

Legislation Text

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For City Council and Rialto Utility Authority Meeting [November 9, 2021]

TO: Honorable Mayor and City Council

APPROVAL: Marcus Fuller, City Manager

FROM: Thomas J. Crowley, P.E., Utilities Manager

Request the City Council/Rialto Utility Authority Board: 1) Authorize submission of a grant application to the US Bureau of Reclamation's WaterSMART program, 2) Approve **Resolution No.** <u>7797</u> endorsing WaterSMART Water and Energy Efficiency Grants for Fiscal Year 2022, and 3) Approve **RUA Resolution No.** <u>08-21</u> endorsing WaterSMART Water and Energy Efficiency Grants for Fiscal Year 2022.

BACKGROUND

The U.S. Department of the Interior's (Department) WaterSMART (Sustain and Manage America's Resources for Tomorrow) Program provides a framework for Federal leadership and assistance to stretch and secure water supplies for future generations in support of the Department's priorities. Through WaterSMART, the Bureau of Reclamation (Reclamation) leverages Federal and non-Federal funding to work cooperatively with States, Tribes, and local entities as they plan for and implement actions to increase water supply sustainability through investments in existing infrastructure and attention to local water conflicts.

As of July, the U.S. Drought Monitor indicates that more than 93% of the land in nine of the Western states is in drought conditions, and nearly 60% of the area is experiencing extreme or exceptional drought. Through WaterSMART, Reclamation provides financial assistance to water managers for projects that seek to conserve and use water more efficiently and accomplish other benefits that contribute to sustainability in the Western United States.

ANALYSIS/DISCUSSION

Projects funded through the WaterSMART Grants: Water and Energy Efficiency Grants program will conserve and use water more efficiently; increase the production of hydropower; mitigate conflict risk in areas at a high risk of future water conflict; and accomplish other benefits that contribute to water supply reliability in the western United States.

The estimated program funding is \$15 million with a maximum grant opportunity of \$2 million for projects that would be completed in three years or \$500,000 for projects that would be completed in two years. There will be a 50% cost share if the City is successful in applying for this grant. The estimated project cost is \$6,761,169. If the City is successful in receiving a \$2 million grant, the City's portion of the project would be \$4,761,169.

The City believes the Advanced Metering Infrastructure (AMI) project would be appropriate for this

grant program. AMI is an integrated system of smart meters, communications networks, and data management systems that enables two-way communication between utilities and customers. This will help households reduce their water and energy consumption, lowering their bills and carbon emissions.

ENVIRONMENTAL IMPACT

This report is not a "Project" as defined by the California Environmental Quality Act (CEQA). Pursuant to Section 15378(a), a "Project" means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. According to Section 15378(b), a Project does not include: (5) Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

GENERAL PLAN CONSISTENCY

This action is consistent with Guiding Principle 3 in the General Plan:

Our City government will lead by example, and will operate in an open, transparent, and responsive manner that meets the needs of the citizens and is a good place to do business.

LEGAL REVIEW

The City Attorney has reviewed and supports the staff report and Resolutions.

FINANCIAL IMPACT:

Operating Budget Impact

The requested action does not impact the Operating Budget.

Capital Improvement Budget Impact

The requested action does not impact the Capital Improvement Budget.

Licensing

The requested action does not impact Business Licensing in the City.

RECOMMENDATION

Staff recommends that the City Council/Rialto Utility Authority Board:

- 1) Authorize submission of a grant application to the US Bureau of Reclamation's WaterSMART program, and
- 2) Approve a Resolution endorsing WaterSMART Water and Energy Efficiency Grants for Fiscal Year 2022, and
- 3) Approve a RUA Resolution endorsing WaterSMART Water and Energy Efficiency Grants for Fiscal Year 2022.