



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: November 4, 2014

TO: Mayor and Councilmembers

FROM: Water Resources Division, Public Works Department

SUBJECT: Safe Drinking Water State Revolving Fund Loan Application For The Reactivation Of The Charles E. Meyer Desalination Plant

RECOMMENDATION:

That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Designating the Acting City Administrator to Execute and Deliver an Application to the State Water Resources Control Board for a Safe Drinking Water State Revolving Fund Loan for the Reactivation of the Charles E. Meyer Desalination Plant.

DISCUSSION:

Consistent with the City's adopted 2011 Long Term Water Supply Plan, the Charles E. Meyer Desalination Plant (Plant) plays a key role in meeting critical water demands during a prolonged drought. On May 6, 2014, Council authorized the Public Works Director to execute a contract with Carollo Engineers, Inc., to complete preliminary design services for the reactivation of the Plant. Staff is currently preparing to release a Request for Proposals to pre-qualified firms for the design, construction, and operation of the Plant. The preliminary capital cost estimate for reactivation of the Plant is \$32.4 million.

On September 15, 2014, the City received an invitation to submit an application for Project Funding for the Plant, under Category E of the Safe Drinking Water State Revolving Fund (SDWSRF). The SDWSRF provides loans that have historically had more favorable interest rates than the State General Obligation bonds. There is no obligation associated with the application for a SDWSRF loan.

In order to initiate the application process, staff is asking Council to approve the designation of the City Administrator or his designee as the authorized representative to apply for the loan.

At its regular meeting on October 13, 2014, the Board of Water Commissioners voted 4-0 in concurrence with the Council Agenda Report recommendation.

Council Agenda Report

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SUBMITTED BY: Rebecca J. Bjork, Public Works Director

APPROVED BY: City Administrator's Office