



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: JULY 11, 2016

ITEM NO: 4

SUBJECT: **ACCEPTANCE OF SANTA ANA WATERSHED PROJECT AUTHORITY PROPOSITION 84 GRANT FUNDING THROUGH WESTERN MUNICIPAL WATER DISTRICT IN THE AMOUNT OF \$300,000 FOR CONSERVATION REBATE PROGRAMS – SUPPLEMENTAL APPROPRIATION**

ISSUE:

The issue for Board of Public Utilities' consideration is to approve the acceptance of Proposition 84 reimbursement grant funding from Santa Ana Watershed Project Authority through Western Municipal Water District to augment Riverside Public Utilities' Water Conservation program funding.

RECOMMENDATIONS:

That the Board of Public Utilities recommend 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 No. 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.

BACKGROUND:

On July 20, 2015, the California Department of Water Resources (DWR) and the Santa Ana Watershed Project Authority (SAWPA) entered into Prop 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 Proposition 84 Integrated Regional Water Management Program 2014 Drought Solicitation Implementation Grant Funding Contract between SAWPA and Western Municipal Water District (WMWD). The individual grant funding contract was executed to distribute turf removal grant funding under the 2014 Proposition 84 Drought IRWMP. The projects supported by the contract are Institutional and homeowner association (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 HOA who apply for funding to support individual landscape retrofit projects. As a member of WMWD's general service area, Riverside Public Utilities (RPU) 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 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 customer projects that met the parameters of the Proposition 84 grant funding.

During Fiscal Year 2015/16, RPU has seen a reduced demand from customers who would like to participate in turf removal projects and an increase in demand for other RPU water conservation rebate programs. As a result of the fluctuation in program participation, RPU would like to receive the grant funding into the Water Conservation Fund (521) Unprogrammed Funds account and distribute funding to support the water conservation rebate programs which show the greatest level of customer interest/activity.

FISCAL IMPACT:

The total fiscal impact will be up to \$300,000 to the Water Conservation and Reclamation Fund (521) Account No. 6220200-453001 offset by grant funds to Other Agencies-WMWD Account No. 0000521-345456 as reimbursement from previously completed public agency, institution, or HOA turf removal projects.

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Approved by:	John A. Russo, City Manager
Approved as to form:	Gary G. Geuss, City Attorney

Certifies availability of funds:	Laura Chavez-Nomura, Public Utilities Assistant General Manager/Finance
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