



**CITY OF HAYWARD**  
**AGENDA REPORT**

AGENDA DATE 07/24/07  
AGENDA ITEM 6  
WORK SESSION ITEM \_\_\_\_\_

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT:** Recycled Water Facilities Planning – Request for Authorization for Amended Agreement for a Recycled Water Feasibility Study and Authorization for the City Manager to Submit an Application to the California State Water Resources Control Board for a Water Recycling Facilities Planning Grant

**RECOMMENDATION:**

That the City Council adopt the attached resolutions which:

1. Authorize execution of an amended agreement with RMC Water and Environment in an amount not to exceed \$40,000 for a preliminary recycled water feasibility study and assistance in preparing a planning grant application; and
2. Authorize the City Manager to submit an application to the California State Water Resources Control Board for a matching Water Recycling Facilities Planning Grant, and to accept the grant, if awarded.

**DISCUSSION:**

The Capital Improvement Program includes a project to evaluate the potential for and costs of utilizing recycled water for certain uses, such as irrigation and appropriate industrial purposes. This agenda report has been prepared to update the City Council on steps that staff has taken to implement this project and to request Council's authorization to study in more detail the feasibility of constructing water recycling facilities. The Sustainability Committee of the Keep Hayward Clean and Green Task Force has been briefed on this project and supports the City's efforts to explore the feasibility of delivering recycled water.

Preliminary Recycled Water Feasibility Study

Staff issued requests for proposal (RFP) in November 2006 to prepare a feasibility study and master plan for utilizing recycled water. The scope of work included identifying potential customers, evaluating potential environmental and permitting considerations, and developing options and estimated costs for delivering recycled water. No responses were received to the RFP. In discussion with consultants, it was determined that the lack of response was due in part to the limitations on using secondary treated wastewater. Without the availability of the higher level tertiary treated wastewater, the uses for recycled water would be severely restricted, and the consultant did not envision a viable project. Subsequently, staff determined that it would be beneficial to develop a preliminary technical memorandum to look in a more holistic way at the feasibility of a water recycling project that would include tertiary wastewater treatment.

The City conducted negotiations with RMC Water and Environment (RMC), a consulting firm with expertise in the recycled water field, to develop a preliminary assessment of the recycled water market and prepare conceptual distribution alternatives and planning level cost estimates. This was a limited effort, intended to inform the City's decision on whether to move forward with a more detailed feasibility study and facilities plan. Based on an initial scope of work, it was believed that the technical memorandum could be prepared for less than \$25,000, and, therefore, City Council approval was not required. The scope of work included development of two alternative distribution systems. The two identified alternatives are both along the industrial corridor and utilize an abandoned fuel oil pipeline that the City may be able to acquire. They differ in terms of the size of the distribution system, the number of customers to be served, and the need for facilities in addition to the existing fuel pipeline. Both alternatives maximize the potential for the use of recycled water in the immediate area around the Water Pollution Control Facility.

As the work has progressed, however, it is apparent that the City would benefit from additional evaluation, particularly to devise a conceptual distribution system that could convey recycled water beyond the industrial corridor and to large irrigation customers in the City's higher elevations. This could include sites such as California State University and the new Stonebrae Golf Course. Staff recommends that RMC's contract be increased by \$6,500 to prepare a third distribution alternative.

Water Recycling Planning Grant

Based on the preliminary findings in the technical memorandum, staff recommends that a more detailed Water Recycling Feasibility Study and Facilities Plan be prepared to assist in the City's future decisions regarding water recycling. The State Water Resources Control Board (SWRCB) provides grants of up to \$75,000 for this type of work. The funding is in the form of a matching grant; the City would be required to contribute at least an equal amount towards the preparation of the Water Recycling Feasibility Study and Facilities Plan. The Plan would build on the work that has been done as part of the technical memorandum and would result in a detailed recycled water market assessment, cost-benefit analysis, recommended water recycling project, and draft financing plan. The grant does not commit the City to constructing water recycling facilities.

The grant application process includes preparation of a detailed plan of study for consideration by the SWRCB. RMC has considerable experience in assisting agencies with submittal of a complete planning study that addresses the State requirements and facilitating discussions with State staff. Staff recommends that an additional \$5,000 be authorized for this purpose.

Funding

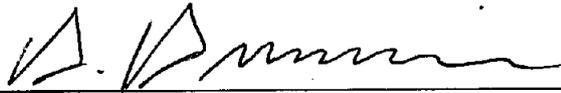
Initial contract with RMC	\$24,100
Additional work needed to completed technical memorandum	6,500
Assistance with planning grant application	5,000
Additional Services (if needed)	4,400
Total awarded contract	<u>\$40,000</u>

The CIP includes \$100,000 for a Recycled Water Feasibility Study. Since the SWRCB grant requires matching funds from the City, the cost to the City for preparation of the Water Recycling Feasibility Study and Facilities Plan may be at least \$75,000 if the grant application is approved. Staff will come back to Council for a request for funding when the status of the grant application and the full cost of preparing the plan are known.

Schedule

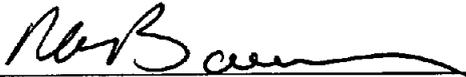
Assuming City Council approval, it is staff's intention to submit the grant application within the next two to three months. If the grant is approved by the SWRCB, staff would return to the City Council for approval of a consulting firm to assist staff in preparing the Water Recycling Feasibility Study and Facilities Plan. The plan must be completed within three years of the date of the grant commitment.

Prepared by:



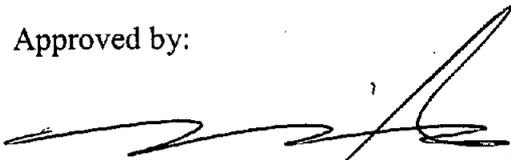
Alex Ameri, Deputy Director of Public Works

Recommended by:



Robert A. Bauman, Director of Public Works

Approved by:



Frances David, Acting City Manager

**DRAFT** NH 7/20/07

HAYWARD CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_

Introduced by Council Member \_\_\_\_\_

**RESOLUTION AUTHORIZING THE ACTING CITY  
MANAGER TO EXECUTE AN AMENDED AGREEMENT  
FOR A RECYCLED WATER FEASIBILITY STUDY**

BE IT RESOLVED by the City Council of the City of Hayward that the Acting City Manger is hereby authorized and directed to execute and file, for and on behalf of the City of Hayward, an amended agreement with RMC Water and Environment for a preliminary recycled water feasibility study, in an amount not to exceed \$40,000, in a form approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2007

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:  
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward



ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward