

CITY OF SANTA ROSA  
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL  
FROM: JENNIFER BURKE, DIRECTOR, SANTA ROSA WATER  
SUBJECT: APPROPRIATION OF \$813,966 IN GRANT FUNDING, AWARDED UNDER A SUB-AWARD AGREEMENT WITH SONOMA WATER FROM THE US BUREAU OF RECLAMATION WATERSMART FY 2023 WATER AND ENERGY EFFICIENCY GRANTS PROGRAM FUNDING FOR THE SONOMA-MARIN DROUGHT RESILIENCY PROGRAM, TO THE WATER ENTERPRISE FUND

AGENDA ACTION: RESOLUTION

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RECOMMENDATION

It is recommended by the Board of Public Utilities and Santa Rosa Water that the Council, by resolution, appropriate \$813,966 in grant funding to the Water Enterprise Fund, from a sub-award agreement with Sonoma Water, the recipient of the US Bureau of Reclamation WaterSMART FY 2023 Water and Energy Efficiency Grants Program funding for the Sonoma-Marin Drought Resiliency Program.

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EXECUTIVE SUMMARY

Sonoma County Water Agency (Sonoma Water), acting on behalf of the Sonoma Marin Saving Water Partnership (Partnership), will be administering a \$2,000,000 grant from the United States Bureau of Reclamation (USBR) WaterSMART FY 2023 Water and Energy Efficiency Grants (WEEG) program. As part of the total grant package for the region, Santa Rosa Water is eligible to receive funding in the amount of \$813,966 with a required cost match of \$994,848 under a sub-award agreement to facilitate a second phase of the Direct Install Water Use Efficiency Program Project. The proposed grant-funded project utilizes authorized contractors who will purchase and install high efficiency toilets, showerheads, and sink aerators at residential locations in Santa Rosa Water's service area, at no cost to the customer. Council Policy 000-62 for Grant Application and Administration requires that any grant exceeding \$500,000, or requiring matching funds, be authorized by the City Council.

BACKGROUND

In July 2022, Sonoma Water, on behalf of the Partnership, applied for \$2,000,000 in grant funds for the Sonoma-Marin Drought Resiliency Program (Program) that will offer

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consumer rebates for water saving measures for 11 of the 13 water utilities in the Partnership collectively addressing regional water efficiency solutions.

On February 16, 2024, USBR and Sonoma Water executed a grant agreement in the amount of \$2,000,000. Sonoma Water will act as the pass-through entity to administer the grant for Participating Agencies. Santa Rosa Water is slated to receive \$813,966 of funding through this grant. Grant terms require Santa Rosa Water to provide match funding in the amount of \$994,848.

The proposed project by Santa Rosa Water will consist of the direct install of a package of approximately 2,500 high efficiency toilets and other water efficiency fixtures at residential locations in our service area. The toilet package will consist of high efficiency toilets, and as needed, high efficiency showerheads, bathroom aerators, and kitchen aerators. The fixtures and installation are provided at no cost to the customer.

On July 18, 2024, the City of Santa Rosa Board of Public Utilities approved the Funding Agreement between Sonoma Water and Santa Rosa Water, with Sonoma Water acting as the grantee, and Santa Rosa Water the sub-grantee. Per Council Policy 000-62 for Grant Application and Administration the grant funds must be authorized and appropriated by the City Council to the designated Water Enterprise Fund Project Key in order for Santa Rosa Water to receive funding to implement the Project.

PRIOR CITY COUNCIL REVIEW

Not applicable.

ANALYSIS

The appropriation will provide budget for the implementation for Phase 2 of Santa Rosa Water's Direct Install Water Use Efficiency Project, which will directly install 2,500 high efficiency toilets and other water efficiency fixtures at residential locations in our service area. The toilet package will consist of high efficiency toilets, and as needed, high efficiency showerheads, bathroom aerators, and kitchen aerators. The fixtures and installation are provided at no cost to the customer.

FISCAL IMPACT

This funding from the US Bureau of Reclamation requires a 55% additional funding match by Santa Rosa Water in the amount of \$994,848. The funding match would come from existing Water Department Capital Improvement Funds (1614) with no additional impacts to the operational budget. Staff time is needed to manage the proposed project, but it

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would be captured within already budgeted staff resources for the Water Department.

Approval of this action does not have a fiscal impact on the General Fund.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project 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, pursuant to CEQA Guidelines Section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

On July 18, 2024, The Board of Public Utilities approved the sub-awardee grant agreement between Sonoma County Water Agency (Sonoma Water) and Santa Rosa Water for the Direct Install Water Use Efficiency Project, delegated the authority to the Director of Santa Rosa Water to enter into the agreement and execute any future amendments, authorized the designation of existing funds for the cost share required by the grant, and made a recommendation to the City Council of Santa Rosa to authorize receipt of grant funds and appropriate the grant funds into the Water Department budget.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Attachment 1 - Funding Agreement
- Resolution

PRESENTER

Peter Martin, Deputy Director Water Resources