

CITY OF YUBA CITY
STAFF REPORT

Date: February 6, 2018
To: Honorable Mayor & Members of the City Council
From: Public Works Department
Presentation by: Benjamin Moody, Deputy Public Works Director – Engineering

Summary

Subject: WaterSMART: Drought Resiliency Grant Application

Recommendation:

- A. Adopt a Resolution authorizing an application for a grant from the Bureau of Reclamation's WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year 2018 in the amount of \$750,000 for the installation of a groundwater well.
- B. Authorize the City Manager to execute agreements between the City and the Bureau of Reclamation for the WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year 2018, following approval by the City Attorney

Fiscal Impact: \$3,983,159 – Total Project Cost
\$ 750,000 – WaterSMART Drought Response Program Grant
\$3,233,159 – Second Groundwater Well (Account No. 971191)

Purpose:

To apply for funding to install a groundwater well for drought resiliency.

Background:

The City of Yuba City relies primarily on the Feather River for its municipal water supply, which can be threatened or limited during times of drought. The City currently owns and operates a few municipal water supply groundwater wells; however, the water supply provided by the wells are insufficient for the City's growing needs in the event of a drought.

The Bureau of Reclamation (Bureau) provides funds to assist states, Indian tribes, irrigation districts, and water districts to leverage funds and resources by cost sharing with the Bureau on Drought Resiliency projects that increase reliability of water supplies, improve water management, and provide benefits for fish, wildlife, and the environment to mitigate impacts cause by drought.

Analysis:

To develop the proposed project, an application would be prepared and submitted for a WaterSMART Drought Response Program: Drought Resiliency Project for Fiscal Year 2018 grant from the Bureau of Reclamation. Approximately \$3.25 million will be made available for

this funding opportunity, with each applying agency having a maximum possible grant award of \$750,000.

The installation of a new municipal water supply well with Bureau funds will require the project to assess and determine the potential environmental impacts of the project along with any regulatory requirements. The location and viability of the installation of a new well has already been determined based on a monitoring well study conducted by West Yost Associates in 2016 at the Yuba City Water Treatment Plant (701 Northgate Drive, Yuba City, CA 95991).

The installation of a second well at the Water Treatment Plant could increase the City's annual average water supply by 2,400 acre feet, 18% of the City's 2015 water demand of 13,000 acre feet. The well has a useful life of fifty years. The project is a crucial and efficient method to secure water supply for the City during times of drought, and is therefore an excellent candidate for the grant program.

Fiscal Impact:

The total cost of the proposed project is \$3,983,159. The grant, if awarded, would reimburse 50% of the project cost, up to a maximum of \$750,000. The City's financial share and obligation would be \$3,233,159. \$1,800,000 is currently budgeted in the Second Groundwater Well CIP (Account No. 971191), and an additional \$1,000,000 is proposed in the Fiscal Year 18/19 CIP Budget. Staff will request a budget transfer for the remaining \$433,159 required for the project if the grant is awarded to the City.

Alternatives:

1. Apply to the Bureau's WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year 2018 for a different or smaller project.
2. Do not apply for funds through the Bureau's WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year 2018.

Recommendation:

- A. Adopt a Resolution authorizing an application for a grant from the Bureau of Reclamation's WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year 2018 in the amount of \$750,000 for the installation of a groundwater well.
- B. Authorize the City Manager to execute agreements between the City and the Bureau of Reclamation for the WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year 2018, following approval by the City Attorney

Attachments:

1. Resolution

Prepared by:

/s/ Manu Dhaliwal

Manu Dhaliwal
Associate Civil Engineer

Submitted by:

/s/ Steven C. Kroeger

Steven C. Kroeger
City Manager

Reviewed by:

Public Works Director

Finance Director

City Attorney

DL

RB

TH by email

ATTACHMENT 1

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
APPROVING THE APPLICATION FOR GRANT FUNDS FOR THE BUREAU
OF RECLAMATION'S WATERSMART DROUGHT RESPONSE PROGRAM:
DROUGHT RESILIENCY PROJECTS FOR FISCAL YEAR 2018 FOR THE
GROUNDWATER WELL FOR DROUGHT RESILIENCY PROJECT**

WHEREAS, the City of Yuba City has prepared an application to apply for federal funding from the United States Department of the Interior, Bureau of Reclamation (Bureau) to assist in the funding of the Drought Response Program: Drought Resiliency Project; and

WHEREAS, the funding opportunity provided by the Bureau through their Grant Program entitled "WaterSMART Drought Response Program: Drought Resiliency Projects for Fiscal Year 2018" Funding Opportunity Announcement No. is BOR-DO-18-F008; and

WHEREAS, the City of Yuba City intends to construct a groundwater well to reduce the City's reliance on water from the Feather River in an effort to increase the City of Yuba City's drought resiliency; and

WHEREAS, the Applicant, if selected, will enter into an agreement with the Bureau to carry out the project.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Yuba City hereby:

1. Approves the filing of an application for the implementation of the Groundwater Well for Drought Resiliency Project; and
2. Certifies that Applicant understands that the Applicant will work with the Bureau to meet established deadlines for entering into a grant or cooperative agreement; and
3. Certifies that it understands the assurances and certification in the application; and
4. Certifies that Applicant is capable of providing the amount of funding specified in the application; and
5. The City appoints the City Manager, or designee, as agent to conduct all negotiations, execute and submit all documents including, but not limited to applications, agreements, payment requests and so on, which may be necessary for the completion of the aforementioned project; and
6. The Mayor, or presiding officer, is hereby authorized to affix his signature to this Resolution signifying its adoption by the City Council of the City of Yuba City and the City Clerk, or her duly appointed assistant, is directed to attest thereto.

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The foregoing resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 6th day of February 2018.

AYES:

NOES:

ABSENT:

ATTEST:

Preet Didbal, Mayor

Patricia Buckland, City Clerk