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Department of Utilities
Engineering Services Division

CITY OF SACRAMENTO
CALIFORNIA

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March 1, 2000

City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: AUTHORIZATION TO APPLY FOR A CALFED BAY-DELTA
CONJUNCTIVE USE GRANT AND NEGOTIATE A GRANT FUNDING
AGREEMENT.**

LOCATION AND COUNCIL DISTRICT:

Potential projects are in various locations north of the American River between the Sacramento River Water Treatment Plant and the E. A. Fairbairn Water Treatment Plant in Council Districts 1,2, and 3 (see attached map).

RECOMMENDATION:

Staff recommends that the City Council approve the attached resolution which authorizes the City Manager and City Clerk to:

- Sign and file a Conjunctive Use Grant Application on behalf of the City of Sacramento.
- Negotiate a grant funding agreement with the CALFED Bay-Delta Program.

CONTACT PERSON: Gary Reents, Engineering Services Manager, 264-1433
Candace A. McGahan, Senior Engineer, 264-1416

FOR COUNCIL MEETING OF: March 14, 2000



CITY OF SACRAMENTO
DEPARTMENT
OF UTILITIES

Making a Difference in Your Neighborhood

City Council
Authorization to Apply for CalFed Bay Delta Grant
March 1, 2000

SUMMARY:

City staff has identified a potential source of grant monies for partial funding of major capital improvement projects identified in the Water Distribution System Master Plan. Authorization from the City Council to file an application and negotiate a grant funding agreement is required by the CALFED Bay-Delta Program.

COMMITTEE/COMMISSION ACTION:

None.

BACKGROUND INFORMATION;

The CALFED Bay-Delta Program has developed a grant program for projects that implement the coordinated use of surface water and groundwater, or "conjunctive use". Funding for this conjunctive use grant program is authorized by the Bay-Delta Authorization Act, which currently provides up to \$2,150,000 for fiscal year 2000 with a grant award maximum of \$500,000 for each project. The objective of the program is to help fund conjunctive use projects which increase water supply reliability and restore ecosystem health to the Bay-Delta system.

Projects have been identified in the Water Distribution System Master Plan which would augment surface water in areas north of the American River mainly supplied by well water now. These projects, which include conveyance facilities and interties, would allow greater flexibility between the use of groundwater and surface water providing more groundwater recharge during wetter years and less reliance on surface water during drier years.

If the grant application is approved, the development of a cooperative agreement would begin. Upon finalization and execution of a cooperative agreement, construction on a project would be required within no more than three years.

ENVIRONMENTAL DETERMINATION:

No environmental determination is required for this action. However, any projects resulting from the granting of funds would be subject to the provisions of the California Environmental Quality Act (CEQA).

City Council
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FINANCIAL CONSIDERATIONS:

Sufficient funds exist in the current operating budget to cover staff costs required to submit and secure this grant. If grant funding is approved, a Capital Improvement Project, using these monies and any additional Water Fund monies required, will be brought before the City Council for approval.

POLICY CONSIDERATIONS:

Projects eligible for grant funding are consistent with the Water Forum Agreement regarding conjunctive use which was approved by the City Council in November 1999.

ESBD CONSIDERATIONS:

ESBD considerations do not pertain to this action. Projects generated as a result of grant funding will require contracting with contractors subject to the current policy regarding ESBD participation requirements.

Respectfully submitted,



Gary A. Reents
Engineering Services Manager

RECOMMENDATION APPROVED:



ROBERT P. THOMAS
City Manager

APPROVED:



for JAMES G. SEQUEIRA
Director of Utilities

RESOLUTION NO. 2000-104

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION TO AUTHORIZE APPLICATION FOR A CALFED BAY-DELTA CONJUNCTIVE USE GRANT AND NEGOTIATION OF A GRANT FUNDING AGREEMENT

BE IT RESOLVED BY THE SACRAMENTO CITY COUNCIL THAT:

1. The City Manager or his designee and the City Clerk are hereby authorized to sign and file a Conjunctive Use Grant Application for a grant from the CALFED Bay-Delta Program on behalf of the City of Sacramento.
2. The City Manager or his designee and the City Clerk are hereby authorized to negotiate a grant funding agreement with the CALFED Bay-Delta Program on behalf of the City of Sacramento.

MAYOR

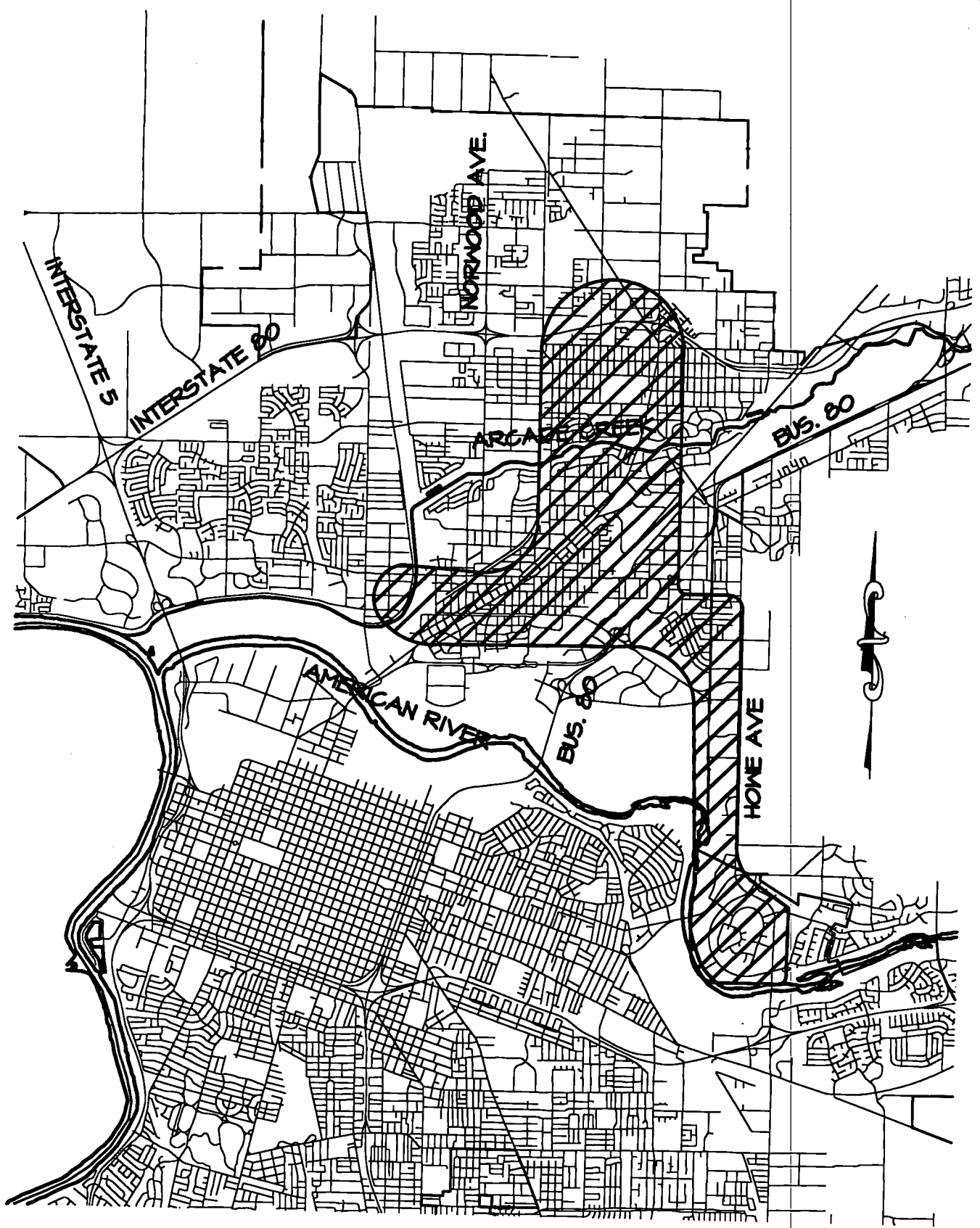
ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____



AREA OF POTENTIAL PROJECTS
 FOR Califed BAY-DELTA GRANT FUNDING
 MARCH 2000



CITY OF SACRAMENTO
 DEPARTMENT
 OF UTILITIES