



Agenda Report

Fullerton City Council

MEETING DATE: APRIL 16, 2019

TO: CITY COUNCIL / CITY MANAGER

SUBMITTED BY: KENNETH A. DOMER, CITY MANAGER

PREPARED BY: MEG McWADE, PUBLIC WORKS DIRECTOR
TIFFANY FOO, ASSOCIATE WATER ENGINEER

SUBJECT: GRANT FUNDING FOR NEW WELL 7A CONSTRUCTION

SUMMARY

Adopt Resolution No. 2019-XX for the grant application to the United States Department of Interior, Bureau of Reclamation under the WaterSMART Drought Response Program to obtain \$300,000 in funding for New Well 7A Construction project.

RECOMMENDATION

Adopt Resolution No. 2019-XX.

RESOLUTION NO. 2019-XX – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, SUPPORTING AN APPLICATION TO THE DEPARTMENT OF THE INTERIOR, BUREAU OF RECLAMATION FOR THE WATERSMART GRANTS: DROUGHT RESILIENCY PROJECTS FOR FISCAL YEAR 2019 FOR WELL 7A CONSTRUCTION

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statement:

- Infrastructure and City Assets.

FISCAL IMPACT

The Grant application is for \$300,000. The Grant requires 50% matching funds which will come from the Water Fund. The preliminary cost estimate for the Well 7A Construction work is \$2,906,077. If approved for funding, this grant will provide an estimated amount of \$300,000 for well equipping with a matching share of \$2,606,077.

DISCUSSION

The United States Department of Industry, Bureau of Reclamation (“BOR”) issued a call for Drought Resiliency Projects under the WaterSMART Drought Response Program for Fiscal Year 2019. City Council adoption of the grant application resolution is a requirement of the application(s) and is needed in order to participate in the project selection process (refer to Attachment 1). Due to the limited amount of time to prepare and submit the application, the application was submitted on March 26, 2019 in advance of the adoption of Resolution No. 2019-XX. The submitted application has been included as an attachment (Attachment 2).

The grant application is for constructing new Well 7A at the City’s Main Plant to replace existing Well 7, which has been offline since April 2014 due to low water production and poor water quality. The new well is expected to be high producing and will be drilled to a depth that avoids the Orange County North Basin plume. Constructing the new well will occur in two phases: 1) well drilling and 2) well equipping.

The City of Fullerton relies upon groundwater and imported water for its water supply. The cost of groundwater is less than half of imported water from Metropolitan Water District of Southern California (MWD). Therefore, it is imperative that the City maximizes its groundwater production. The Orange County Water District (OCWD), the agency that manages the region’s groundwater basin, sets a Basin Production Percentage (BPP) annually that defines the percentage of groundwater that can be pumped by each City/water agency without penalty. The BPP has been approximately 75-percent over the past few years; as a result, the City can pump up to 75-percent of its water supply from groundwater without incurring any penalties.

When more than two wells are offline (in addition to Well 7), the City cannot achieve the 75-percent BPP. Currently, Well 4 is offline due to a deteriorated pump column and well casing that will cost approximately \$150,000 to rehabilitate according to one professional estimate, which may not be adequate to place it back into service. Well 4 was originally constructed in 1927 and may have reached the end of its useful service life. Constructing the new Well 7A will increase the capacity of the City to draw from the local aquifer and reduce dependency on imported supplies, which are more expensive and sensitive to dry periods.

The preliminary cost estimate for the Well 7A Construction work is \$2,906,077. If approved for funding, this grant will provide an estimated amount of \$300,000 for well equipping with a matching share of \$2,606,077. The City is also seeking \$1,600,000 from the Santa Ana River Conservation and Conjunctive Use Program (SARCCUP) through OCWD, which is providing grant funding assistance to several groundwater producers in constructing production wells.

Funding in the amount of \$2,000,000 was approved for well drilling activities as part of the budget for Fiscal Year 2018-19. Another \$2,000,000 may be considered for well equipping activities for Fiscal Year 2019-20.

Attachments:

- Attachment 1 – Resolution No. 2019-XX

- Attachment 2 – Grant Application
- Attachment 3 – Main Plant Vicinity Map