



CITY OF WHEATLAND

CITY COUNCIL MEETING STAFF REPORT

December 13, 2022

SUBJECT: City Council discussion and consideration of Resolution No. 40-22 approving a Delegation Agreement with Olivehurst Public Utility District (OPUD)

PREPARED BY: Jim Goodwin, City Manager

Recommendation

Staff recommends adoption of Resolution No. 40-22.

Background/Discussion

For the past 2 years, your Regional Sewer Ad-hoc Committee, and staff, have been engaged with multiple parties to develop a regional solution to wastewater treatment needs in South Yuba County, including the City of Wheatland. Since the beginning of this effort, the following has been accomplished;

- A feasibility analysis of multiple regional service alternatives was completed by Wheatland.
- A decision was made by the Wheatland City Council to select Olivehurst Public Utility District (OPUD) as the city's preferred regional partner.
- Yuba Water Agency (YWA) agreed to fund, on a grant/loan basis (with an option for the loan portion to be forgiven), design and environmental clearance for both agencies to design a regional conveyance system connecting Wheatland to OPUD for purposes of wastewater treatment.
- Both agencies have completed Basis of Design Reports (BODR) for the project, are nearing 100 percent design, and also are near completion of environmental review.
- YWA also agreed to fund a consulting team to work with both agencies to complete an application to the California State Water Resources Control Board Clean Water State Revolving Fund (CWSRF) program for full grant funding of the project.

Earlier this year, CWSRF staff advised Wheatland and OPUD this regional project may be highly competitive to receive full grant funding. Changes in state program requirements now allow for large project funding commitments. In this case, project estimates currently range between \$80 million and \$100 million, and current program regulations could allow for full grant funding in this amount.

The YWA consulting team preparing the grant application has been working with Wheatland, OPUD and state representatives of the CWSRF to complete the application. The state CWSRF staff has recommended that a single application for the project be submitted to start the review process. Given the target funding is a regionalization program and Wheatland is the agency regionalizing service, the consultants recommend Wheatland serve as the grant applicant.

The attached Delegation Agreement states Wheatland will submit the application on behalf of both Wheatland and OPUD. Even though Wheatland is the lead applicant, if funding is awarded, both agencies will be required to sign funding agreements with the state and meet all conditions of the grant award. Consequently, both agencies will be required to submit agency-specific information required by the state. Both the City Council and OPUD must execute the Delegation Agreement.

Staff anticipates completion of the application early next year. The City Council and OPUD Board will be required to adopt additional resolutions in January for formal submission of the application.

Alternatives

Failure to submit the CWSRF application would guarantee the City does not receive the estimated \$80-\$100 million in project grant funding.

Fiscal Impact

City costs incurred to date on this project are covered by existing appropriations and the YWA grant/loan agreement. YWA is funding preparation of the grant agreement.

Attachments

1. Resolution No. 40-22

RESOLUTION NO. 40 - 22

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHEATLAND (WHEATLAND)
APPROVING A DELEGATION AGREEMENT AUTHORIZING THE CITY OF WHEATLAND
TO SUBMIT A CLEAN WATER STATE REVOLVING FUND (CWSRF) APPLICATION ON
BEHALF OF THE CITY OF WHEATLAND AND OLIVEHURST PUBLIC UTILITY DISTRICT
(OPUD) FOR FUNDING THE NEW REGIONAL WASTEWATER FACILITIES CONVEYANCE
PROJECT AND REQUIRED EXISTING WWTP UPGRADES (PROJECT)**

WHEREAS, on December 10, 2019, City staff presented a report entitled City of Wheatland Wastewater Treatment Alternatives Analysis, November 2019, ("Report") to the City Council and gave a brief oral presentation of the report; and

WHEREAS, also on December 10, 2019, the City Council directed staff to bring the item back to Council to form an Ad-Hoc committee and develop a plan to proceed in pursuing wastewater treatment opportunities with Olivehurst Public Utilities District (OPUD) and Linda County Water District (LCWD) as recommended in the Report; and

WHEREAS, on January 14, 2020, the City Council directed the formation of an Ad-Hoc committee to work toward securing the best possible long-term solution to the City's future wastewater treatment needs by exploring and developing the two alternatives recommended in the Report; and

WHEREAS, on July 7, 2020, the Yuba Water Agency (YWA) Board granted the City of Wheatland \$2,596,320 (50% grant, 50% loan) for the design and environmental efforts for the conveyance pipeline and pump stations needed to deliver 1.5 million gallons per day of sewage from Wheatland to the planned terminus of OPUD's new pipeline at Rancho Road and South Beale Road ("Project") and to have the project "shovel ready" within 12 – 14 months. The Project involves 9.7-miles of pipelines; and

WHEREAS, OPUD is also completing design and environmental review regarding the project in their service area;

WHEREAS, on July 28, 2020, the City Council adopted Resolution No. 35-20 approving the \$2.6M grant/loan agreement to fund environmental and design efforts for the Project and authorizing the City Manager to sign the agreement; and

WHEREAS, on October 22, 2022, the City Council adopted Resolution 34-22 approving an amendment to the funding agreement with Yuba Water Agency; and

WHEREAS, Wheatland and OPUD staff are preparing a joint application for a California Water Resources Control Board Clean Water State Revolving Fund (CWSRF) –

Construction/Implementation Disadvantaged Community (DAC) Grant for funding the Project, and both agencies desire Wheatland to submit the application on their behalf; and

WHEREAS, the attached Delegation Agreement (Attachment 1) approves Wheatland submitting the application on behalf of both agencies.

NOW, THEREFORE IT IS HEREBY RESOLVED, ORDERED AND FOUND by the City Council of City of Wheatland, State of California, that the City County hereby approves and directs the Mayor to sign the Delegation Agreement.

PASSED AND ADOPTED by the City Council of City of Wheatland, State of California this 13th day of December 2022, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

Mayor

Lisa Thomason, City Clerk

STATE WATER RESOURCES CONTROL BOARD
 CLEAN WATER STATE REVOLVING FUND (CWSRF) -
 CONSTRUCTION/IMPLEMENTATION DAC GRANT
**AUTHORIZED AGENCY AND REPRESENTATIVE
 FOR THE
 GENERAL APPLICATION SUBMITTAL AND ALL SUPPORTING DOCUMENTS**

Applicant Name: (Current)	City of Wheatland
Legal Entity Name: (Delegated Responsibility)	City of Wheatland
Participating Agency Delegating Responsibility	Olivehurst Public Utility District (OPUD)
Entity Associated with Delegation of:	Construction Grant Application Submittal for New Regional Wastewater Facilities Conveyance Project and Required Existing WWTP Upgrades

The above-named Applicant (Delegated Responsibility) does hereby jointly file on behalf of all entities participating in the design and construction of regional wastewater conveyance facilities including required existing sewer system overflows (SSOs) and WWTP upgrades, a SWRCB Division of Financial Assistance SRF DAC construction grant application. This action also approves the appointment of the following entity's authorized representative/designee to sign and file the required **General Application and supporting documentation, including the "Environmental Checklist"** for Wheatland Regional Wastewater Conveyance Facilities Project with funding to be provided by the SWRCB Office of Financial Assistance (SRF Grant Application). Each of the parties hereto shall cooperate in the free exchange of all necessary documents as they pertain to and are required for the expeditious submittal of the grant application.

Authorized Representative or Designee	
Name:	Jim Goodwin
Title:	City Manager
Address:	111 C Street, Wheatland CA 95692
Phone:	(530) 633-2761
Email:	jgoodwin@wheatland.ca.gov
Signature:	

Approval by Participating Agency for the Authorized Representative or Designee	
Name:	John Tillotson
Title:	General Manager
Address:	PO Box 670, Olivehurst, CA 95961
Phone:	(530) 743-0317
Email:	jtillotson@opud.org
Signature:	

Other conditions and requirements for the submittal of remaining SWRCB SRF construction grant application documents may require signatures and the approval by both the Legal Agency (City of Wheatland) and the Delegating Participating Agency (OPUD), as listed above, including, and not limited to the following SWRCB grant application documents and actions:

General Application: City of Wheatland, only **per “Delegation Agreement” between the parties.**

Technical and Financial Application (Requiring signatures/approvals by **Both Parties**):

- Approved Plans and Specifications
- Joint Agreements, including:
 - Operations (Facilities) Responsibilities Agreement
 - Capacity and Purchase Agreement
 - Reimbursement Agreements for Costs Associated with the Project Design
 - Construction and Construction Management of Regional Facilities Responsibilities Agreement
 - Other Agreements and Conditions as Required in the SWRCB Construction Grant Agreement and Participating Agencies
- Financial Application -Form F3 Tax Questionnaire
- Financial Application -Form F4 Reimbursement Resolution (not yet determined)
- Financial Application -Form F5a Authorizing Resolution for signing construction grant documents jointly
- Financial Application -Form F6 Rate Adoption Resolution, including independent 218 Meeting Requirements (subject to Agency Joint Agreements/Conditions)
- Financial Application -Form F7 and Form F8 Schedule of Material Debt and Debt Management Policy (each Agency)
- Financial Application -Form F9 – Special Tax, Assessment District, or Service Charge Agreements (each Agency – yet to be determined)
- Technical Application – Form T2a Project Report/General Compliance Certification
- Technical Application – Form T2b Certification for Compliance with Water Metering
- Technical Application – Form T2c Certification for Fiscal Sustainability Plan (both Agencies)
- Technical Application – Form T2d – Certification for Cost and Effectiveness and Water and Energy Conservation and Efficiency (both)
- Technical Application – Form T3 – Climate Change Worksheet (both Environmental Consultants)
- Technical Application – Form T4 – Regional Water Quality Control Board Requirements · Waste Discharge Requirements, NPDES Permit or Water Recycling Requirements
- Technical Application – Form T6 – Certification for Water Conservation and Water Management

Environmental Application (Requiring Approvals by **Both Parties**):

- NOD and other required hearings and filings with the State of California Clearinghouse for IS/MND and Environmental Impact Report
- Provide one (1) Environmental Checklist to be completed by the City of Wheatland’s environmental project consultant, Raney Planning and Management on behalf of the OPUD’s environmental consultant, Planning Partners, for approved project(s).
- Determine CEQA/NEPA Lead Agency (yet to be determined)

The above-named authorized representative(s) or designee(s) is authorized and directed to represent both wastewater treatment and collection system providers in carrying out the entity's responsibilities for the submittal of the SWRCB SRF Grant Application.

This delegation of responsibility and designation of Authorized Representative approval shall become effective on the date of execution per signatures below and shall remain in effect until terminated, in writing.

The individual(s)s named above is (are) hereby authorized to sign on behalf of the above-named Wastewater Facility(s) Provider/Entity:

Name:	
Title:	
Signature:	
Date:	

Name:	
Title:	
Signature:	
Date:	

