necessary or convenient to implement a grant under the Bureau’s Fiscal Year 2021 WaterSMART Drought Resiliency Projects Program for the purposes described in this resolution.

SECTION 2. The Public Works Director is authorized to match the grant award amount of \$1,500,000 from funds budgeted to and in-kind resources of the Water Resources Division.

SECTION 3. The City of Santa Barbara will work in good faith to meet established deadlines for entering into a grant or cooperative agreement.

SECTION 4. The Public Works Director may delegate responsibility and authority granted by this resolution.