



DATE: August 5, 2024

TO: Honorable Mayor and Members of the City Council through City Manager

FROM: Oriana Hart, Water Resources & Conservation Manager – Public Works & Utilities (PW&U)
Gina Benedetti-Petnic, PE, Interim Director – PW&U

SUBJECT: Resolution Accepting the Award of the US EPA San Francisco Water Quality Improvement Fund Grant and Authorizing the City to Enter into the Sub-award Agreement with the City of Sonoma

RECOMMENDATION

It is recommended that the City Council accept a grant award from the Environmental Protection Agency (EPA) and authorize the sub-award agreement between the City of Petaluma and the City of Sonoma, the main grantee.

BACKGROUND

Since 2008, the Environmental Protection Agency (EPA), through the San Francisco Bay Water Quality Improvement Fund (SFBWQIF), has funded numerous water quality projects across the nine counties of the Bay Area. This collaborative funding source has been pivotal in restoring streams and wetlands and enhancing water quality from the North Bay to the salt ponds of the South Bay. In 2022, the Bipartisan Infrastructure Law (BIL) significantly increased this funding, raising the annual allocation from \$5 million to \$25 million. This year, the City of Petaluma has been selected to participate in a regional partnership alongside the City of Sonoma, County of Sonoma, Marin Countywide Stormwater Pollution Prevention Program, and County of Napa to support the North Bay Water Quality Partnership Project. This grant project will focus on regional restoration efforts, stormwater outreach, and various trash capture projects aimed at informing regional compliance with stormwater trash provisions through insights gained from multiple pilot projects implemented throughout the North Bay.

DISCUSSION

The City of Sonoma is the main grant applicant for the North Bay Water Quality Partnership Project and will serve as the lead recipient of EPA funding for this initiative. The City of Sonoma will enter into sub-award agreements with the other grant partners. The official award was received

by the City of Sonoma on June 27, 2024. The entire North Bay Water Quality Partnership Project is set to receive a grant of \$1,526,718. This grant requires a 50% matching contribution from local jurisdictions, bringing the total project budget to \$3,053,339. The City of Petaluma is slated to receive \$801,593 from this grant, slightly more than the 50% match, as Petaluma will handle some administrative duties associated with the grant. Petaluma will match this grant with \$708,593, which has been allocated in the FY 24/25 budget. This grant will move forward the following City of Petaluma Capital Improvement Program (CIP) projects:

Storm Drain Trash Capture Pilot (c16501931)

Upon re-issuance of the City of Petaluma's MS4 permit, the City will be required to implement the requirements of the Statewide Trash Provisions and demonstrate 100 percent compliance by 2030. To achieve this, the City will install trash capture devices at strategic locations in the coming years.

The SFBWQIF grant will enable the City of Petaluma to install a pilot trash capture device. Following the project launch, staff will assess the effectiveness, quality, and operational costs of the system. City staff is currently evaluating potential locations and devices for this pilot test. The pilot will likely focus on installing one large trash capture device to treat a significant drainage area.

EPA grant funds for this task will support environmental review, preliminary design and device identification, construction management, and acquisition and installation of a suitable large trash capture device. This pilot project will help determine if large trash capture devices can advance the City's compliance with the Statewide Trash Provisions.

Corona Creek Flood Reduction Project (c16502431)

This project will begin with a detailed hydraulic study of the Corona Creek area and the adjacent Capri Creek, preparing for restoration work along the upper reach of Corona Creek. The restoration is expected to focus on the upper reach of Corona Creek, from Sonoma Mountain Parkway to Riesling Road, restoring up to 10.5 acres of habitat.

The City of Petaluma's new flood model will inform a comprehensive stormwater and flood mitigation project. This project will address the creek's current condition, restore it to its designed storm capacity, enhance water quality, and reduce out-of-bank flows occurring just upstream of the Sonoma Mountain Parkway crossing. A conceptual design will be developed based on existing contours and opportunity sites for widening, meandering, and slowing peak flows.

This work will contribute to the development of a full creek maintenance and restoration program in the City of Petaluma, aiming to address flooding, maintenance, and habitat restoration holistically

Timeline and Next Steps

The grant stipulates a four-year timeline for completion from the date of the award, with the project anticipated to conclude in the spring of 2028. Following acceptance by the City Council, staff will finalize the sub-award agreements with the City of Sonoma. Initial design and permitting work on both CIP projects will commence in the fall of 2024.

PUBLIC OUTREACH

This agenda item appeared on the City's tentative agenda document on July 15, 2024, which was a publicly-noticed meeting.

COUNCIL GOAL ALIGNMENT

The proposed action supports the following Council Goals and workplan Items:
Preserve and protect Petaluma's Environment with Smart and Efficient use of Resources
Sea Level Rise Adaptation
#71. Revisit floodplain management practices to address climate change and sea level rise.
Storm Water -Environmental Legacy
#193. Identify funds to support Storm Water programs and infrastructure.

ENVIRONMENTAL REVIEW

Projects within the grant application must undergo environmental and CEQA review and permitting compliance. After the initial design phase of each project, they will proceed through the permitting and CEQA evaluation process. It is anticipated that the Trash Capture Device Pilot will qualify for a categorical exemption under Section 15302 (Class 2) of the California Environmental Quality Act (CEQA). This exemption applies to projects involving the replacement or reconstruction of existing structures where the new structure is located on the same site and serves substantially the same purpose as the structure being replaced.

FINANCIAL IMPACTS

The approved FY24/25 budget for the Storm Drain Trash Capture Device Pilot, C16501931, is \$729,000, and for the Corona Creek Flood Reduction and Habitat Enhancement Project, C16502431, is \$50,000 in FY 24/25 with a projected FY26/27 budget of \$651,000. The funding sources for this project come from the Storm Water Utility Fund. The budget for the project is allocated and projected as follows:

Project	EPA Grant Funded	Storm Water Utility (6800.68100)	TOTALS
1.2 Trash Capture Devise Pilot	\$359,000	\$370,000	\$729,000
2.2 Corona Creek Flood Reduction & Habitat	\$325,368	\$325,368	\$650,736
4.1 Administration	\$117,749	\$13,225	\$130,450
TOTALS	\$801,593	\$708,593	\$1,510,186

ATTACHMENTS

1. Resolution
2. Draft Sub-awardee agreement
3. Grant award