



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL

FROM: Douglas Schulze, City Manager

PREPARED BY: Art Vela, Public Works Director

MEETING DATE: February 27, 2024

SUBJECT: Consideration of Resolution 2024-34, Authorizing the Submittal of a Water Recycling Funding Program Planning Grant Application for a Request of Approximately \$300,000 and Authorizing the City Manager or Designee to Sign and Submit All Required Documents Related to the Planning Grant Application

RECOMMENDATION:

Staff recommends that City Council adopt Resolution 2024-34:

1. Authorizing the City Manager or designee to sign and submit a Water Recycling Funding Program Planning grant application for a request of approximately \$300,000 for the development of a recycled water feasibility study.
2. Authorizing the City Manager or designee to execute and submit all related documents including a financial assistance agreement, assurances, certifications and commitments.

BACKGROUND:

On December 13, 2022, the City Council approved Resolution 2022-14UA, "Awarding a Professional Services Agreement to N2W Engineering to Provide Owner Advisor Services and Preliminary Engineering for the Wastewater Treatment Plant Improvement Project in a "Not-to-Exceed" amount of \$1,576,430. Resolution 2022-14UA, attached hereto, provides background on the City's goal of improving the City's Wastewater Treatment Plant (WWTP) by increasing treatment capacity and improving the WWTP treatment process for the purpose of developing a recycled water source.

The Water Recycling Funding Program (WRFP) is administered by the Division of Financial Assistance. It supports the State Water Resources Control Board's (SWRCB) Water Recycling Policy and provides funding for water recycling projects that offset or augment state or local fresh water supplies and water recycling research.

The purpose of the WRFP Planning grant program is to encourage Local Public Agencies to investigate the feasibility of recycling wastewater and assist them with completing planning for water recycling projects by supplementing local funds.

On April 25, 2023 City Council approved Resolution 2023-71, "The Submittal of a Water Recycling Funding Program Grant Application for a Request of \$150,000 and Authorizing the City Manager or Designee to Sign and Submit all Required Documents Related to the Planning Grant Application".

At the time of the grant application submittal staff expected that, if awarded funds, the grant funding would require a fifty percent (50%) match. Recent discussions with the SWRCB staff have indicated that due to the City's Disadvantage Community (DAC) designation the City could be eligible to receive

approximately \$300,000 with no match obligation.

JUSTIFICATION:

In order to be eligible to receive funding in the amount of approximately \$300,000, the City must submit a revised resolution authorizing the City Manager, or designee, to sign and file a Financial Assistance Application for a grant agreement from the California SWRCB's WRFPP for the Recycled Water Feasibility Study in the amount of approximately \$300,000, for and on behalf of the City.

FISCAL IMPACT:

Through January 31, 2024, the City has been billed \$334,259.18 by N2W Engineering for efforts related to the preparation and completion of the Recycled Water Feasibility Study. If awarded funds, approximately \$300,000 in grant funding could be made available as a reimbursement to the City for the development of the Recycled Water Feasibility Study.

ALTERNATIVES:

Do not adopt Resolution 2024-34, which would result in not being eligible to receive additional funding from the WRFPP.

ATTACHMENTS:

1. [Resolution 2024-34, Water Planning Grant Submittal.docx](#)
2. [SR Resolution 2022-14 UA, Award Owner Advisor WWTP.pdf](#)
3. [Reso 2023-71 Water Recycling Funding Program.pdf](#)