



Legislation Text

File #: 24-327, **Version:** 1

Adopt a Resolution to Authorize the City Manager to Accept the United States Environmental Protection Agency's San Francisco Bay Water Quality Improvement Fund Water Grant in the amount of \$2,975,302 and Execute All Documents Related to the Grant and Appropriate Grant Funds for Phase 2 of the San Leandro Treatment Wetland for Pollution Reduction, Habitat Enhancement, and Shoreline Resiliency Project

COUNCIL PRIORITY

- Infrastructure
- Sustainability & Resiliency

SUMMARY

The City of San Leandro's Water Pollution Control Plant plans to repurpose an underutilized 6.9-acre wastewater retention pond on site into a multi-benefit treatment wetland. The United States Environmental Protection Agency (US EPA) awarded the City a \$2,975,302 grant through the San Francisco Bay Water Quality Improvement Fund (SFBWQIF).

RECOMMENDATIONS

Staff recommends that the City Council authorize the City Manager to accept grant funds in the amount of \$2,975,302 from the US EPA for Phase 2 of the San Leandro Treatment Wetland for Pollution Reduction, Habitat Enhancement and Shoreline Resiliency project.

BACKGROUND

The purpose of the Treatment Wetland project is to remove nitrogen and other contaminants from a portion of the WPCP discharge water. In addition, the project will include enhancement of wetland habitat along the San Francisco Bay Trail for educational opportunities, and demonstration of cost-effective nature-based solutions for contaminant removal. The project involves installing a modular nitrification system to convert ammonia from secondary treated wastewater into nitrate. Additionally, it involves repurposing an underutilized 6.9-acre wastewater retention pond into a multi-benefit treatment wetland. The nitrified effluent will undergo polishing in the treatment wetland to remove the nitrate and other pollutants before being discharged into San Francisco Bay via an existing discharge pipe.

In April 2018, the City of San Leandro received a \$538,926 Measure AA grant from the SFBRA to support permitting and design of the project. Pursuant to the California Environmental Quality Act (CEQA), the City prepared the "San Leandro Water Pollution Control Plant Treatment Wetland and Shoreline Resilience Project Initial Study/Mitigated Negative Declaration" (MND), which Council adopted on April 2, 2024. During planning of this project, the City received authorizations from the U.S. Army Corps of Engineers and received a new individual National Pollutant Discharge Elimination System (NPDES) permit on February 9, 2022.

Analysis

The City, along with other treatment plants, will soon be required by the State Water Resources Control Board to reduce nitrogen in water discharged to the Bay. This project will be the first step in accomplishing this goal and is one of the first in the Bay Area to do so using a nature-based solution that treats the water and provides additional educational and habitat benefits.

The City has also been awarded a grant from the San Francisco Bay Restoration Authority which will serve as matching funds required by this US EPA grant.

Previous Actions

October 15, 2018 -Reso 2018-30 RESOLUTION of the City of San Leandro City Council to Accept Grant Funds of \$538,926 from the San Francisco Bay Restoration Authority for San Leandro's Treatment Wetland for Pollution Reduction, Habitat Enhancement, and Shoreline Resiliency Project (Project No. RA-007)

October 17, 2019- Reso 2019-160 RESOLUTION of the City of San Leandro City Council to Approve and Authorize the City Manager to Execute a Consulting Services Agreement with Terraphase Engineering, Inc., in the amount not to exceed \$789,036 for Design and Permitting Services of a New Treatment Wetland at the Water Pollution Control Plant; Authorize the City Manager to Execute Contract Amendments Up to 20% (or \$157,807) and an Appropriation of the Water Pollution Control Plant Enterprise Fund Balance in the Amount of \$501,917 for Fiscal Year 2019-20

April 4, 2024- Reso 2024-029 Adopt a Resolution to Adopt a Mitigated Negative Declaration (MND) for the San Leandro Water Pollution Control Plant Treatment Wetland and Shoreline Resilience Project in Accordance with the Requirements of the California Environmental Quality Act (CEQA)

Applicable General Plan Policies

- Policy EH-1.8 Sea Level Rise. Consider the effects of projected sea level rise in the design and planning of all development, recreational improvements, and infrastructure along the San Leandro shoreline.
 - Action EH-1.8. A: Adaptation Plans. Develop long-term adaptation plans which minimize the potential for coastal flooding on public and private properties near the San Leandro shoreline. Periodically evaluate the risk to homes, businesses, parks, and other features and take steps to protect or fortify these areas to reduce damage potential.

- Policy EH-4.3 Interagency Coordination. Coordinate water quality planning, regulation, and monitoring with other public agencies that are involved in water resource management. Establish partnerships and task forces with these agencies and with nearby cities as needed to develop programs addressing issues that cross jurisdictional lines.

Environmental Review

Pursuant to the California Environmental Quality Act (CEQA), the City of San Leandro prepared the "San Leandro Water Pollution Control Plant Treatment Wetland and Shoreline Resilience Project Initial Study/Mitigated Negative Declaration" (MND). The City Council adopted the Final MND on April

2, 2024.

Financial Impacts

Approval of this item will appropriate US EPA grant funds of \$2,975,302 to the Water Pollution Control Fund by for the construction of the Treatment Wetland project. The project cost estimate is \$9,517,523 and acceptance of this federal grant requires a match of \$6,542,221 from non-federal sources. The City has also been awarded \$3,734,489 grant from San Francisco Bay Restoration Authority that will help meet the funding match requirement, with the remaining \$2,807,732 to come from the Water Pollution Control Fund. Of this, \$2,248,000 is available as FY 2023-24 carryover in account 593-52-229. The remaining funding need of \$559,732 will be requested for appropriation at a future Council meeting.

Funding will be awarded and deposited into the Water Pollution Control Plant Fund.

ATTACHMENTS

***Attachment A:** Resolution to Authorize the City Manager to Accept a Grant for \$2,975,302 from the United States Environmental Protection Agency for San Leandro's Treatment Wetland for Pollution Reduction, Habitat Enhancement, and Shoreline Resiliency*

***Attachment B:** U.S. Environmental Protection Agency Grant Agreement Grant Number 98T96701*

PREPARED BY: Ramya Sankar, Management Analyst II, Water Pollution Control Division
Hayes Morehouse, Water Pollution Control Manager