

Agenda Report

April 24, 2006

To: CITY COUNCIL

From: CITY MANAGER

Subject: Adoption of Resolution Authorizing Submittal of Two (2) Grant Applications for the Bureau of Reclamation's CALFED Water Use Efficiency Grant Program and the Water 2025 Challenge Grant Program

RECOMMENDATION

It is recommended that the City Council approve and adopt the attached resolution required for two grant applications to the U.S. Department of Interior, Bureau of Reclamation for the CALFED Water Use Efficiency Grant and the Water 2025 Challenge Grant.

BACKGROUND

The Water and Power Department (Department) will be submitting two grant proposals for two projects identified in the Water Division's Capital Improvement Program (CIP), the Sunset Perchlorate Treatment Plant and the Geographic Information Systems (GIS).

CALFED Water Use Efficiency Grant - Sunset Perchlorate Treatment Plant

The construction of the Sunset Perchlorate Treatment Plant will treat water from four contaminated groundwater wells at the Sunset Reservoir. This project will reactivate four 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 Bay-Delta through the State Water Project (SWP).

The total cost for this treatment plant is estimated at \$5.0 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), and the State of California, Proposition 50 Funds. The proposed grant application to CALFED will be for \$300,000 and will be another source of funding for the Sunset Perchlorate Treatment Plant.

The CALFED Water Use Efficiency Grant is funded by the U.S. Department of Interior and administered by the Bureau of Reclamation. The objective of the CALFED Bay-Delta Program is to develop a long term comprehensive plan that will restore ecological

health and improve water management for beneficial uses of the Bay-Delta system. The CALFED Water Use Efficiency Grant project must have a measurable quantitative benefit that directly benefits the water from Bay-Delta. The estimated total funding for this program is \$2,400,000 with a maximum individual grant amount of \$300,000. There is a 50% local match requirement for this program.

Water 2025 Challenge Grant - Geographic Information Systems (GIS)

The Geographic Information System (GIS) project will undertake a City-wide water use efficiency improvement effort by utilizing the high resolution, multi-spectral imagery of GIS technology. Water usage data collected from the system will allow the Water Division to provide educational and technical assistance programs to assess current irrigation practices and improve them with the goal of reducing overall water usage.

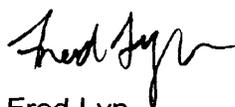
The total estimated cost for this project is estimated at \$300,000 and will be funded by existing water revenues. The proposed grant application will be for \$150,000 and will be a major source of funding for this GIS project without additional costs to ratepayers.

The Water 2025 Challenge Grant is also funded by the U.S. Department of Interior and administered by the Bureau of Reclamation. The Water 2025 Challenge Grant's long-term goal is to prevent crisis and conflicts over water in the west by increasing reliability and flexibility of water supplies, diversifying water supplies, and provide added environmental benefits in watersheds, rivers and streams. The grant project must utilize improved technology as one of the tools in managing scarce water resources. The estimated total funding for this program is \$1,000,000 with a maximum individual grant amount of \$300,000. There is a 50% local match requirement for this program.

FISCAL IMPACT

If these grants are approved, the Department has the potential to obtain \$450,000 in funding from these two programs, which will reduce the Department's CIP expenditures. Both the Sunset Reservoir Perchlorate Treatment System and the GIS Technology Water Efficiency Analysis Project are currently identified in the Water CIP Budget (Projects 1062 and 1009).

Prepared by:



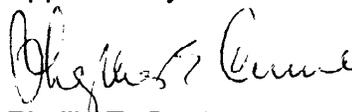
Fred Lyn
Management Analyst III
Water and Power Department

Respectfully submitted,



Cynthia J. Kurtz
City Manager

Approved by:



Phyllis E. Currie
General Manager
Water and Power Department

Resolution Number: _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA APPROVING
THE APPLICATIONS FOR GRANT FUNDS FOR THE CALFED WATER USE
EFFICIENCY GRANT FOR THE ION EXCHANGE PERCHLORATE TREATMENT
SYSTEM FOR SUNSET RESERVOIR GROUNDWATER WELLS AND THE WATER
2025 CHALLENGE GRANT FOR THE GIS TECHNOLOGY WATER EFFICIENCY
ANALYSIS PROJECT UNDER THE U.S. DEPARTMENT OF THE INTERIOR'S
BUREAU OF RECLAMATION

WHEREAS, the United States Department of the Interior, Bureau of Reclamation (Bureau) have provided Funds for the programs shown above; and

WHEREAS, the Bureau has been delegated the responsibility for the administration of the grant programs, establishing necessary procedures; and

WHEREAS, said procedures established by the Bureau requires a resolution certifying the approval of application(s) by the Applicant's governing board before submission of said application(s) to the Bureau; and

WHEREAS, the City of Pasadena wishes to undertake the Sunset Reservoir Ion Exchange Perchlorate Treatment System Project and the GIS Technology Water Efficiency Analysis Project (Projects), which are within the purposes specified for the grant programs;

NOW, THEREFORE, BE IT RESOLVED THAT THE PASADENA CITY COUNCIL:

1. Agrees and authorizes that an application be made to the U.S. Department of the Interior, Bureau of Reclamation for funding for the Projects.
2. Certifies that the City will have sufficient funds to operate and maintain the Project and is capable of providing the amount of funding and/or in-kind contributions specified in the funding plan or will secure the resources to do so, and
3. If selected for a CALFED Water Use Efficiency Grant or a Water 2025 Challenge Grant, the City of Pasadena will work with the Bureau of Reclamation to meet established deadlines.

Passed and adopted at a regular meeting of the Pasadena City Council on _____ day of _____, 2006.

AYES:

NOES:

ABSENT:

ABSTAIN:

Jane L. Rodriguez, CMC
City Clerk

Approved as to form:



Scott D. Rasmussen
Assistant City Attorney