CALL TO ORDER & FLAG SALUTE

CHANGES TO THE AGENDA

PUBLIC COMMENT
At this time the public is encouraged to address the City Council on any matter that is within the subject matter jurisdiction of the City Council. The public will also be given a chance to comment on matters which are on the posted agenda during City Council deliberation on those specific matters.

NEW BUSINESS

1. Public Utilities
   A Resolution Approving and Authorizing the Submittal of an Application for Funding from the Water Replenishment District of Southern California's Well Construction and Rehabilitation Loan Program

Recommendation:
A. Find that the adoption of the attached resolution is exempt from the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines sections 15308 (actions taken to protect the environment), 15323 (normal operations of public facilities) and 15061(b)(3), the general rule that
CEQA only applies to projects that may have an effect on the environment; and

B. Adopt a Resolution Approving and Authorizing the Submittal of an Application for Funding from the Water Replenishment District of Southern California's Well Construction and Rehabilitation Loan Program.
   1. Resolution Authorizing the City of Vernon to Apply for Funding from the Water Replenishment District

ADJOURNMENT
I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing agenda was posted on the bulletin board at the main entrance of the City of Vernon City Hall, located at 4305 Santa Fe Avenue, Vernon, California, and on the City’s website, not less than 24 hours prior to the meeting set forth on this agenda. Dated this 18th day of July, 2018.

By: __________________________________________
   Maria E. Ayala
   City Clerk
SUBJECT
A Resolution Approving and Authorizing the Submittal of an Application for Funding from the Water Replenishment District of Southern California's Well Construction and Rehabilitation Loan Program

Recommendation:
A. Find that the adoption of the attached resolution is exempt from the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines sections 15308 (actions taken to protect the environment), 15323 (normal operations of public facilities) and 15061(b)(3), the general rule that CEQA only applies to projects that may have an effect on the environment; and

B. Adopt a Resolution Approving and Authorizing the Submittal of an Application for Funding from the Water Replenishment District of Southern California's Well Construction and Rehabilitation Loan Program.

Background:
The City currently budgets approximately $1,200,000 annually for the purchase of imported water from Central Basin Municipal Water District. The cost to purchase imported water is $1,138 per acre foot as opposed to $339 per acre foot for groundwater. Therefore, there is great economic advantage to purchasing groundwater. The Water Division currently operates eight (8) active wells, however, the reliability of the wells is such that imported water purchases are necessary. Seven (7) of the active wells in operation are all over fifty years in age and the eighth well is 18 years in age. The Water Division commissioned the design of two new wells in order to eliminate the use of imported water and to increase the reliability of the City's water supply.

In April of 2018, staff commissioned two Preliminary Design Reports to identify the optimum hydrological location for placement of the two new wells. Staff also commissioned design specifications for the construction of the two new wells. The new wells have been numbered Wells 22 and 23. The two new wells are expected to produce 2,000 and 2,500 Gallons Per Minute (GPM) respectively. The highest active production well is Well 15 which produces 1,287 GPM. The cost to drill the two wells is estimated at $3,800,000.

On June 28, 2018 the Water Replenishment District (WRD) instituted a zero interest loan program for the purpose of funding new wells and the rehabilitation of existing wells. The WRD Well Construction and Rehabilitation Loan Program is on a "first come, first serve" basis and, therefore, it is important that application be submitted as soon as possible. The application process also requires that a resolution be adopted by the Council authorizing the application for funds and that a City representative be designated as a signatory for the loan application process. The proposed resolution grants the General Manager of Public Utilities, or his or her designee, the authority to prepare, sign and file the application with the WRD. If the application is approved, staff will proceed all necessary requirements as set forth by the WRD, including a Funding Agreement and will seek further approvals from the City Council as appropriate.

Fiscal Impact:
None.

ATTACHMENTS

- 1. Resolution Authorizing the City of Vernon to Apply for Funding from the Water Replenishment District
RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VERNON APPROVING AND AUTHORIZING THE SUBMITTAL OF AN APPLICATION FOR FUNDING FROM THE WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA’S WELL CONSTRUCTION AND REHABILITATION LOAN PROGRAM

WHEREAS, the City of Vernon (the “City”), is a municipal corporation and a chartered city of the State of California organized and existing under its Charter and the Constitution of the State of California; and

WHEREAS, the City has the authority to modify, operate, and maintain its water system; and

WHEREAS, the City desires to construct two new wells in order to eliminate the use of imported water and to increase the reliability of the City’s Water Supply; and

WHEREAS, on or about June 28, 2018 the Water Replenishment District of Southern California (“WRD”) instituted a zero interest loan program for the purpose of funding new wells and the rehabilitation of existing wells; and

WHEREAS, WRD program application procedures require, among other things, an applicant’s governing body to declare by resolution certain authorizations related to the program; and

WHEREAS, by memorandum dated July 19, 2018, the General Manager of Public Utilities has requested the authority to submit a funding application to the WRD; and

WHEREAS, the City Council of the City of Vernon desires to approve and authorize the submittal of an application to the WRD for funding to construct the two new wells.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE
CITY OF VERNON AS FOLLOWS:

SECTION 1: The City Council of the City of Vernon hereby finds and determines that the above recitals are true and correct.

SECTION 2: The City Council of the City of Vernon finds that this action is exempt from the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines sections 15308 (actions taken to protect the environment), 15323 (normal operations of public facilities) and 15061(b)(3), the general rule that CEQA only applies to projects that may have an effect on the environment.

SECTION 3: The City Council of the City of Vernon hereby resolves that, pursuant and subject to all of the terms and provisions of the Well Construction and Rehabilitation Loan Program application be made to the Water Replenishment District of Southern California for funding.

SECTION 4: The City Council of the City of Vernon hereby authorizes and directs the General Manager of Public Utilities, or his or her designee, to cause the necessary data to be prepared and application to be signed and filed with the Water Replenishment District of Southern California.
SECTION 5: The City Clerk of the City of Vernon shall certify to the passage, approval and adoption of this resolution, and the City Clerk, of the City of Vernon shall cause this resolution and the City Clerk’s certification to be entered in the File of Resolutions of the Council of this City.

APPROVED AND ADOPTED this 19th day of July, 2018.

__________________________
Name: ________________________

Title: Mayor / Mayor Pro-Tem

ATTEST:

Maria E. Ayala, City Clerk

APPROVED AS TO FORM:

__________________________
Zaynah Moussa,
Senior Deputy City Attorney
I, Maria E. Ayala, City Clerk of the City of Vernon, do hereby certify that the foregoing Resolution, being Resolution No. _______, was duly passed, approved and adopted by the City Council of the City of Vernon at a special meeting of the City Council duly held on Tuesday, July 19, 2018, and thereafter was duly signed by the Mayor or Mayor Pro-Tem of the City of Vernon.

Executed this ____ day of July, 2018, at Vernon, California.

Maria E. Ayala, City Clerk

(SEAL)