



- Board of Directors  
*Water Planning and Stewardship Committee*

11/5/2019 Board Meeting

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7-6

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## Subject

Adopt resolution to support Metropolitan's \$750,000 WaterSMART: Water Reclamation and Reuse Research grant application and authorize General Manager to accept funding and enter into contract if awarded; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

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## Executive Summary

This proposed action (1) authorizes the adoption of a resolution supporting a grant application and (2) authorizes the General Manager to accept up to \$750,000 in grant funding and enter into a contract with the U.S. Bureau of Reclamation (Reclamation) for the WaterSMART: Water Reclamation and Reuse Research under Title XVI Program funding for Fiscal Year 2019 (Reuse Research grant).

In September 2019, Metropolitan submitted a Reuse Research grant application to Reclamation requesting \$750,000 to help develop data to support regulatory approval of the use of a membrane bioreactor (MBR) system for potable reuse. This research will help demonstrate pathogen removal using alternate treatment technology for non-nitrified secondary effluent for potable reuse. Metropolitan will provide up to \$3.3 million of nonfederal cost share from its existing budget, if awarded.

### Timing and Urgency

The WaterSMART: Water Reclamation and Reuse Research under Title XVI Program funding announcement requires a board resolution supporting the grant proposal. Reclamation confirmed that they would accept the resolution if submitted within 90 days of that application or by November 23, 2019.

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## Details

### Background

The U.S. Bureau of Reclamation solicited projects for the WaterSMART: Water Reclamation and Reuse Research under Title XVI Program funding for Fiscal Year 2019. Eligible applicants include western states, Indian tribes, water districts, and other local agencies. Eligible proposals are for research to establish or expand water reuse markets, improve existing water reuse facilities, and/or streamline the implementation of new facilities. Research must focus on supporting water reclamation and reuse of non-traditional water supplies including municipal wastewater. Funding is available for research studies that focus on state-of-the-art technology verification that may result in broader benefits for the industry. The Reuse Research grant has an estimated budget of \$3 million for fiscal year 2019. Grants of up to \$750,000 per applicant are available. Applicants must provide at least a 75 percent local cost share. Projects have up to three years to be completed.

The Reuse Research grant requires submittal of a board resolution (**Attachment 1**). The board resolution: acknowledges support of the applications; authorizes the General Manager to accept funding; delegates authority to the General Manager to enter into contract(s); recognizes that Metropolitan is capable of providing the amount of funds and/or in-kind contributions specified in the funding plan; and commits Metropolitan to work with Reclamation to meet established deadlines. The resolution does not obligate Metropolitan to accept funding. Metropolitan has the discretion to accept or decline potential funding after award.

In November 2015, the Board authorized the design and operation of the Regional Recycled Water Program demonstration facility. Metropolitan has been actively pursuing grants and other outside funding for the Regional

Recycled Water Program. In April 2017, Board Resolution 9220 authorized the General Manager or their designee to sign and file financial assistance applications with the State Water Resources Control Board (SWRCB) for the planning, design, and construction of all components of the Regional Recycled Water Supply Program. In May 2017, Metropolitan received four \$75,000 planning grants from the SWRCB, totaling \$300,000, under the Water Recycling Funding Program for groundwater studies. In August 2019, the SWRCB awarded Metropolitan a \$1 million Pilot Project grant for evaluation of the MBR for potable reuse treatment. These grants will help offset the cost for the development of a full-scale regional recycled water program.

Funding from the Reuse Research grant (up to \$750,000) would help cover supplies and materials costs to assess MBR pathogen removal and overall treatment performance, including protozoa and infectious virus analyses, as well as treatment chemical costs. The project will help demonstrate that the advanced water treatment processes can achieve the water quality and operational goals necessary to develop a regulatory strategy and streamline incorporating MBRs into potable reuse applications in California. The robust testing and monitoring incorporated into this project will facilitate regulatory approval of MBRs for potable reuse. Approval of MBRs for potable reuse will expand safe and cost-effective use of recycled water, reduce demand on imported water supplies, and lead to more beneficial reuse of effluent.

## Policy

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Metropolitan Water District Administrative Code Section 8121: General Authority of the General Manager to Enter Into Contracts.

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities.

## California Environmental Quality Act (CEQA)

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### CEQA determinations for Option #1:

The proposed action is not defined as a project under CEQA (Public Resources Code Section 21065, State CEQA Guidelines Section 15378) because the proposed action will not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment and involves continuing administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed action is not defined as a project under CEQA because it involves the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines).

### CEQA determination for Option #2:

None required

## Board Options

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### Option #1

Adopt the resolution supporting the grant application, and

- a. Authorize the General Manager to accept potential grant funding of \$750,000;
- b. Delegate authority to the General Manager to enter into a grant contract with Reclamation, subject to the approval of the General Counsel, if awarded;
- c. Agree to fulfill the grant contract, including providing matching funds up to \$3.3 million through existing Metropolitan programs; and
- d. State that Metropolitan, if awarded a grant, will work with Reclamation to meet the establish deadlines upon entering the cooperative agreement

**Fiscal Impact:** Provide up to \$3.3 million to match \$750,000 federal grant over a three-year period. Nonfederal funding would come from Metropolitan's existing demonstration facility budget.

**Business Analysis:** Metropolitan would expand collaboration on the development of new technology to meet potable reuse requirements

**Option #2**

Do not adopt resolutions supporting grant applications and authorizing General Manager to accept funding and enter into grant contract(s) if awarded.

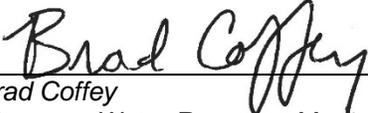
**Fiscal Impact:** \$0

**Business Analysis:** Metropolitan would miss an opportunity to collaborate with Reclamation and obtain up to \$750,000 in grant funding to help demonstrate the merits of new treatment technology for potable reuse.

**Staff Recommendation**

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Option #1

  
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Brad Coffey  
Manager, Water Resource Management

10/21/2019  
Date

  
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Jeffrey Kightlinger  
General Manager

10/25/2019  
Date

**Attachment 1 – Board Resolution**

Ref# wrm12673385

## Resolution for the Reuse Research Grant Application

## RESOLUTION \_\_\_\_\_

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**RESOLUTION OF THE BOARD OF  
DIRECTORS OF THE METROPOLITAN  
WATER DISTRICT OF SOUTHERN  
CALIFORNIA  
IN SUPPORT OF ITS PROPOSAL FOR  
FUNDING  
UNDER THE WATERSMART: WATER RECLAMATION AND REUSE  
RESEARCH UNDER THE TITLE XVI PROGRAM FOR FISCAL YEAR 2019  
FOR THE DEMONSTRATION OF PATHOGEN REMOVAL THROUGH AN  
ALTERNATE TREATMENT TECHNOLOGY TO TREAT NON-NITRIFIED  
SECONDARY EFFLUENT FOR POTABLE REUSE PROPOSAL**

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WHEREAS, the U.S. Bureau of Reclamation (Reclamation) is requesting proposals to establish or expand water reuse markets, improve existing water reuse facilities, and/or streamline the implementation of new facilities from the WaterSMART: Water Reclamation and Reuse Research under Title XVI Program funding for Fiscal Year 2019 (Reuse Research grant); and

WHEREAS, the submittal of a proposal for grant funding by Metropolitan has been determined to be exempt from the California Environmental Quality Act (CEQA) under Section 15378(b)(4) of the State CEQA Guidelines.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Metropolitan Water District of Southern California that the Board supports the proposal, the Demonstration of Pathogen Removal through an Alternative Treatment Technology to Treat Non-Nitrified Secondary Effluent for Potable Reuse, under Reclamation's WaterSMART: Water Reclamation and Reuse Research under Title XVI Program funding for Fiscal Year 2019.

BE IT FURTHER RESOLVED that Metropolitan's Board authorizes Metropolitan's General Manager to accept grant funding of up to \$750,000.

BE IT FURTHER RESOLVED that Metropolitan's Board delegates' legal authority to Metropolitan's General Manager to enter into an agreement with Reclamation, subject to the approval of the General Counsel, relevant to receipt of the requested Water Reuse Research grant.

BE IT FURTHER RESOLVED that Metropolitan is capable of providing the amount of funding specified in the funding plan.

BE IT FURTHER RESOLVED that if selected for funding, Metropolitan will work with Reclamation to meet established program deadlines.

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California at its meeting held November 12, 2019.

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Secretary of the Board of Directors  
of The Metropolitan Water District  
of Southern California