

Agenda Report

May 13, 2019

TO: Honorable Mayor and City Council
FROM: Water and Power Department
SUBJECT: **ADOPT A RESOLUTION TO AUTHORIZE AN APPLICATION FOR A \$75,000 GRANT FROM THE UNITED STATES BUREAU OF RECLAMATION FOR FISCAL YEAR 2019**

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, and that there are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances;
2. Adopt a resolution to authorize Pasadena Water and Power ("PWP") to apply for a grant from the United States Department of the Interior - Bureau of Reclamation ("BOR") in an amount not to exceed \$75,000 for a Spray-to-Drip Conversion Kit project; and
3. Designate the 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:

The Omnibus Public Land Management Act of 2009, Secure Water (Subtitle F of Title IX), authorizes the BOR to award grants for projects that conserve water and increase water use efficiency. The BOR WaterSmart: Small-Scale Water Efficiency Project grant covers 50 percent of eligible costs up to \$75,000 per project.

PWP will be submitting a funding application to the BOR to fund Spray-to-Drip Conversion Kits for single family residential customers to convert existing sprinkler irrigation systems to drip irrigation.

Spray-to-Drip Conversion Kit Project

The City of Pasadena's Water and Power Department ("PWP") is proposing a Spray-to-Drip Conversion Kit program. The goal of this program is to reduce irrigation water use and improve efficiency by providing approximately 600 Spray-to-Drip Conversion Kits to PWP's residential customers. This program enhances the utility's existing landscape water use efficiency programs by expanding the suite of landscape incentives beyond Smart Timer Rebates, Rotating Sprinkler Nozzle Rebates, and Turf Removal Rebates. This program will allow participants to receive a free Spray-to-Drip Conversion Kit, with the required material to convert up to 800 square feet of landscape to drip. The kit includes all necessary components such as pressure regulators, drip tubing, connectors, and emitters to properly retrofit a landscape area. Workshops and onsite technical consults will also be provided to assist customers with their retrofit project.

Single family residential customers with a PWP water account will be eligible to receive a Spray-to-Drip Conversion Kit. This program will be offered on a first come, first served basis and is estimated to result in a lifetime water savings of 347 Acre Feet "(AF)" for 600 retrofit kits. The retail value of one kit is \$199.

The program cost estimate is \$150,000, of which \$75,000 will come from the water conservation fund. The estimated cost of water savings is \$216 per AF saved. Water savings for each program in PWP's residential water efficiency portfolio are tracked separately. By comparison, in FY18, the estimated cost of water savings for the residential and commercial rebate program was \$730 per AF saved. PWP spends \$1,050 per AF for imported water from the Metropolitan Water District.

COUNCIL POLICY CONSIDERATION:

The recommended grant authorization is consistent with the City Council's Strategic Planning Goals to: maintain fiscal responsibility and stability; and, increase conservation and sustainability. Conversion of irrigation will contribute to Pasadena achieving 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 landscape water efficiency measures.

ENVIRONMENTAL ANALYSIS:

The application for and utilization of grant funds for a Spray-to-Drip Conversion Kit program is exempt from CEQA. The Spray-to-Drip Conversion Kit Program enables PWP customers to install drip irrigation systems in their existing home landscapes 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 drip irrigation would be minor alterations to existing residences involving no expansion of the use. There are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances.

FISCAL IMPACT:

This grant in the amount of \$75,000 will help fund 50% of the cost of PWP's Spray-to-Drip Conversion Kit Program. The other 50% of the cost will come from the Water Fund, water conservation accounts shown in Table 1 below.

Table 1- Spray-to-Drip Conversion Kit Program Budget

Budget Category	Account Number	Fiscal Year 2020	Fiscal Year 2021	Total
Employee Salary	41407810-800500	\$25,500	\$25,500	\$51,000
Other Contract Services	41408170-811400	\$7,000	\$7,000	\$14,000
Workshops and Advertising	41408170-823000	\$5,000	\$5,000	\$10,000
Supplies/Materials	41408170-817600	\$32,500	\$32,500	\$75,000
Total				\$150,000
<i>Federal Grant Reimbursement</i>	<i>41407820-821500</i>			<i>(\$75,000)</i>
Net Cost				\$75,000

Respectfully submitted,



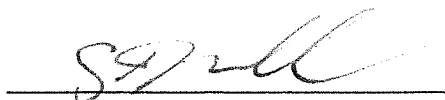
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