City of Arts & Innovation

City Council Memorandum

TO: **HONORABLE MAYOR AND CITY COUNCIL** **DATE: OCTOBER 25, 2022**

FROM: **PUBLIC UTILITIES DEPARTMENT** **WARDS: ALL**

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:

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.

RECOMMENDATIONS:

That the City Council:

1. Adopt the attached Resolution authorizing submittal of a grant application to the Water Recycling Funding Program in the estimated amount of $150,000 for Riverside Public Utilities' Recycled Water Master Plan study;

2. 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. 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 established by the Finance Department.

BOARD RECOMMENDATION:

On September 12, 2022, the Board of Public Utilities voted unanimously to recommend that the City Council adopt a Resolution authorizing the submittal of a grant application to the Water Recycling Funding Program and accept any potential amount awarded by the grantor.

BACKGROUND:

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 Master Plan study will comprehensively evaluate the potential opportunities for expanding the use of its 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 facilities 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 the City of Riverside 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:

This item contributes to **Strategic Priority 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 City match will be $150,000. The grant application is for half of the study's cost. If awarded, revenues wil recorded and expenditures appropriated in Water Fund, Water Recycling Master Plan Project revenue account 6812200-334300 and expenditure account 6812200-440309. The required matching funds are available in the Water Fund, CIP Recurring Systems Improvements Program, Recycled Water Facilities account 6230000-470811.

Prepared by:	Todd M. Corbin, Utilities General Manager
Certified as to availability of funds:	Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/City Treasurer
Approved by:	Kris Martinez, Assistant City Manager
Approved as to form:	Phaedra A. Norton, City Attorney

Attachments:
1. Resolution
2. Presentation