



# PAJARO VALLEY WATER MANAGEMENT AGENCY

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**Board of Directors Meeting  
February 9, 2011, 12:00 pm**

**PVWMA Conference Room  
36 Brennan Street  
Watsonville, CA 95076**

## SPECIAL BOARD MEETING NOTICE AND AGENDA

<b>Agenda Item</b>	<b>Page #</b>
<b>1. Call to Order</b>	
<b>2. Roll Call of the PVWMA Directors:</b> Rosemarie Imazio (Chair), David Cavanaugh (Vice-chair), John G. Eiskamp, Mike Dobler, Dennis Osmer, Dwight Lynn, Salvador Vasquez	
<b>3. Discussion and/or Action Item</b>	
<b>A.</b> Consider approval of Resolution 2011-02-Authorizing and Directing the General Manager to Submit a \$2 Million WaterSMART Grant Application for the Watsonville Area Water Recycling Project Design and Construction	
<b>4. Adjournment</b>	

*PVWMA is a state-chartered local Agency formed "to efficiently and economically manage existing and supplemental water supplies in order to prevent further increase in, and to accomplish continuing reduction of, long-term overdraft and to provide and insure sufficient water supplies for present and anticipated needs within the boundaries of the Agency. It is anticipated that long-term overdraft problems may not be solved unless supplemental water supplies are provided. The water management Agency should, in an efficient and economically feasible manner, utilize supplemental water and available underground storage and should manage the groundwater supplies to meet the future needs of the basin." This agenda is subject to revision and may be amended prior to the scheduled meeting. If amended, a Final Agenda will be posted at the PVWMA offices at 36 Brennan Street, Watsonville, 72 hours prior to the meeting. Copies of the Final Agenda will be available at the Board Meeting.*

## MEMORANDUM

**DATE:** February 8, 2011  
**MEETING OF:** February 9, 2011  
**TO:** Board of Directors  
**FROM:** General Manager  
**RE:** **ACTION ITEM 3A:** Consider approval of Resolution 2011-02, Authorizing and Directing the General Manager to Submit a \$2 Million WaterSMART Grant Application for the Watsonville Area Water Recycling Project Construction

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### BACKGROUND

The Watsonville Area Recycling Project was completed and began delivering irrigation water in spring 2009. PVWMA partnered with the City of Watsonville to complete this \$86 million project, which includes the tertiary treatment facility, and the coastal distribution system (CDS) necessary to distribute the supply. The facility is capable of providing 4,000 acre feet/year of new irrigation supply. The City of Watsonville owns and operates the facility with all water production delivered to PVWMA for distribution.

### DISCUSSION

A \$20 million grant was awarded to the project under the U. S. Bureau of Reclamation (USBR) Title XVI program. Congressional appropriations since 2003 have resulted in reimbursements totaling \$6.2 million, leaving a balance of \$13.6 million (the remaining \$200,000 is returned to the USBR in “in-kind” fees). With an ear-mark ban proposed in Congress, no appropriations will likely be available to fund the Title XVI program. Our federal lobbyists recommend application to the WaterSMART grant program as USBR funding is likely to be distributed solely through this program alone for the next two or more years.

### FISCAL IMPACT

A grant award would result in \$2 million in reimbursement to the Agency which could be used to reduce the debt to the City of Watsonville, or offset annual debt service payments

### STAFF RECOMMENDATIONS

That the Board approves Resolution 2011-02, Authorizing and Directing the General Manager to Submit a \$2 Million WaterSMART Grant Application for the Watsonville Area Water Recycling Project Construction

### ATTACHMENT

- Resolution 2011-02, Authorizing and Directing the General Manager to Submit a \$2 Million WaterSMART Grant Application for the Watsonville Area Water Recycling Project Construction



## **Resolution 2011-02**

A Resolution of the Board of Directors of the  
Pajaro Valley Water Management Agency

### **Authorizing and Directing the General Manager to Submit a \$2 Million WaterSMART Grant Application for the Watsonville Area Water Recycling Project Construction**

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The Board of Directors of the Pajaro Valley Water Management Agency does resolve as follows:

**WHEREAS**, The Pajaro Valley Water Management Agency desires to fund the construction of the Watsonville Area Water Recycling Project, in order to provide 6,000 acre feet of blended recycled water supply for irrigation in the central Pajaro Valley.

**WHEREAS**, the U.S. Bureau of Reclamation WaterSMART Title XVI Water Reclamation and Reuse Program for FY2011 is currently accepting grant applications; and

**WHEREAS**, the Board authorizes such application to the U.S. Bureau of Reclamation WaterSMART Title XVI Water Reclamation and Reuse Program for FY2011; and

**WHEREAS**, the Board authorizes the General Manager on behalf of the Pajaro Valley Water Management Agency to enter into an Agreement with the Bureau of Reclamation; and

**WHEREAS**, the Board authorizes the General Manager, or designee, to sign the WaterSMART Grant Agreement and any amendments thereto.

**NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Pajaro Valley Water, as follows:**

1. That the Board hereby authorizes the submittal of a \$2,000,000 grant application for the Watsonville Area Water Recycling Construction Project on behalf of the Pajaro Valley Water Management Agency, to the U.S. Bureau of Reclamation.
2. That the General Manager, or designee, is hereby authorized and empowered to conduct all negotiations, and execute in the name of the above named entities all necessary grant related documents, including but not limited to, applications, agreements, amendments, payment requests and so on, which may be necessary for the funding of the Watsonville Area Water Recycling Construction Project.

3. That the General Manager, or designee, will work with the U.S. Bureau of Reclamation to meet established deadlines for entering into a cooperative agreement.

4. That the General Manager of the Pajaro Valley Water Management Agency is authorized and directed, if said grant is awarded, to apply the \$2,000,000 to the appropriate Fund.

**PASSED AND ADOPTED** by the Pajaro Valley Water Management Agency, County of Santa Cruz, State of California, the \_\_\_\_ day of February, 2011, by the following vote:

**AYES:** Directors:

**NOES:** Directors:

**ABSENT:** Directors:

**ABSTAIN:** Directors:

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Rosemarie Imazio, Chair

Attest:

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Veronica Barboza, Secretary