

STAFF REPORT

DATE: October 3, 2023

TO: Mayor and Members of the City Council

FROM: Jesse Cain, City Manager

AGENDA ITEM:

Summary of State Water and Wastewater Grants Received and Designation of Authorized Representative for a New Grant Application for the South Wescott Sewer Pump Station.

Recommendation: Council to adopt Resolution 23-____

BACKGROUND ANALYSIS: Over the past several years the City has applied for and received multiple grants and loans through the State's Water Resources Control Board Division of Financial Assistance (commonly referred to as SRF). In 2009, when the tertiary WWTP was built, the program was mostly a low or zero interest loan program. Since that time, the program has migrated to matching loan and grant program, and most recently a 100% grant program. The City's severely disadvantaged community status (SDAC) has given it priority for these programs and now pre-qualifies the City for 100 percent grants.

A summary of the recent City's water and wastewater projects are listed below:

Year	Description	SRF Loan	SRF Grant	City Reserves	Total
2009	Tertiary WWTP	16			16
2016	Loan/ Grant 210 – Permit Upgrades	6	4		10
2020	Loan / Grant 310- Recycled Water Phase 1	4.1	2	0.8	6.8

2020/2021	Recycled Water Farmland Improvements		2	2
2023	Grant 410- Recycled Water Phase 2 (In Review)	33		33
2023	Walnut Ranch Water Sewer System Improvements	8.5		
2024	South Wescott PS Planning Grant	0.5		
Total				

The SRF program is a very involved application process that involves dozens of submittals, audits of City financials, and environmental review from numerous agencies (EPA, USFWS, RWQCB and others). The process can take several years to complete and, while much of the upfront work is reimbursable under the grant, it can be too involved for many smaller agencies to undertake.

In recent years the program has been flush with federal and state bond issuances and has changed its SDAC grant eligibility criteria from a maximum total amount (previously set at \$6 million) to a maximum amount per household (sometimes as much as \$45,000 per household). As a result, the City has been submitting grant applications for various improvements as fast as possible.

The City is looking ahead to future years' improvements. One of the projects is upgrading the South Westcott Sewer Pump Station. This station is older and lacks the capacity and reliability desired by the City. This Authorizing Resolution is the first step in the application process and is for a \$500,000 grant to complete the planning, environmental, and preliminary design for the station upgrades. A subsequent grant application for the project's final design and construction will be submitted next year.

BUDGET IMPACT: None.

STAFF RECOMMENDATION: The City Council resolve to have the City Manager act as the Authorized Representative for the State Revolving Fund Planning Grant Application for the South Wescott Sewer Pump Station Upgrades

ATTACHMENT:	
Resolution 23	