



REVISED

ITEM NO.
7.2

BOARD MEMORANDUM

DATE: December 20, 2021

TO: Board of Directors

FROM: Courtney Mael, P.E.
Chief Engineer

SUBJECT: Approve Adopting a Resolution Authorizing the General Manager to Apply for Grant Funding Under the 2021 Urban and Multibenefit Drought Relief Program and Execute a Grant Agreement with the Department of Water Resources for the Santa Clara and Honby Wells PFAS Groundwater Treatment Improvement Project

SUMMARY

Staff is preparing an application for the California Department of Water Resources (CDWR) 2021 Urban and Multibenefit Drought Relief Program to fund a portion of for the Santa Clara and Honby Wells PFAS Groundwater Treatment Improvement Project. The application requires that the Board adopt a resolution authorizing the General Manager to apply for the grant, execute a grant agreement, and submit any required documents, invoices, and reports required to obtain grant funding.

DISCUSSION

The Department of Water Resources issued a notification of availability of funding under the 2021 Urban and Multibenefit Drought Relief Program (Grant Program). The Grant Program provides funding to address immediate drought impacts on human health and safety. The Grant Program has no matching funds requirement but encourages applicants to use other fund sources to supplement grant funds. Therefore, the Agency is applying for \$4,000,000 in grant funding (approximately 34% of the total project cost).

The Santa Clara and Honby Wells PFAS Groundwater Treatment Project, which are included in the Agency's Capital Improvement Plan, will restore some groundwater production lost due to the PFAS contamination. At completion, Santa Clara and Honby Wells will restore a pumping capacity of 2,000 gallons per minute each and will help ensure ongoing water supply reliability and resiliency.

CEQA DETERMINATION

The project, aka the whole of the action, also qualifies for an exemption under CEQA guidelines Section 15301 Class 1 Minor Alterations to Existing Facilities because it is a minor alteration of an existing public facility and it concerns proposed new mechanical equipment involving negligible or no expansion of use, i.e. no additional extraction of water, beyond that existing at the time of the lead agency's determination. The project, aka the whole of the action, also qualifies for an exemption under CEQA guidelines section 15303 Class 3 New Construction or Conversion of Small Structures because the water main extension and treatment system reflect limited construction of facilities where only minor modifications are made. Finally, none of the exceptions listed in Section 15300.2 of the CEQA Guidelines would apply to the action.

~~Preparation of the application is exempt from environmental review under the California Environmental Quality (CEQA) pursuant to CEQA Guidelines section 15061(b)(3), the "common sense exemption," which provides that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Here, the Agency finds the preparation of an application for the CDWR 2021 Urban and Multi-benefit Drought Relief Grant Program exempt from CEQA as it "can be seen with certainty that there is no possibility that the activity in question" as it is only the application for grant funding, and so will have no "significant effect on the environment."~~

FINANCIAL CONSIDERATIONS

The project is included in the SCV Water's FY 2021/22 Capital Improvement Budget for the Santa Clara and Honby Wells PFAS Groundwater Treatment Improvement Project. There are no matching funds required under this Grant Program.

RECOMMENDATION

Staff recommends that the Board of Directors (1) adopt a resolution authorizing the General Manager to apply for funding under the 2021 Urban and Multibenefit Drought Relief Program, (2) execute a grant agreement and (3) submit any required documents, invoices, and reports required to obtain grant funding for the Santa Clara and Honby Wells PFAS Groundwater Treatment Improvement Project.

Attachment

REVISED

RESOLUTION NO. SCV-250

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY WATER AGENCY AUTHORIZING THE GRANT APPLICATION, ACCEPTANCE, AND EXECUTION OF A FUNDING AGREEMENT FOR THE SANTA CLARA AND HONBY WELLS PFAS GROUNDWATER TREATMENT SITE IMPROVEMENT PROJECT

WHEREAS, Santa Clarita Valley Water Agency (Agency) determined that Per- and polyfluoroalkyl substances (PFAS) are a threat to the Agency's groundwater resources; and

WHEREAS, the Santa Clara and Honby Wells Groundwater Treatment Project is an important component to treat PFAS; and

WHEREAS, the project, aka the whole of the action, also qualifies for an exemption under CEQA guidelines Section 15301 Class 1 Minor Alterations to Existing Facilities because it is a minor alteration of an existing public facility and it concerns proposed new mechanical equipment involving negligible or no expansion of use, i.e. no additional extraction of water, beyond that existing at the time of the lead agency's determination; and

WHEREAS, the project, aka the whole of the action, also qualifies for an exemption under CEQA guidelines section 15303 Class 3 New Construction or Conversion of Small Structures because the water main extension and treatment system reflect limited construction of facilities where only minor modifications are made; and

WHEREAS, none of the exceptions listed in Section 15300.2 of the CEQA Guidelines would apply to the action; and

WHEREAS, the Agency has the legal authority and is authorized to enter into a funding agreement with the State of California; and

WHEREAS, the Agency intends to apply for grant funding from the California Department of Water Resources for the Project under the 2021 Urban and Multibenefit Drought Relief Program (the "Grant Program"); and

WHEREAS, there is no Agency funding match required under the Grant Program.

NOW, THEREFORE, the Board of Directors of the Santa Clarita Valley Water Agency hereby finds, determines, declares, and resolves as follows:

1. The Board hereby supports a grant application to the California Department of Water Resources for the Santa Clara and Honby Wells PFAS Groundwater Treatment Site Improvement Project.
2. Pursuant and subject to all the terms and provisions of Budget Act of 2021 (Stats. 2021, ch. 240, § 80), the Board hereby authorizes and directs the General Manager, or designee, to prepare and file an application for funding with the Department of Water Resources, and take such other actions necessary or appropriate to obtain grant funding.

3. The General Manager, or designee, is hereby authorized and directed to execute the funding agreement with the Department of Water Resources and any amendments thereto.
4. If a grant award is made by the Department of Water Resources, the Agency, pending Board compliance with the California Environmental Quality Act (CEQA) and approval of the Project, will fund up to the balance of funds needed to complete construction of the Project.
5. The General Manager, or designee, is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain grant funding.

President

I, the undersigned, hereby certify: That I am the duly appointed and acting Secretary of the Santa Clarita Valley Water Agency, and that at a regular meeting of the Board of Directors of said Agency held on January 4, 2022, the foregoing Resolution No. SCV-250 was duly and regularly adopted by said Board, and that said resolution has not been rescinded or amended since the date of its adoption, and that it is now in full force and effect.

DATED: January 4, 2022

Secretary