



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: AUGUST 9, 2016**

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

SUBJECT: ACCEPTANCE OF SANTA ANA WATERSHED PROJECT AUTHORITY PROPOSITION 84 GRANT FUNDING THROUGH WESTERN MUNICIPAL WATER DISTRICT IN THE AMOUNT OF \$300,000

ISSUE:

Accept Proposition 84 grant funding in the amount of \$300,000 from Santa Ana Watershed Project Authority (SAWPA) through Western Municipal Water District (WMWD) to augment Riverside Public Utilities' Water Conservation program funding.

RECOMMENDATIONS:

That the City Council:

1. Authorize the City Manager or his designee to accept reimbursement for funds up to \$300,000 deposited to the Water Conservation Fund (521) Un-Programmed Funds Account 6220200-453001 from Santa Ana Watershed Project Authority through Western Municipal Water District and to execute any documents required for the acceptance of such funds;
2. Approve a supplemental appropriation up to \$300,000 for the Un-Programmed Water Conservation Funds Account No. 6220200-453001 and reimbursement to Other Agencies-WMWD Account No. 0000521-345456 in the Water Conservation Fund from Western Municipal Water District through the Santa Ana Watershed Project Authority; and
3. Authorize the City Manager or his designee, to allow the Public Utilities General Manager to allocate the grant funding to specific water conservation programs as required by program participation levels.

BOARD RECOMMENDATION:

On July 11, 2016, the Board of Public Utilities with six of eight members present, unanimously approved to forward recommendation to the City Council to accept \$300,000 in Proposition 84 Grant Funding to the Water Conservation and Reclamation Fund as reimbursement from previously completed public agency, institution, or homeowner association (HOA) turf removal projects.

BACKGROUND:

On July 20, 2015, the California Department of Water Resources (DWR) and Santa Ana Watershed Project Authority (SAWPA) entered into a Proposition 84 Integrated Regional Water Management Implementation Grant providing that SAWPA would serve as the program manager for the disbursement of \$12,860,110 of Integrated Regional Water Management Program (“IRWMP”) 2014 drought grant funds.

In September of 2015, WMWD’s Board of Directors approved the Proposition 84 Integrated Regional Water Management Program 2014 Drought Solicitation Implementation Grant Funding Contract between the Santa Ana Watershed Project Authority (SAWPA) and Western Municipal Water District (WMWD). The individual grant funding contract was executed between SAWPA and WMWD to distribute turf removal grant funding under the 2014 Proposition 84 Drought IRWMP. The projects supported by the contract are Institutional and HOA Turf Removal Projects (the Project).

The Project was implemented in WMWD’s general service area by providing up to \$1 per square foot to highly visible properties that are maintained by a public agency, institution, or homeowner association (HOA) who apply for funding to support individual landscape retrofit projects. As a member of WMWD’s general service area, Riverside Public Utilities applied for up to \$300,000 of the 2014 Proposition 84 Drought IRWMP funds.

The Proposition 84 funding will be utilized by RPU to reimburse the \$300,000 of expenditures made by RPU during Fiscal Year 2014/15 to issue rebates to qualified turf removal projects. The issued rebates were calculated at \$3 per square foot of turf removed for RPU public agency, institution, or homeowner association (HOA) customers. Of the \$3, WMWD allocated \$2, and RPU allocated \$1. The Proposition 84 funding will reimburse the \$1 contribution made by RPU to those customers who met the parameters of the grant funding.

During Fiscal Year 2015/16, RPU has witnessed a reduced demand for customers who would like to participate in turf removal projects and an increase in demand for other water conservation rebate programs such as High-Efficiency Toilets. As a result of the fluctuation in demand, RPU would like to receive the grant funding into the Water Conservation Fund (521) Un-programmed Funds Account and be given the authority to distribute the funding to support the water conservation rebate programs which show the greatest level of activity.

FISCAL IMPACT:

The total fiscal impact will be up to \$300,000 added to the Water Conservation and Reclamation Fund (521) Account Number 6220200-453001 as reimbursement from previously completed public agency, institution, or homeowner association (HOA) turf removal projects.

Prepared by:	Girish Balachandran, Public Utilities General Manager
Certified as to availability of funds:	Scott Miller, Interim Finance Director/Treasurer
Approved by:	John A. Russo, City Manager
Approved as to form:	Gary G. Geuss, City Attorney