

Agenda Report

September 11, 2006

To: CITY COUNCIL

From: CITY MANAGER

Subject: Resolution Authorizing Submittal of Funding Application to the State of California Department of Health Services for the Proposition 50 Chapter 4b Funding Program

RECOMMENDATION

It is recommended that the City Council adopt the attached resolution required for the funding application to the State of California, Department of Health Services (DHS) for the Proposition 50 Chapter 4b Funding Program.

BACKGROUND

Proposition 50, which was approved by California voters in 2002, authorized \$3.4 billion in General Obligation bonds for water projects including coastal protection, the CALFED Bay-Delta Program, integrated regional water management, safe drinking water and water quality. DHS has invited the City of Pasadena to submit a final full application by September 30, 2006.

The Water and Power Department (Department) will be submitting a funding proposal for a project identified in the Water Division's Capital Improvement Program (CIP), the Sunset Perchlorate Treatment Plant.

Sunset Perchlorate Treatment Plant

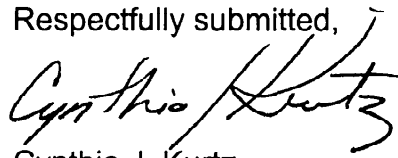
The construction of the Sunset Perchlorate Treatment Plant will treat water from three contaminated groundwater wells at the Sunset Reservoir. This project will reactivate three production wells in the water system, increase our local groundwater production and reduce our current demand for imported water from the Metropolitan Water District (MWD). A reduction in MWD purchased water would indirectly decrease MWD's water demand from the Colorado River.

The total cost for this treatment plant is estimated at \$2.81 million. The Department has already received partial funding from the Environmental Protection Agency (EPA) and is pursuing additional funding from other sources, including the National Aeronautics and Space Administration (NASA). The proposed funding

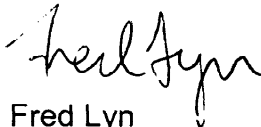
application to DHS will be for \$1.4 million and will be another source of funding for the construction of the Sunset Perchlorate Treatment Plant. There is a 50% local match requirement for this program.

FISCAL IMPACT

If this funding application is approved, the Department has the potential to obtain \$1.4 million, which will provide a portion of the CIP funding requirements for this project. The Sunset Reservoir Perchlorate Treatment System is currently identified in the Water CIP Budget (Project 1062).

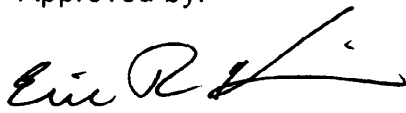
Respectfully submitted,

Cynthia J. Kurtz
City Manager

Prepared by:



Fred Lyn
Management Analyst III
Water and Power Department

Approved by:



Phyllis E. Currie
General Manager
Water and Power Department

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA
AUTHORIZING APPLICATION FOR A PROPOSITION 50 FUNDING
PROGRAM GRANT**

WHEREAS, the City of Pasadena has the authority to construct, operate, and maintain the City's water system; and

WHEREAS, the City of Pasadena desires to assure that its water system meets minimum safe drinking water standards:

NOW, THEREFORE, BE IT RESOLVED that, pursuant and subject to all of the terms and provision of the California Safe Drinking Water Bond Law and all amendments thereto, application be made to the California Department of Water Resources ("DWR") for funding to assure that the City's water system meets minimum safe drinking water standards; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the General Manager of the Pasadena Water and Power Department is hereby authorized and directed to cause the necessary data to be prepared, investigations to be performed and application to be signed and filed with DWR.

Adopted at the regular meeting of the City Council of the City of Pasadena on the _____ day of _____, 2006, by the following vote:

AYES:


NOES:

ABSENT:

ABSTAIN:

Jane L. Rodriguez, CMC
City Clerk

APPROVED AS TO FORM:


Scott D. Rasmussen
Assistant City Attorney