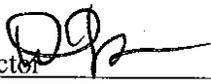
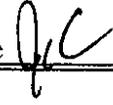




Meeting Date: 6/23/2009

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Ken Ortega, Public Works Director  Agenda Item No. I-11

Reviewed By: City Manager  City Attorney  Finance  Other (Specify) 

DATE: June 11, 2009

TO: City Council

FROM: Ken Ortega, Public Works Director 
Public Works Department

**SUBJECT: Application for American Recovery and Reinvestment Act of 2009 (ARRA)
Funding Allocation for the U.S. Bureau of Reclamation's Water Reclamation and Reuse Program Under Title XVI**

RECOMMENDATION

That City Council:

1. Receive and file application submitted by the Water Resources Division for the U.S. Bureau of Reclamation's (BOR) Water Reclamation and Reuse Program under Title XVI.
2. Authorize the City Manager to execute the required application (including certifications, and other pertinent documents and agreements necessary to implement the grant) for Water Reclamation and Reuse Program under Title XVI and submit it to the Department of Energy.
3. Authorize the City Manager or his designee to appropriate grant and matching funds to Water Fund 601 upon award of the grant.

DISCUSSION

On February 17, 2009 President Barack Obama signed into law the American Recovery and Reinvestment Act of 2009 (ARRA). ARRA is designed to infuse \$787 billion into State and local economies as part of a comprehensive national strategy to create jobs and stimulate spending. The stimulus package provides local governments with billions of dollars to rebuild and modernize infrastructure systems such as transit, streets, roadways and utilities.

Staff has acted expeditiously to meet short application deadlines as most eligible projects must be obligated (i.e., construction contracts awarded) within 120 days from notice of award of the grants. On March 16, 2009, City staff was invited to apply for funding under the Water Reclamation and Reuse Program under Title XVI as potential eligible Title XVI project sponsors. The deadline for the

application was April 7, 2009, giving staff only 3 weeks to complete and submit the application. It was on March 30, 2009, that City staff received confirmation that the City's Groundwater Recovery Enhancement and Treatment (GREAT) Program – Phase I project was an authorized project under Omnibus Public Lands Bill No. 111-11 and, therefore, eligible for Title XVI funding.

The BOR's water reclamation and reuse program is authorized by the Reclamation Wastewater and Groundwater Study and Facilities Act of 1992 (Title XVI of Public Law 102-575). Also known as Title XVI, the act directs the Secretary of the Interior to undertake a program to investigate and identify opportunities for water reclamation and reuse of municipal, industrial, domestic and agricultural wastewater, and naturally impaired ground and surface waters, and for design and construction of demonstration and permanent facilities to reclaim and reuse wastewater. It also authorized the Secretary to conduct research, including desalting, for the reclamation of wastewater and naturally impaired ground and surface waters.

On April 7, 2009 the Water Resources Division submitted an application to the Bureau of Reclamation's Water Reclamation and Reuse Program under Title XVI for the City of Oxnard Groundwater Recovery Enhancement and Treatment (GREAT) Program – Phase I project. The GREAT Program – Phase I projects include design and construction of the Advanced Water Purification Facility (AWPF) that is designed to produce high-quality recycled water and the Recycled Water Backbone System (RWBS) pipeline that is designed to convey the AWPF's high-quality recycled water for various non-potable uses within and immediately outside the City of Oxnard. A total of three grants are being pursued simultaneously on behalf of GREAT Program eligible projects. The total cost for the projects including land acquisition and environmental compliance is estimated at \$130 million.

Advanced Water Purification Facility Project

Water supply limitations prompted the City of Oxnard to initiate its innovative and award-winning GREAT Program starting in 1999. The GREAT Program creates new water supplies by focusing on wastewater recycling, groundwater injection, and groundwater desalination. The GREAT Program will enable the City to reduce the volume of imported water from Northern California, increase the reliability of local water supplies, and optimize the use of its groundwater. A key component of the program is the AWPF, whose multiple-barrier treatment train represents the most advanced treatment process currently available to treat and deliver high-quality recycled water that is suitable for irrigation and for groundwater recharge to preclude groundwater contamination caused by seawater intrusion. The AWPF site also includes a demonstration wetland to evaluate the use of waste concentrate from the purification process to restore coastal wetlands.

Recycled Water Backbone System Project

The AWPF will treat secondary effluent from the Oxnard Wastewater Treatment Plant, allowing the City to reclaim treated effluent currently discharged to the City-permitted deep ocean outfall. Critical to the City's ability to convey this high quality recycled water to traditional non-potable water consumers is the construction of the 12-mile long Recycled Water Backbone System (RWBS). The RWBS is made up of two several mile-long segments, running between the AWPF on the south end of the City, and connecting to a dual plumbed recycled water pipeline recently installed in a 750-acre mixed use

development in the northwest corner of the City. The pipeline will have a conveyance capacity of around 5 mgd, more than 4/5ths of the AWWPF's Phase I treatment capacity. The recycled water will conform to CA Department of Public Health "Title 22" Recycled Water criteria for groundwater recharge. Construction could commence in July 2009 pending available funds.

The BOR expects to notify grant applicants of awards in June 2009. If awarded, construction of the AWWPF and RWBS is expected to commence in July 2009 and last approximately 24 months, including equipment procurement, installation, programming, and monitoring of results.

FINANCIAL IMPACT

The Bureau of Reclamation's Title XVI Program provides for up to \$20,000,000 for each federally authorized project, or twenty-five percent of all eligible expenses, whichever is less. The Title XVI authority is valid for a period of ten years and appropriations are typically applied against the authorization on a fiscal year basis. Any award less than \$20,000,000 relating to this application would not preclude the City from seeking and receiving other federal funds under the normal appropriation process. The City's match for the GREAT Program – Phase I will be funded by both Water Fund 601 Fund Balance and 2009 Water Bond financing.

(KJO:joh)

Attachment #1 - United States Bureau of Reclamation Water Reclamation and Reuse Program Under Title XVI Grant Application

Note: Attachment No. 1 has been provided to the City Council. Copies are available for review at the Help Desk in the Library after 6:00 p.m. on the Thursday prior to the Council meeting and at the City Clerk's Office after 8:00 a.m. on Friday.