

Agenda Report

June 6, 2016

TO: Honorable Mayor and City Council
FROM: Water and Power Department
SUBJECT: **AUTHORIZE THE APPLICATION FOR A GRANT FROM THE UNITED STATES BUREAU OF RECLAMATION FOR FISCAL YEARS 2016 AND 2017**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed grant authorization is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA guidelines, Section 15301 (a). Existing Facilities
2. Authorize the Interim City Manager to apply for a \$100,000 grant from the federal Bureau of Reclamation ("Bureau") to expand the City's current Laundry-to-Landscape Greywater Recycling Program; and
3. Designate the Interim City Manager, or his designee, as the authorized representative with signature authority for the grant application and all contract documents pursuant to this grant.

BACKGROUND:

In September 2015, PWP launched a comprehensive Laundry-to-Landscape ("L2L") Greywater Recycling Program, which provides training, on-site technical assistance and financial incentives to single family residents who apply to install a L2L greywater system at their home. An L2L greywater system is designed to reuse water drained from a clothes washing machine, for subsurface irrigation in a garden. The L2L Program has reached over 160 participants to date with monthly workshops, greywater equipment vouchers, and on-site technical assistance. By the end of fiscal year 2016, staff expects a total of approximately 200 customers will have participated in the L2L Program.

PWP submitted an application on January 22, 2016 to the Bureau for a \$100,000 grant from the Lower Colorado Region Water Conservation Field Services Program. The application was submitted prior to the City Council's approval because of the short time frame between receipt of the Bureau request for application proposals and the submission deadline date of January 22, 2016. On March 25, 2016 PWP received correspondence from the Bureau, confirming that the grant application was evaluated

and selected for award of a financial assistance agreement, making available federal funds in the amount of \$100,000 for the L2L Greywater Recycling Program Expansion.

The Bureau grant funds will allow PWP to expand the program to include workshops, greywater equipment vouchers, and on-site technical assistance for an additional 250 participants over fiscal years 2017 and 2018, and a new option to provide direct installation of L2L greywater systems at no charge for income-qualified customers. PWP will also expand the program to perform site evaluations and offer financial incentives for Home Owner Associations ("HOA's") that might have multiple units with the site specifications ideally suited for a L2L greywater system. In addition, PWP has developed a streamlined permit application process for more complex greywater systems (which include showers, bathtubs, and bathroom sinks), and will cover a percentage of the permit fees associated with installing these more complex systems, as an incentive for residents to recycle more water on their properties.

The reduction of potable water use is a primary benefit of PWP's L2L Greywater Recycling Program and expansion, but there are other benefits such as reducing the amount of wastewater entering the sewer system, returning water to the earth and allowing for groundwater recharge, and connecting individuals to nature through reuse of a precious natural resource. Annual potable water savings anticipated from this program are estimated at 17,250 gallons per home per year. If all 450 participants install greywater systems, total annual savings could reach 7.8 million gallons, or 24 acre-feet per year.

COUNCIL POLICY CONSIDERATION:

The recommended grant authorization to enable expansion of the L2L Greywater Recycling Program is consistent the City Council's Strategic Planning Goals to: Maintain fiscal responsibility and stability; and, Increase conservation and sustainability. It will help Pasadena meet the State of California Senate Bill X7-7 goal of 20% per capita urban water use reduction by 2020. The program is consistent with the Water Integrated Resource Plan, and key actions of the 2010 Urban Water Management Plan to reduce baseline daily per capita water use through additional water conservation and the use of non-potable water.

ENVIRONMENTAL ANALYSIS:

The application for and utilization of grant funds for the L2L Greywater Recycling Program are exempt from CEQA. The L2L Greywater Recycling Program enables PWP customers to install greywater recycling systems in their existing homes, and these improvements undertaken as part of a project are exempt from CEQA review, pursuant to State CEQA guidelines, Section 15301 Existing Facilities (Class 1). Class 1 consists of "the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination" (CEQA Guidelines Section 15301). Example (a) listed in Class 1 specifically notes that this exemption includes, "Interior or exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances." The

installation of greywater recycling systems would be minor alterations to existing residences involving no expansion of the use.

FISCAL IMPACT:

There is no application fee associated with the submission of the initial application. The total estimated cost for the Laundry-to-Landscape Greywater Recycling Program expansion is \$284,000. \$100,000 (35%) of the total program cost will be reimbursed by the federal grant from the Bureau over Fiscal Years 2017 and 2018 in account 41407820-821500 bringing the net cost to \$184,000. Funding for this action will be addressed by the utilization of Fiscal Years 2017 and 2018 appropriations in the Water Fund water conservation accounts shown in Table 1 below.

Table 1: Laundry-to-Landscape Greywater Recycling Program Expansion Budget

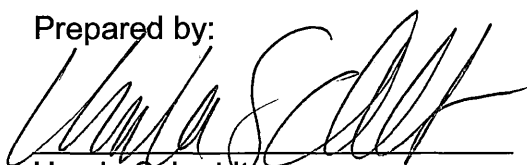
Budget Category	Account Number	Fiscal Year 2017	Fiscal Year 2018	Total
Employee Salary	41407810-800500	\$ 17,500	\$ 17,500	\$35,000
Other Contract Services	41408170-811400	\$ 45,000	\$ 45,000	\$90,000
Direct Install Rebates	41407820-821500	\$ 52,400	\$ 52,400	\$104,800
Workshops and Advertising	41408170-823000	\$ 27,100	\$ 27,100	\$54,200
Total		\$142,000	\$142,000	\$284,000
<i>Federal Grant Reimbursement</i>	<i>41407820-821500</i>	<i>\$50,000</i>	<i>\$50,000</i>	<i>(\$100,000)</i>
Net Cost		\$92,000	\$92,000	\$184,000

Respectfully submitted,



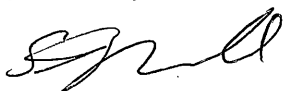
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Approved by:



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