



STAFF REPORT

December 7, 2022
File Number 0480-70

SUBJECT

DEPARTMENT OF WATER RESOURCES GRANT APPLICATION FOR RECYCLED WATER AND WATER CONSTRUCTION PROJECTS

DEPARTMENT

Utilities Department, Construction and Engineering Division

RECOMMENDATION

Request the City Council:

1. Adopt Resolution No. 2022-180, authorizing the submittal of an application and execution of a funding agreement and any amendments thereto with the Department of Water Resources ("DWR") for grant funding for the Hale Avenue Resource Recovery Facility ("HARRF") Tertiary System Replacement Project.
2. Adopt Resolution No. 2022-181, authorizing submittal of an application and execution of a funding agreement and any amendments thereto with the DWR requesting grant funding for the Treated Water Interconnect Project.

Staff Recommendation: Approval (Utilities: Christopher W. McKinney, Deputy City Manager/Director of Utilities)

Presenter: Angela Morrow, Deputy Director of Utilities

FISCAL ANALYSIS

Awards from DWR's Urban Community Drought Relief Program ("UCDRP") can fund up to 75 percent of eligible project costs, and require a minimum non-state cost share of 25 percent of the project costs, unless the project qualifies for a waiver (for projects that provide at least 50 percent of the primary benefit to an Underrepresented Community or Tribe).

The estimated cost for the HARRF Tertiary System Replacement Project is \$20 million. Should the City receive funding from the DWR UCDRP, the potential award could provide up to \$15 million toward the design and construction of the project, plus allowable reimbursable administrative expenses.

The estimated cost for the Treated Water Interconnect Project is \$3 million. Should the City receive funding from the DWR UCDRP, the potential award could provide up to \$2,250,000 toward the design and construction of the project, plus allowable reimbursable administrative expenses.



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BACKGROUND

The UCDRP is one of the Department of Water Resources' Drought Relief Grant Programs that offers financial assistance to address drought impacts. The minimum award amount is \$3 million per applicant. Smaller projects may be bundled together in a single application to meet the minimum grant award requirement. Eligible project types include:

- Construction or installation of permanent connection to adjacent water systems, recycled water projects that provide immediate relief to potable water supplies, and other projects that support immediate drought response;
- Emergency water interties;
- Projects that support immediate drought response; and
- Water conservation activities, including but not limited to: education, outreach, direct installation programs, and other activities that provide reductions in water consumption or improvements to water supply reliability

The HARRF Tertiary System Replacement Project will reduce demands on the potable water system by increasing tertiary treatment capacity at the HARRF, which will supply additional recycled water for non-potable uses, including agricultural irrigation. The Project will increase the recycled water production from approximately 9 million gallons per day (mgd) to 12 mgd by constructing new tertiary sand filters, chlorine contact basins, and dechlorination system.

The Treated Water Interconnect Project will upsize and replace an existing underground potable water interconnection with the Rincon Del Diablo Municipal Water District so that the City could receive treated water during shutdowns to the San Diego County Water Authority's raw water system, or during any disruptions to the Escondido-Vista Water Treatment Plant.

The Department of Water Resources grant agreement template for the Urban Community Drought Relief Grant is included as Attachment 1 for reference.

RESOLUTIONS

- A. Resolution No. 2022-180
- B. Resolution No. 2022-181

ATTACHMENTS

- A. Attachment "1" - Department of Water Resources grant agreement template for the Urban Community Drought Relief Grant