

Agenda Report

July 20, 2020

TO: Honorable Mayor and City Council
FROM: Water and Power Department
SUBJECT: AUTHORIZATION TO ENTER INTO A GRANT AGREEMENT WITH THE UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF RECLAMATION FOR HUGELKULTUR DEMONSTRATION PROJECT

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed 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. Authorize the City Manager to enter agreement No. R20AP00266 between the City of Pasadena and the United States Department of the Interior Bureau of Reclamation ("BOR"), and authorize the City Manager to enter into a grant agreement contract with the BOR to receive grant funds in the amount of \$86,904, for the Hügelkultur Demonstration Project; and,
3. Designate the City Manager, or his designee, as the authorized representative with signature authority for the grant agreement and all contract documents pursuant to this grant.

BACKGROUND:

The Water Conservation Field Services Program ("WCFSP") was established by the BOR in 1996 to encourage water conservation in the operations for recipients of water from Federal water projects in accordance with the Reclamation Reform Act of 1982. The WCFSP program provides grant funding to help agencies in Southern Nevada, Southern California and Arizona achieve local water conservation goals, and focus on improving water efficiency through new technology and best management practices.

On September 30, 2019, Pasadena Water and Power ("PWP") submitted a grant application requesting \$86,904 in funding from BOR (45% of total project cost) for a proposed Hügelkultur Demonstration Project ("Project") (Attachment A). The total Project cost is estimated at \$193,121. On March 12, 2020, the BOR notified PWP that the Project was selected for grant funding in the amount of \$86,904. PWP's \$106,217 share of the Project cost comes from funds committed to improve the appearance of

water facility sites and enhance conservation. The Financial Assistance Agreement (Attachment B), between the City of Pasadena Water and Power Department and the BOR authorizes the BOR to award this financial assistance (grant) agreement for the implementation of the Project.

Hügelkultur Demonstration Project

The Project will test a centuries-old, European horticultural technique—Hügelkultur—for its ability to reduce irrigation in municipal landscape settings. PWP has identified three City-owned demonstration sites on which hügels will be installed and planted with native, drought-tolerant plants, shrubs, and trees. The BOR grant will provide funding for project management; procurement of expert consultants who will design and install the hügels and plantings; partnership with local organization to engage youth in the quantitative and qualitative data collection and analysis to demonstrate the project's irrigation savings and other outcomes; and outreach and dissemination to the community and to City departments to promote adoption of the technique as a 'best practice'.

PWP's Project will test a water conservation technique that is innovative and new to the City, and demonstrate that nature based solutions can be considered as water efficient technologies. PWP's project proposal was encouraged by findings from the Los Angeles Arboretum and Botanical Garden who tested the technique in their Crescent Farm garden, which has five-year-old hügels that are planted with native plants, shrubs and trees that have not been irrigated in more than four years and are completely self-sustaining. Analysis of soil samples found that the hügels drastically improved the soil's ability to retain water and provide plant nutrients. Effective outdoor water conservation begins in the soil, our education and outreach programs will embrace this theme going forward.

The Hügelkultur technique is another tool with the potential for water use reduction during the critical summer months. Irrigation in 9 or 10 months accounts for more than 50% of annual water use across all customers and is the focus because it saves water and reduces costs by avoiding the need to purchase expensive imported water. Southern California's dry climate and recurring droughts, combined with the regulatory requirements have placed more pressure than ever to encourage the public to save water. This requires an expanded water conservation portfolio. PWP's project will include dissemination of information and resources to residents to illustrate the benefits of hügelkultur and encourage widespread adoption of the technique. Residents will have the opportunity to participate in hands-on workshops at the demonstration sites to learn how to build hügels and implement this technique in their landscapes. Furthermore, the demonstration sites will provide residents the opportunity to see hügels up-close and monitor sustainability over time.

The Project will be completed in 24 months, and the grant agreement extends through April 30, 2022. The cost estimate is \$193,121, of which \$106,217 is from the water fund, water conservation budget, and \$86,904 from the BOR.

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. Implementation of the Project will contribute to enhanced soil moisture retention, water capture and infiltration, and decreased landscape irrigation demand. The Project serves as a demonstration to educate residents on how to implement this practice at their properties contributing to achieving Pasadena's water conservation goals. The Project 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 financial assistance agreement for utilization of grant funds for this Project is exempt from CEQA. The Project entails installing Hügels in existing landscapes at City owned facilities 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 existing or former use" (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 the Project would be a minor alteration to existing City facility landscapes 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:

The cost of this action will be \$193,121 of which \$86,904, or 45% of the cost, will be reimbursed by Federal grant fund from the BOR. Funding for the remaining 55% of the project cost will be addressed by the utilization of existing and future budgeted appropriations in Water Operating Fund, Water Conservation accounts as listed in Table 1 below.

Table 1- Hügelkultur Demonstration Project Budget

Budget Category	Account Number	Fiscal Year 2021	Fiscal Year 2022	Total
Employee Salary	41407810-800500	\$12,468	\$12,467	\$24,935
Contractual/Construction	41408170-811400	\$82,093	\$82,093	\$164,186
Environmental Compliance	41408170-811200	\$4,000	-	\$4,000
Total		\$98,561	\$94,560	\$193,121
Federal Grant Reimbursement	41400002-622010	(\$43,452)	(\$43,452)	(\$86,904)

Respectfully submitted,



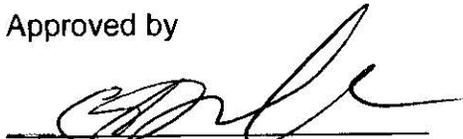
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Approved by



STEVE MERMELL
City Manager

Attachments:

- Attachment A – Hügelkultur Demonstration Project Grant Application
- Attachment B – Financial Assistance Agreement