SOUTH JORDAN CITY CITY COUNCIL REPORT

Council Meeting Date: April 4, 2023

Issue: Resolution 2023-14 Bureau of Reclamation Grant Match Commitment

Submitted By: Jason Rasmussen

Department: Public Works

Staff Recommendation (Motion Ready): Approve R2013-14

BACKGROUND: The City's water reuse demonstration project (PureSoJo) is underway and nearing the first year of operation. The next phase in the project will be to perform a feasibility study, environmental impact study and 30% design for a full-scale water recycling facility. These studies will be used to apply for additional federal grants for the project and will be submitted to the State of Utah as part of the water reuse permitting process. The U.S. Bureau of Reclamation (BOR) is offering grants to pay for 50% of these studies and design. The BOR requires a local match of 50%.

TEAM FINDINGS, CONCLUSIONS & RECOMMENDATIONS:

FINDINGS: The City would be eligible, if approved by the BOR, to receive \$743,904 in grant funding for the project. This would match a contribution from the City for the same amount. The BOR requires a resolution from City Council to confirm the City has the 50% available to commit to the project should the City be awarded the BOR grant. There are existing appropriated funds to provide the City's 50% match.

CONCLUSIONS: Committing the 50% match will save the City \$743,904 if awarded the BOR grant.

RECOMMENDATIONS: Approve Resolution 2023-14, confirming the availability of City funds for the project.

FISCAL IMPACT: \$743,904 to match grant amount. This funding is already appropriated in the water fund budget.

ALTERNATIVES: Not approve R2023-14 and therefore not apply for the grant.

SUPPORT MATERIALS: U.S. Bureau of Reclamation grant application project budget worksheet.

City Council Action Requested:

Department Head

Date

RESOLUTION R2023 - 14

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH APPROVING THE POTENTIAL BUREAU OF RECLAMATION GRANT MATCH COMMITMENT FOR FUNDING OPPORTUNITY R23AS00076, WATERSMART: WATER RECYCLING AND DESALINATION PLANNING.

- **WHEREAS,** the City of South Jordan (the "City") is a Utah Municipal Water Supplier located in northern Utah and responsible for ensuring adequate water supply for City residents; and
- WHEREAS, as water is an increasingly scarce resource, of limited supply, and subject to ever increasing demands, the City acknowledges further need to develop drought resilient water supplies and extend our existing supplies for future demands; and
- **WHEREAS**, the City's water reuse demonstration project, PureSoJo, is underway and nearing the first year of operation; and
- **WHEREAS,** the City desires to move into the next phase by completing a Title XVI Reuse Feasibility Study, Environmental Impact Study, and Pre-Design detailing a feasible water reuse project; and
- **WHEREAS**, the City has constructed a pilot project demonstrating the efficacy of the processes and technologies to support a Title XVI Reuse Feasibility Study, Environmental Clearance, and Pre-Design; and
- **WHEREAS,** the City desires to obtain grant funding from the Department of Interior, Bureau of Reclamation through the WaterSMART: Water Recycling and Desalination Planning, Notice of Funding Opportunity No. R23AS00076; and
- **WHEREAS,** the Bureau of Reclamation requires the City to confirm the 50% availability of funds to commit to the project (approximately \$743,904.00), should the City be awarded the Bureau of Reclamation grant; and
- WHEREAS, the City Council has reviewed the Bureau of Reclamation grant application and supports the contents therein, and finds it in the best interest of the health and welfare of the citizen of the City of South Jordan to authorize the availability of City funds for this project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH:

- **SECTION 1. Approval.** The South Jordan City Council hereby approves the Bureau of Reclamation Grant match commitment for funding opportunity R23AS00076, WaterSMART: Water Recycling and Desalination Planning.
- **SECTION 2. Effective Date.** This Resolution shall become effective immediately upon passage.

[SIGNATURE PAGE TO FOLLOW]

ON THIS	DAY OF	, 2022 BY THE FOLLOWING VOTE:			
		YES	NO	ABSTAIN	ABSENT
	Patrick Harris Bradley Marlor Donald Shelton Tamara Zander Jason McGuire				
Mayor: Dawn R. Ramsey		Attest: City Recorder			
Approved as to for Gregory M Simonsen (Mar 29, 20	023 01:07 MDT)				
Office of the City	y Attorney				



2. PROJECT BUDGET

2.1 Funding Plan

South Jordan is seeking \$743,904 from the Bureau of Reclamation funding opportunity R23AS00076, WaterSMART: *Water Recycling and Desalination Planning*. As illustrated in Table 3, local matching funds would come from South Jordan City. South Jordan's contributions are cash on-hand, with funds allocated from the City's water enterprise fund. No additional funds will be provided by non-federal entities.

2.2 Letters of Funding Commitment

A letter of funding commitment for South Jordan City is attached in Appendix D.

2.3 Budget Proposal

Table 3 summarizes all the proposed funding sources for this project including both federal and non-federal sources.

Table 3 – Summary of Non-Federal and Federal Funding Sources

Funding Sources	Amount
Non-Federal Entities	
1. South Jordan City	\$743,904
2. NA	
3. NA	
Non-Federal Subtotal	\$743,904
REQUESTED Reclamation Funding	\$743,904

Cost to be reimbursed with the requested federal funding include Tasks 0-4. South Jordan will contribute in-kind costs shown in Task 0. Project costs will not include third-party contributions. The total project costs are summarized in Table 4.

Table 4 – Total Project Cost table

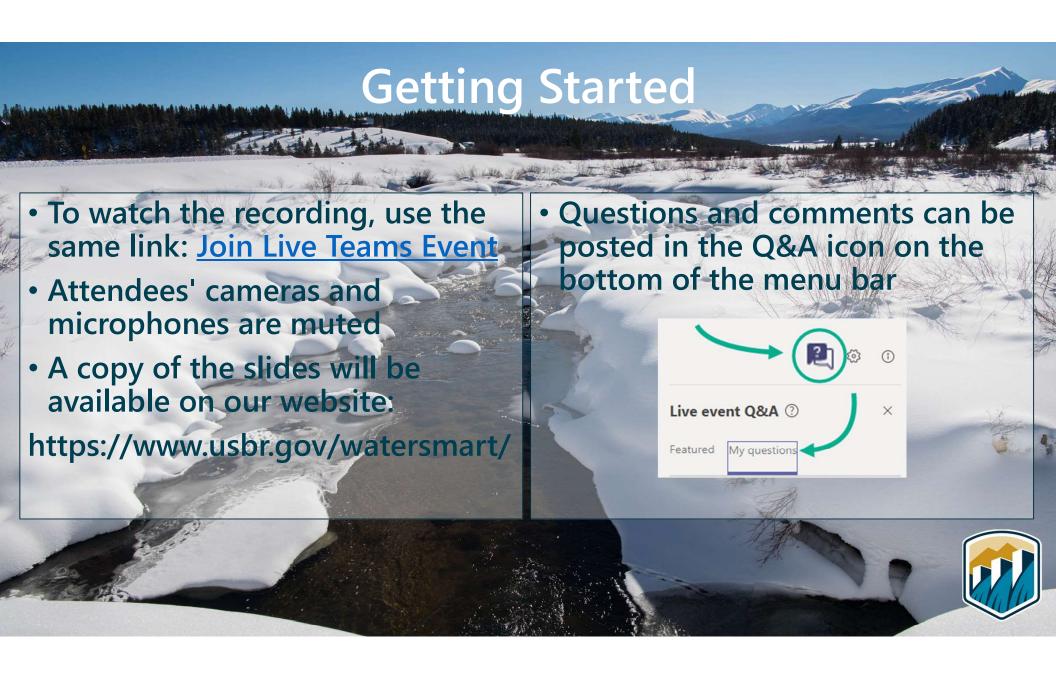
Source	Amount
Costs to be reimbursed with the requested Federal funding	\$743,904
Costs to be paid by the applicant	\$743,904
Value of third-party contributions	NA
TOTAL Project Cost	\$1,487,808

EXHIBIT A



WaterSMART: Water Recycling and Desalination Planning

Funding Opportunity Information and Program Eligibility



Today's Presenters

Water Resources and Planning Office

- Maribeth Menendez
- Katie Guerra



Agenda Overview

- Program Basics
- Water Recycling and Desalination Planning Funding Opportunity
 - Eligible Applicants
 - Eligible Projects
 - Program Funding
 - Evaluation Criteria
- Program Eligibility
- Questions



WaterSMART Program Overview

- Increases water supply reliability through investments and attention to local water conflicts
- Supports water conservation and water management improvements to help meet competing demands for water
- Leverages Federal and non-Federal funding
- Relies on collaboration with stakeholders to develop local solutions to water supply issues



Water Recycling and Desalination Program Overview



Within the WaterSMART Program framework



Title XVI Water Reclamation and Reuse Program - Projects that reclaim and/or reuse municipal, industrial, and agricultural wastewater; or impaired ground and surface waters



Desalination Construction - Ocean or brackish water desalination projects



Upcoming: Large-Scale Water Recycling - Projects that reclaim and/or reuse municipal, industrial, and agricultural wastewater; or impaired ground and surface waters, with a total project cost of \$500 million or more



Current Funding Opportunity: Water Recycling and Desalination Planning

- Funding available for potential new Title XVI projects, Desalination Construction projects, and Large-Scale Water Recycling projects
- Posted on grants.gov on 12/23/2022 R23AS00076
- All applications are due 2/28/2023 by 4:00 p.m. Mountain Time
- Applications must be submitted through grants.gov or hard copy
- Eligible Applicants:
 - Local water agencies that are sponsors of water recycling or desalination projects
 - States, Tribes, municipalities, irrigation districts, water districts, wastewater districts; and any state, regional, or local authorities
 - · Located in a Reclamation state, or Hawaii
- Eligible Project Activities:
 - Development of new water recycling and desalination feasibility studies
 - Preparation of preliminary project cost estimates
 - Design activities
 - Environmental and cultural resource compliance activities



Notice of Funding Opportunity No. R23AS00076

WaterSMART: Water Recycling and Desalination Planning



U.S. Department of the Interior

December 2022

Water Recycling and Desalination Planning Program Funding

- \$30 million in available program funds
- Funding Group I:
 - Projects with an anticipated total project cost of less than \$500 million
 - 50% Federal cost-share, up to \$1 million
- Funding Group II
 - Projects with an anticipated total project cost of greater than \$500 million
 - 25% Federal cost-share, up to \$5 million
- Applicants may request reimbursement for planning and pre-construction activities that can be completed within two years



Funding Opportunity Evaluation Criteria

- 1) Project Planning and Analysis → 30 Points
 - a. Water Recycling Needs and Opportunities \rightarrow 15 Points
 - b. Evaluation of Project Alternatives \rightarrow 15 Points
- 2) Stretching Water Supplies \rightarrow 20 Points
- 3) Environment and Water Quality → 20 Points
- 4) Department of the Interior Priorities → 15 Points
- 5) Watershed Perspective → 15 Points



How to Become Eligible for Water Recycling and Desalination Construction Programs

A completed feasibility study must be submitted and found to meet all requirements of Reclamation's Directives and Standards

- WTR 11-01 Title XVI Water Reclamation and Reuse Program and Desalination Construction Program Feasibility Study Review Process
- WTR TRMR-128: Additional requirements for Large-Scale Water Recycling



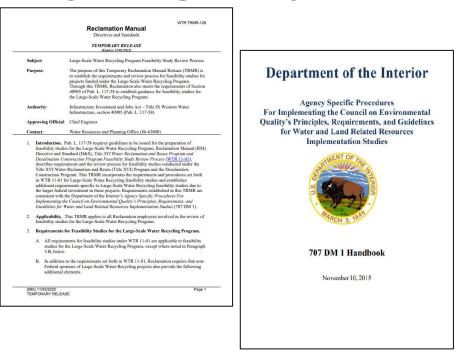
Feasibility Study Report Requirements

- 1) Flexibility Concerning Format
- 2) Report Contents
 - 1. Introductory Information
 - 2. Statement of Problems and Needs
 - 3. Water Reclamation, Recycling or Desalination Opportunities
 - 4. Description of Alternatives (additional requirements for large-scale projects)
 - 5. Economic Analysis (additional requirements for large-scale projects
 - 6. Selection of the Proposed Project
 - 7. Environmental Consideration and Potential Effects
 - 8. Legal and Institutional Requirements
 - 9. Financial Capability of Sponsor
 - 10. Research Needs
 - 11. Peer review (for large-scale water recycling projects only)



Feasibility Study Guidance for Large-Scale Water Recycling Projects

- WTR TRMR-128
- Reclamation Manual WTR 11-01, plus the following:
 - An array of project alternatives
 - Trade-off analysis on alternatives
 - Benefit-cost analysis on the alternatives
 - Technical peer review



WTR TRMR-128 (usbr.gov)

Program Resources

- Title XVI Program website: https://www.usbr.gov/watersmart/title/index.html
 - Regional Coordinator Contact information available on Contacts page
 - Successful proposals are available on the website
- Large-Scale Water Recycling Program website: https://www.usbr.gov/watersmart/largescale/index.html
- For information about upcoming Title XVI Funding Opportunities, send an email to watersmart@usbr.gov with your name, email address, and "Title XVI mailing list" in the subject
- Funding Opportunities can be found at: <u>www.grants.gov</u>
- Program Coordinator:

Maribeth Menendez, (303) 445-2094, mmenendez@usbr.gov

