



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: SEPTEMBER 12, 2022

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERSIDE, AUTHORIZING APPLICATION TO THE WATER RECYCLING FUNDING PROGRAM AND AUTHORIZING THE EXECUTION OF ALL REQUIRED DOCUMENTS BY THE CITY MANAGER OR DESIGNEE FOR INCREASED FUNDING IN THE ESTIMATED AMOUNT OF \$150,000 FOR RIVERSIDE PUBLIC UTILITIES' RECYCLED WATER MASTER PLAN STUDY

ISSUE:

Consider recommending that the City Council adopt a resolution authorizing submittal of a grant application to the Water Recycling Funding Program and subsequent acceptance of the grant award from the State Water Resources Control Board's Division of Financial Assistance in the estimated amount of \$150,000 for Riverside Public Utilities' Recycled Master Plan study.

RECOMMENDATION:

That the Board of Public Utilities:

1. Recommend that the City Council adopt a resolution authorizing the submittal of a grant application to the California State Water Resources Control Board Water Recycling Funding Program in the estimated amount of \$150,000 for Riverside Public Utilities' Recycled Water Master Plan study; and
2. Recommend that the City Council authorize the City Manager, or designee, to accept the amount awarded and execute all grant documents, including making minor and non-substantive changes to documents associated with the grant; and
3. Recommend that the City Council authorize the Chief Financial Officer, or designee, to record an increase in revenues and appropriate expenditures in the estimated grant award amount of \$150,000 in account numbers to be established by the Finance Department.

BACKGROUND:

On June 13, 2022, the Board of Public Utilities voted to approve the capital expenditure for Work Order No. 2115050 for \$300,000, which includes all costs for the preparation of the 2022 Non-Potable and Recycled Water Master Plan and recommend City Council approval of a Professional Consultant Services Agreement with Carollo Engineers, Inc., in the amount of \$239,212. On July 19, 2022, the City Council approved Riverside Public Utilities' professional services agreement

with Carollo Engineers, Inc., for the 2022 Non-Potable and Recycled Water Master Plan in an amount not-to-exceed \$239,212 for services through June 30, 2023.

The Recycled Water Master Plan study will comprehensively evaluate the potential opportunities for expanding the use of recycled water resources, in addition to non-potable sources of water, to augment the City's water supply portfolio and support the environment. The completion of the Recycled Water Master Plan will establish direction for future non-potable and recycled water infrastructure development for both the near and long-term planning horizons.

DISCUSSION:

The State Water Resources Control Board's Water Recycling Funding Program (WRFP) provides grants to assist public agencies with planning studies to determine the feasibility of using recycled water to offset the use of fresh or potable water from the state and/or local supplies. This funding program presents an excellent opportunity for Riverside Public Utilities to pursue grant dollars to offset the cost of its Recycled Water Master Plan study.

The WRFP requires a 50% cost-share requirement and generally provides reimbursement for up to 50% of total eligible planning costs up to the maximum established by the State Water Resources Control Board in the Clean Water State Revolving Fund Intended Use Plan, or as otherwise limited by the State Water Resources Control Board. The current maximum grant award allowed is \$150,000.

The contract amount for the previously approved Recycled Water Master Plan is \$239,212. With an additional estimated cost of about \$60,000 for a public outreach campaign and stakeholder engagement through the City's Office of Communications, the total project cost is about \$300,000. RPU is requesting funding from the WRFP for half of the study at \$150,000.

STRATEGIC PLAN ALIGNMENT:

The request for authorization to apply and accept potential grant funding from the Water Recycling Funding Program for RPU's Recycled Water Master Plan contributes to **Strategic Priority No. 4 – Environmental Stewardship** and **Goal 4.2** – Sustainably manage local water resources to maximize reliability and advance water reuse to ensure safe, reliable, and affordable water to our community.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The approval process for the Recycled Water Master Plan has been a public and transparent process. Both the study and seeking outside funding for the study serve the public interest.
2. **Equity** – The implementation of a currently under-utilized resource benefits all ratepayers by freeing up limited potable water resources.
3. **Fiscal Responsibility** – Seeking outside funding for the Recycled Water Master Plan helps stretch ratepayer dollars to fund additional necessary water projects.
4. **Innovation** – Planning for the implementation of recycled water is part of the 'One Water

One Riverside' concept of an integrated approach to community-based water management and provides a different source of water to fulfill the City's needs.

5. **Sustainability & Resiliency** – The implementation of a recycled water plan benefits the environment by reducing the extraction of other limited resources and increasing resource resiliency.

FISCAL IMPACT:

The estimated cost for the Recycled Water Master Plan study is \$300,000. The grant application is for half of the study's cost. If awarded, the Finance Department will appropriate estimated revenues and expenditures in a matching amount to the revenue State Capital Grants Account No. 6812200-334300 and the expenditure Water Recycling Funding Program Account No. 6812200-440309.

The required matching funds are available in the Recycled Water Facilities Account No. 6230000-470811.

Prepared by:	David A. Garcia, Utilities Assistant General Manager/Water
Approved by:	Todd M. Corbin, Utilities General Manager
Approved by:	Kris Martinez, Assistant City Manager
Approved as to form:	Phaedra A. Norton, City Attorney

Certifies availability of funds:	Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/City Treasurer
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Attachments:

1. Resolution
2. Presentation