



# Council Agenda Report

To: Mayor Grisanti and the Honorable Members of the City Council

Prepared by: Robert DuBoux, Public Works Director/City Engineer

Approved by: Steve McClary, City Manager

Date prepared: July 26, 2022 Meeting date: September 12, 2022

Subject: Integrated Regional Water Management Implementation Grant

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**RECOMMENDED ACTION:** Adopt Resolution No. 22-40 authorizing the submission of an application for a Round 2 Integrated Regional Water Management Implementation Grant, authorizing the Mayor to enter into an agreement to receive a grant for the Civic Center Water Treatment Facility, Phase Two, and authorizing the City Manager or designee to prepare the application to the California Department of Water Resources.

**FISCAL IMPACT:** Funding for the Civic Center Water Treatment Facility (CCWTF) Phase Two is included in the Fiscal Year 2022-2023 Adopted Budget in Account No. 517-9075-3950. CCWTF, Phase Two is estimated to be \$63 million. The project will be funded using a State Water Board's Clean Water State Revolving Fund (SRF) program. This program offers low interest financing for a variety of water quality projects, such as the CCWTF, Phase Two. The property owners within Phase Two will be responsible for the repayment of the State loan.

Additional grants obtained for the CCWTF, Phase Two will reduce the total amount of financing needed from the SRF program and will lower the amount each of property owner's individual assessment.

**WORK PLAN:** This item was included as Item #5a listed in the Adopted Work Plan for Fiscal Year 2022-20223.

**DISCUSSION:** On November 5, 2009, the Regional Water Quality Control Board (RWQCB) approved a resolution prohibiting the use of septic systems in the Malibu Civic Center Area. On September 21, 2010, the State Water Resources Control Board (SWRCB) approved the action taken by the RWQCB, thereby amending the State Basin Plan that includes the septic prohibition. The State Basin Plan established certain dates

by which properties in the Civic Center area were required to cease discharge and provided for a municipally owned wastewater treatment facility to be constructed.

The design of Phase One was completed in June 2015 and the construction was completed in September 2018. All properties within Phase One were connected to the CCWTF prior to the MOU deadline of September 30, 2018. Phase One included the construction of new the CCWTF wastewater treatment facility and 32,000 linear feet of wastewater and recycled water lines. Phase One also included the construction of two wastewater pump stations, Bluffs Park and Legacy Park and two injection wells on Malibu Road.

The MOU states that Phase Two is to be completed by November 2024. On February 28, 2022, Council directed staff to request an 8-month extension to the Phase Two MOU deadlines from the RWQCB. The extension is to accommodate the additional time needed to obtain project grants, conduct Cultural Resource testing, and to account for the supply chain issues which could cause further delays and increased project costs.

Staff has identified a potential grant from State Department of Water Resources (DWR). The DWR is administering the Round 2 Integrated Regional Water Management (IRWM) Implementation Grant with a total \$192 million in grant funds. Approximately \$40.7 million is reserved for those projects in Los Angeles County. Any potential grant amount would be dependent upon the number of projects submitted from Los Angeles County. Eligible projects include water recycling for non-potable reuse and projects that improve water quality including wastewater and recycled water projects.

Eligible projects, such as the CCWTF, Phase Two, need to upload the project information to the Greater Los Angeles County Integrated Regional Water Management Leadership Committee. The Committee will review the project information and score the project according to their scoring criteria. Those projects scoring high will be forward to the DWR for final application approval. The final project application and any supporting documents will need to be submitted the DWR. This includes the submittal of a resolution authorizing the submission of an application for a Round 2 Integrated Regional Water Management Implementation Grant, authorizing the Major to enter into an agreement to receive a grant for the Civic Center Water Treatment Facility, Phase Two, and authorize the City Manager or designee to prepare the application to the California Department of Water Resources. The final application and resolution are needed prior to the February 2023 deadline.

Staff recommends Council adopt Resolution No. 22-40.

ATTACHMENTS: Resolution No. 22-40

## RESOLUTION NO. 22-40

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MALIBU AUTHORIZING: 1) THE SUBMITAL OF A GRANT APPLICATION TO THE CALIFORNIA DEPARTMENT OF WATER RESOURCES TO OBTAIN AN ROUND 2 INTEGRATED REGIONAL WATER MANAGEMENT IMPLEMENTATION GRANT; 2) THE MAYOR TO ENTER INTO AN AGREEMENT TO RECEIVE A GRANT FOR THE CIVIC CENTER WATER TREATMENT FACILITY, PHASE TWO; AND 3) AUTHORIZING AND DIRECTING THE CITY MANAGER OR HIS DESIGNEE TO PREPARE THE NECESSARY DATA, CONDUCT INVESTIGATIONS, FILE SUCH APPLICATION, AND EXECUTE A GRANT AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF WATER RESOURCES

The City Council of the City of Malibu does hereby find, order and resolve as follows:

### SECTION 1. Recitals.

- A. On November 5, 2009, the Regional Water Quality Control Board (RWQCB) approved a resolution prohibiting the use of septic systems in the Malibu Civic Center Area. On September 21, 2010, the State Water Resources Control Board (SWRCB) approved the action taken by the RWQCB, thereby amending the State Basin Plan that includes the septic prohibition. The State Basin Plan established certain dates by which properties in the Civic Center area were required to cease discharge and provided for a municipally owned wastewater treatment facility to be constructed.
- B. On June 27, 2011, the Council approved a Memorandum of Understanding (MOU) between the City, the RWQCB and SWRCD regarding the implementation of the Basin Plan Amendment for the Civic Center Area Prohibition.
- C. In September 2018, the City has completed Phase One of the Civic Center Water Treatment Facility and met the deadlines as stated in the MOU.
- D. The City has completed the design of the CCWTF, Phase Two and has estimated the project to be \$63 million. The City has received low-cost financing through the State Water Board's Clean Water State Revolving Fund Program. The City is seeking additional grants for this project.
- E. The California Department of Water Resources is issuing grants under their Integrated Regional Water Management (IRWM) Grant Program for programs and projects that support integrated water management. Eligible projects include water recycling for non-potable reuse and projects that improve water quality including wastewater and recycled water projects.
- F. Eligible projects need to upload the project information to the Greater Los Angeles County Integrated Regional Water Management Leadership Committee. The Committee will review the project information and score the project according to their scoring criteria. Those projects scoring high by the Greater Los Angeles County Integrated Regional Water Management Leadership Committee will be forwarded to the State Department of Water Resources for a final application

approval. Final project applications are due in February 2023.

- G. The grant guidelines require a resolution to be approved by the City Council and submitted to the California Department of Water Resources.

SECTION 2. The City Council hereby:

- A. Authorizes that an application be made to the California Department of Water Resources to obtain a Round 2 Integrated Regional Water Management Implementation Grant pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Water Code § 79700 et seq.), and
- B. Authorizes the Mayor to enter into an agreement to receive a grant for the Civic Center Water Treatment Facility, Phase Two, and
- C. Authorizes the City Manager or designee to prepare the necessary data, conduct investigations, file such application, and execute a grant agreement or any amendments thereto with the California Department of Water Resources.

SECTION 3. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED, and ADOPTED this \_\_\_th day of \_\_\_\_ 2022.

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PAUL GRISANTI, Mayor

ATTEST:

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KELSEY PETTIJOHN, City Clerk  
(seal)

APPROVED AS TO FORM:

THIS DOCUMENT HAS BEEN REVIEWED  
BY THE CITY ATTORNEY'S OFFICE  
\_\_\_\_\_  
TREVOR RUSIN, Interim City Attorney