



Legislation Text

File #: 2021-0639, **Version:** 1

To: Board of Directors, Sonoma County Water Agency
Department or Agency Name(s): Sonoma County Water Agency
Staff Name and Phone Number: Jake Spaulding / 524-8373
Vote Requirement: Majority
Supervisorial District(s): Countywide

Title:

North Bay Water Reuse Program Phase 2

Recommended Action:

- A) Authorize Sonoma County Water Agency's General Manager, acting as Administrative and Fiscal Agent for the North Bay Water Reuse Authority, to execute a Local Project Sponsor Agreement with the Association of Bay Area Governments to receive grant funds in the not-to-exceed amount of \$4,061,270. Agreement terminates July 31, 2024.
- B) Authorize Sonoma County Water Agency's General Manager, acting as Administrative and Fiscal Agent for the North Bay Water Reuse Authority, to execute agreement(s) with the City of American Canyon and the City of Petaluma for North Bay Water Reuse Program Phase 2 Projects through July 31, 2027; pass-through grant funds not to exceed \$4,061,270.
- C) Authorize Sonoma County Water Agency's General Manager, acting as Administrative and Fiscal Agent for the North Bay Water Reuse Authority, to amend the agreements to extend the term, make modifications to agreement scope or amounts, or take other steps necessary to accomplish the purposes of the grant.

Executive Summary:

This item requests authority for Sonoma County Water Agency (Sonoma Water), acting as Administrative and Fiscal Agent for the North Bay Water Reuse Authority (Authority), to enter an agreement with Association of Bay Area Governments (ABAG) as a subrecipient of State of California, Department of Water Resources (State) grant funds. The item also requests authority for Sonoma Water to enter separate agreement(s) with the City of Petaluma and City of American Canyon (Cities) to use these funds on local subprojects.

Under the Local Sponsor Agreement with ABAG, Sonoma Water will receive and administer grant funds in the amount of \$4,061,270 and is responsible for ensuring completion of the North Bay Water Reuse Program Phase 2 Projects (Projects). In coordination with Sonoma Water, the City of Petaluma will implement the Tertiary Expansion subproject and the City of American Canyon will implement the Recycled Water Distribution System Expansion subproject with the pass-through grant funding. Cities will be responsible for reimbursing Sonoma Water for all administration expenses under the terms of their respective agreements.

Discussion:

HISTORY OF ITEM/BACKGROUND

In March 2021, ABAG received an Integrated Regional Water Management Grant from the State as part of the

Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1). Under a grant agreement with State, ABAG will use the grant funds to advance eight local projects located within the San Francisco Bay Area (Work Plan). Sonoma Water (as administrative agent for Authority) will receive a portion of these funds from ABAG under a Local Sponsor Agreement.

The Authority is a partnership of local, state, and federal agencies, established in 2005 under a Memorandum of Understanding, with similar mandates to maximize the benefits of multiple funding sources to implement programs addressing limited water resources in the west. This approach also helps the federal and state agencies accomplish their resource management objectives and regulatory requirements.

The Authority has undertaken the North Bay Water Reuse Program (NBWRP) to investigate the feasibility of distributing recycled water for agricultural, urban, and environmental uses throughout the region. The partners are water and sanitation agencies who seek to optimize the value of recycled water both in their own communities and throughout the North San Pablo Bay region. Construction of Phase 1 of the program was completed in March 2021 and included \$104 million in treatment, distribution, and recycled water storage projects.

Building on Phase 1 technology and infrastructure investments, Phase 2 would deliver increased yield through expanded treatment, new pipelines, and additional storage projects, while building resiliency into the region's long-term water supply through the use of recycled water. The NBWRP Phase 2 is a regional effort to construct 16 sub-regional treatment and distribution system projects over the next 10 years in the San Pablo Bay watershed. Sonoma Water, as the Administrative and Fiscal Agent for the Authority, is a subrecipient of the State grant to ABAG in the amount of \$4,061,270 and is responsible for ensuring completion of the Projects as part of the Work Plan and for ensuring matching funds in the amount of \$4,100,000 are committed from the project partners as is required under the terms of the State/ABAG grant agreement. The Work Plan components below would complete two subprojects of the NBWRP Phase 2.

The City of Petaluma Tertiary Expansion Project will increase tertiary treatment capacity at Ellis Creek Water Recycling Facility. This project includes upgrades at the existing facility to increase tertiary filtration and disinfection capacity by approximately 2.12 million gallons per day. The project will expand the facility's filtration capacity with cloth filter technology. The project will also add banks of UV lamps in an existing unused channel and upgrade existing UV lamps in the active channels. The project includes other related improvements to the tertiary system. Completed facilities will increase the tertiary filtration capacity of the facility by an approximate 2.12 million gallons per day, yielding approximately 712 acre-feet per year of tertiary treated water.

The City of American Canyon (City) Recycled Water Distribution System Expansion Project will add several new distribution pipelines in the City service area. The identified pipeline extensions will expand the existing system to deliver recycled water to landscaping and industrial users currently on potable water and convert them to recycled water for non-potable uses. The customer demands associated with these extensions would be met directly from the City's water recycling facility during the peak months with no seasonal storage needed. The project has been phased, and the portion funded by this grant will focus on construction within existing built roadways. The extensions will provide approximately 48 acre-feet per year of recycled water and includes approximately 3,070 linear feet of 6-inch-diameter pipelines.

Cities will pay for Sonoma Water administrative costs, including costs during the 3-year post construction monitoring period.

Prior Board Actions:

- 06/09/2020: Resolution adopting the 2019 update to the San Francisco Bay Area Integrated Regional Water Management Plan.
- 08/14/2018: Resolution of the Board of Directors of the Sonoma County Water Agency, to certify the North Bay Water Reuse Program Phase 2 Final Environmental Impact Report, and make certain findings therewith.
- 11/14/2017: Concurrent action for Board authorization for Chairs of the Water Agency and District to sign the Fourth Amended MOU, authorization of Water Agency's General Manager or designee to execute an amended agreement with Brown and Caldwell to provide engineering, environmental, and public outreach services, and authorization of expenditure of District funds for the District's portion of costs for the above amended agreement with Brown and Caldwell.

FISCAL SUMMARY

Expenditures	FY 21-22 Adopted	FY22-23 Projected	FY 23-24 Projected
Budgeted Expenses	\$25,000	\$2,239,263	\$1,838,007
Additional Appropriation Requested			
Total Expenditures	\$25,000	\$2,239,263	\$1,838,007
Funding Sources			
General Fund/WA GF			
State/Federal		2,231,263	1,830,007
Fees/Other	\$25,000	8,000	8,000
Use of Fund Balance			
Contingencies			
Total Sources	\$25,000	\$2,239,263	\$1,838,007

Narrative Explanation of Fiscal Impacts:

Budgeted amount of \$25,000 is available from FY 2021/2022 appropriations for the Recycled Water Fund for Sonoma Water administrative costs. Offsetting revenue in the amount of \$25,000 will be from the Cities.

Future appropriations will be budgeted in those fiscal years.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Local Project Sponsor Agreement between Association of Bay Area Governments and Sonoma Water

Related Items "On File" with the Clerk of the Board:

None