



DATE: April 26, 2022

CATEGORY: Consent

DEPT.: Public Works

TITLE: **Adopt a Resolution Authorizing Submittal of a Grant Application to Fund Recycled Water Expansion Projects**

RECOMMENDATION

Adopt a Resolution of the City Council of the City of Mountain View Authorizing Submittal of a Financial Assistance Application to the United States Bureau of Reclamation for its WaterSMART: Title XVI, Water Reclamation and Reuse Program, to be read in title only, further reading waived (Attachment 1 to the Council report).

BACKGROUND

The City of Mountain View currently receives recycled water from the Palo Alto Regional Water Quality Control Plant (RWQCP). Recycled water meets approximately 4% of the City's water needs and is a droughtproof water source. With the impacts of climate change, constraints from imported supplies through the City's water wholesalers, and California's third year in a drought, the use and expansion of recycled water becomes more significant to serve the needs of residents and businesses in the City.

In 2014, the City completed a Recycled Water Feasibility Study to evaluate expansion of the existing recycled water distribution system. This study was recently updated to consider new City plans and policies since the last study. The updated Feasibility Study was approved by Council on [March 22, 2022](#). The City's recommended Recycled Water Project (Project) includes a multi-phased approach to reach new users in the North Bayshore Area, the adjacent Federal property occupied by National Aeronautics and Space Administration (NASA) Ames Research Center and Moffett Field, and the City's East Whisman Area. Implementation of the entire Project will achieve the following significant benefits:

- Increase recycled water use within the City's existing service area.
- Bring recycled water to new areas of Mountain View and the adjacent Federal property.
- Improve supply reliability by increasing access to a droughtproof water supply.

- Decrease the use of imported water, including from the Tuolumne River and the San Francisco Bay Delta.
- Relieve pressure on local groundwater, especially during dry years.
- Decrease wastewater outfall to the San Francisco Bay.

The first set of recommendations from the updated Feasibility Study are to site and construct a recycled water reservoir and to expand the pipeline system in the North Bayshore Area. A reservoir will improve service and reliability for customers. Several site options need to be studied in detail to identify the optimum location. In addition, staff completed the design of a 4,700' recycled water pipeline system on Shorebird Way and Charleston Road, which is one of the projects identified for build-out of the North Bayshore recycled water system. This project has not been constructed due to insufficient funding. The estimated cost for the reservoir siting study and construction of the Shorebird Way and Charleston Road pipeline system is \$4,977,600.

ANALYSIS

On January 14, 2022, the United States Bureau of Reclamation (Reclamation) announced Notice of Funding Opportunity No. R22AS00115 for the WaterSMART: Title XVI, WIIN Act Water Reclamation and Reuse Projects. Through this competitive Federal grant program, Reclamation provides financial and technical assistance to local water agencies for the planning, design, and construction of water reclamation and reuse projects. The selected projects will be funded through investments in the Bipartisan Infrastructure Law and Fiscal Year 2022-23 appropriations. The Bipartisan Infrastructure Law contains \$1 billion over five years for water reclamation and reuse projects, including \$550 million for the Title XVI, Water Reclamation and Reuse Program. Funding Opportunity No. R22AS00115 is open to projects eligible under the WIIN Act. The maximum project award is 25% of project costs, up to \$30 million. Eligible expenses include work that is planned through September 30, 2025 or work that has been completed since Reclamation's feasibility study review findings for the project.

The City of Mountain View's Recycled Water Project was approved by Reclamation to compete for WIIN Act funding opportunities in January 2018 and is eligible to compete for this Federal grant. City staff submitted a grant application for the reservoir siting study and construction of the new recycled water pipeline along Shorebird Way and Charleston Road on March 15, 2022, prior to the submission deadline. The City requested a grant of \$1,244,400 (25% of the full project cost).

Letters of support were received from the following partner agencies and included in the submitted application packet:

- NASA Ames Research Center
- San Francisco Public Utilities Commission
- Valley Water (formerly Santa Clara Valley Water District)
- Bay Area Water Supply and Conservation Agency
- Western Recycled Water Coalition

Adoption of the Resolution (Attachment 1) will complete the City's WaterSMART: Title XVI WIIN Act Water Reclamation and Reuse Projects grant application, allowing it to compete for this Federal funding opportunity. The Resolution must be submitted to Reclamation before May 13, 2022.

FISCAL IMPACT

If the City's recycled water project is selected for Federal funding and awarded the requested \$1,244,400, the City will be required to enter into an agreement with Reclamation committing to fund the remaining non-Federal project costs, estimated at \$3,733,200. The recommended Fiscal Year 2022-23 Capital Improvement Program includes \$4.19 million for recycled water projects, which, if approved, will be sufficient to cover the remaining proposed project costs, including administrative fees. Staff understands Reclamation will be awarding funding as reimbursement based on actual costs.

ALTERNATIVES

1. Do not adopt the resolution.
2. Provide other direction.

PUBLIC NOTICING—Agenda posting.

Prepared by:

Elizabeth Flegel
Water Resources Manager

Reviewed by:

Lisa Au
Assistant Public Works Director

Approved by:

Dawn S. Cameron
Public Works Director

Audrey Seymour Ramberg
Assistant City Manager/
Chief Operating Officer

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Attachment: 1. Resolution Approving Federal Grant Application