

Heber Public Utility District Board of Directors

MEETING DATE: June 19, 2014

FROM: Laura Fischer, General Manager

SUBJECT: Adopt Resolution 2014-7 in Support of a Grant Application for Integrated Regional Water Management Round 3 Drought Relief Funds.

ISSUE:

Shall the Heber Public Utility Board of Directors adopt Resolution 2014-7 in support of a grant application for Integrated Regional Water Management Round 3 Drought Relief Funds?

GENERAL MANAGER RECOMMENDATION:

Adopt Resolution 2014-7.

FISCAL IMPACT:

The cost to submit the application is a fair share of approximately \$51,000. This is to be shared by three agencies that have a project included in the formal application. HPUD's share is an amount not to exceed \$17,000. These funds will be recoverable, but only if the grant application is successful. These funds would be paid out of the water fund.

BACKGROUND:

include a project in the Imperial Regional Water Management Plan application. That application was not approved and the Imperial Valley Region did not receive any money from the State Prop 84 funds. This application would be submitted through the same process with the Imperial Regional Water Management Plan.

On January 17, 2014, Governor Edmund G. Brown proclaimed a Drought State of Emergency and on March 1, 2014, Governor Brown signed legislation to assist drought-affected communities and provide funding to better use local water supplies. The Governor and Legislature have directed DWR to expedite the solicitation and award of \$200 million (of the \$472.5 million) in IRWM funding to support projects and programs that provide immediate regional drought preparedness, increase local water supply reliability and the delivery of safe drinking water, assist water suppliers and regions to implement conservation programs and measures that are not locally cost-effective, and/or reduce water quality conflicts or ecosystem conflicts created by the drought. The Colorado River Region, of which the Imperial Regional Water Management Plan is a part, is allocated \$36 million. Once again, the IRWMP would be competing for a share of the \$36M for projects in our region.

According to SB 104, which funds the grant, the money is expedited drought relief funding and is applicable to projects that "provide immediate regional drought preparedness, increase local water supply reliability and delivery of safe drinking water, assist water

suppliers and regions to implement observation programs and measures that are not locally cost-effective, or reduce water quality conflicts or ecosystem conflicts created by the drought.

In May HPUD Board authorize staff to submit to the IRWMP consultants a project that would save water by recycling and reusing our wastewater. Staff submitted the project to the consultants, but the project was rejected by the consultant. They felt that the project was not ready to be funded as we don't have engineering drawings and haven't laid some of the ground work with IID. My big concern was timing as the grant requirement stats that the construction of the project must be awarded and underway by April 2015. That is just a few months away and is going to be a difficult timeline for any of the projects to meet.

The IRWMP consultants were in favor of the intertie project between HPUD and the Cities of Imperial and El Centro. This project will be the only one submitted for this round of funds.

DISCUSSION

As HPUD is a partner in the Intertie Project, we must approve a Resolution that supports the grant application, authorizes the City of Imperial to be the lead agency in managing the grant application and signing the grant agreement. The Resolution before you serves this purpose. The City of Imperial will be contracting with the consulting firm that will submit the application. The City of El Centro will be preparing the environmental and engineering drawings as well as working on the project estimated cost. I will be gathering information to assist the consultants prepare a competitive grant application.

CONCLUSION

As the IRWMP consultants have selected the Intertie project between HPUD, and the Cities of Imperial and El Centro as the project to submit for this round of Drought Relief Funds, and as it is required by each agency participating in the application to adopt a Resolution in support, it is required that HPUD adopt Resolution 2014-7.

ALTERNATIVES

- 1) Do not adopt Resolution 2014-7, which will result in the grant application process not moving forward as all agencies involved in the intertie project must adopt a Resolution before the application will be accepted. The application is due July 21, 2014.
- 2) Direct staff to modify the Resolution prior to adopting.
- 3) Provide alternate direction to staff.

Respectfully Submitted,

Laura Fischer, General Manager

Resolution 2014-7

GEI Proposal to write grant – HPUD Share is 1/3 of total costs.

RESOLUTION NO. 2014-07

A RESOLUTION OF THE HEBER PUBLIC UTILITY DISTRICT TO APPROVE THE SUBMITTAL OF THE APPLICATION FOR INTEGRATED REGIONAL WATER MANAGEMENT ROUND 3 DROUGHT RELIEF GRANT FUNDS (PROPOSITION 84)

WHEREAS, the Heber Public Utility District adopted Resolution Number 2012-6 adopting the 2012 Imperial Integrated Regional Water Management Plan; and

WHEREAS, the Governor of the State of California has declared that California is experiencing an unprecedented drought period and shortage of water for its citizens, local governments, agriculture, environment, and other uses; and

WHEREAS, urgent Legislation has been enacted to appropriate funds to the Department of Water Resources for integrated regional water management grants through an expedited solicitation round for projects that provide immediate regional drought preparedness, increase local water supply, reliability and the delivery of safe drinking water, assist water suppliers and regions to implement conservation programs and measures that are not locally cost-effective, or reduce water quality conflicts or ecosystem conflicts created by the drought.

WHEREAS, the California Department of Water Resources requires the governing body of a grant applicant to designate, by Resolution, an authorized representative for filing grant applications and executing Grant Agreements; and

WHEREAS, the Imperial Integrated Regional Water Management Plan Working Group intends to submit an application for 2014 Drought Relief Funds for the propose of funding an Intertie Project between the Heber Public Utility District, the City of Imperial, and the City of El Centro that will interconnect potable water resources, providing overall water system reliability, more flexibility during drought conditions, and improving emergency backup supplies in the event of needed maintenance, system failures, or catastrophic event; and

WHEREAS, the Imperial Regional Water Management Plan Working Group has identified the City of Imperial as the Lead Agency, and their City Manager, or designee, has been identified as the authorized representative for filing the grant application and executing all documents related to the Grant Agreement; and

WHEREAS, the Imperial Regional Water Management Plan Working Group has identified the Intertie Project as meeting the eligibility criteria of the grant application; and

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE HEBER PUBLIC UTILITY DISTRICT, DOES HEREBY RESOLVE AS FOLLOWS:

1. That an application be made to the California Department of Water Resources on behalf of the Imperial Regional Water Management Plan Working Group to obtain 2014 Drought Grant Funds for the implementation of the Intertie Project that improves water reliability, public safety, provide system redundancy, and improve drought response.

2. That the Board of Directors authorizes the City of Imperial, the City Manager, and her designee to file such applications for 2014 Drought Grant Funds.
3. That the Board of Directors designates the Heber Public Utility District General Manager, or her designee, to act as the authorized representative of the Heber Public Utility District, if a grant is awarded, to enter into a Intertie Project Agreement if directed by the Board of Directors.
4. That the Board of Directors of the Heber Public Utility District does hereby adopt this Resolution.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Heber Public Utility District held on the 19th day of June 2014.

Margarita K. Lizarraga, Board President

ATTEST:

Rafaela M. Sanchez, Clerk of the Board

APPROVE AS TO FORM:

Steven M. Walker, General Counsel

STATE OF CALIFORNIA)
COUNTY OF IMPERIAL)
HEBER PUBLIC UTILITY)
DISTRICT)

I, RAFAELA M. SANCHEZ, Clerk of the Board of the Heber Public Utility District, County of Imperial, State of California, DO HEREBY CERTIFY that the foregoing resolution was dully passed, approved and adopted by the Board of Directors of the Heber Public Utility District at its regularly scheduled meeting held on the 19th day of June 2014.

By _____
Rafaela M. Sanchez, Clerk of the Board