



Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Kerrie Romanow

SUBJECT: SEE BELOW

DATE: May 29, 2012

Approved

Date

6/6/12

COUNCIL DISTRICT: 3 and 6

SUBJECT: APPLICATION TO THE PROPOSITION 84 STORM WATER GRANT PROGRAM FOR TWO STORMWATER GREEN STREETS PROJECTS

RECOMMENDATION

Adopt a resolution authorizing the City Manager, or designee, to submit two grant applications to the California State Water Resources Control Board for the Proposition 84 Storm Water Grant Program for the following projects to retrofit City streets to integrate stormwater treatment:

- a) Park Avenue Green Avenue Pilot Project for a grant amount of \$859,100 with a local match of up to \$428,800; and
- b) Martha Gardens Green Alleys Pilot Project for a grant amount of \$945,180 with a local match of up to \$473,400.

OUTCOME

Approval of this recommendation would allow the City to submit two grant applications to the State Water Resources Control Board by the June 27, 2012 deadline. If the grant requests are awarded and grant agreements are approved by the City Council, the grant funds will support integration and installation of landscape stormwater treatment measures as part of either or both green street storm sewer retrofit projects. The projects for which the City will request grant funds are separate and distinct projects. Both will result in a reduction of stormwater pollutants entering local creeks and waterways and will support compliance with the City's Stormwater Permit.

BACKGROUND

In 2006, California voters passed Proposition 84 authorizing the Legislature to appropriate \$1.525 Billion for water quality projects that reduce and prevent storm water contamination of rivers, lakes, and streams. The State Water Resources Control Board provides Proposition 84 funding through the Storm Water Grant Program to provide matching grants to local public agencies for the reduction and prevention of storm water contamination of rivers, lakes, and streams. The Storm Water Grant Program aims to fund projects that achieve measurable water quality protection with Low Impact Development practices.

The City's Stormwater Permit includes requirements for constructing green street pilot projects (two pilot projects are required in each of the four counties covered by the permit, with a total of ten required region-wide) by December 2014, and conducting public education to increase awareness of the storm sewer system. The term, "green street," refers to specific stormwater management techniques that include the use of tree-wells or landscape areas to capture and treat runoff. Alternatively, permeable concrete or pavers can be used to reduce the volume of runoff. These techniques are appropriate for streets, sidewalks, and parking lots and contribute to the stormwater management approach known as Low Impact Development. The proposed projects could fulfill two of the required green street pilot projects for permittees in Santa Clara County, and would provide the community an opportunity to gain a greater understanding of the connection between the storm drain system and local waterways. Other Santa Clara County cities are also working to identify and fund potential green street pilot projects.

ANALYSIS

For this round of Proposition 84 funding, the State Water Resources Control Board is implementing a two-step grant application process. In January 2012, the City submitted concept proposals requesting funding for two green street storm sewer retrofit projects through the Storm Water Grant Program. The City was invited to submit full proposal applications for both projects. Staff is seeking Council authorization to apply for funding for both green street storm sewer retrofit projects. The projects are independent of one another and if awarded funding for one or both projects, the City will have the opportunity to demonstrate how green infrastructure retrofit improvements can reduce and treat runoff from existing city streets. The grant program requires local matching funds equivalent to at least 20 percent of overall project cost. In both projects, the local match exceeds the 20 percent minimum due to grant program restrictions on eligible project costs.

Grant funds for the Park Avenue Green Avenue project would be used to eliminate existing areas of unused hardscape and convert them to curbside rain gardens that treat and infiltrate runoff before it flows to the City's storm sewer system, the Guadalupe River and ultimately San Francisco Bay. The improvements would be built on Park Avenue at Sunol Street and at Park Avenue at Meridian Avenue. The estimated cost of the improvements is \$1,287,900 with a grant request of \$859,100. The local matching funds are estimated to be \$428,800 and, subject to Council approval, would be provided from the Storm Sewer Capital Funds (Fund 469) for

design, inspection, and construction management of the project by City staff. The project's green street elements would be integrated with mobility improvements such as new sidewalks, crosswalks and bike lanes that are being funded by Santa Clara Valley Transportation Authority (VTA) grants. Successful completion of this pilot project will demonstrate how green infrastructure stormwater management features can complement pedestrian and cyclist safety improvements to create a complete green street.

Grant funds for the Martha Gardens Green Alleys Pilot Project would provide three segments of alleyways extending from Margaret Street to Martha Street, between 1st and 2nd Streets with a drainage system using below-grade infiltration facilities with a permeable surface. In addition, the project would construct the alleyways to provide positive drainage and a more suitable vehicular travel way. Use of an infiltration system would reduce the amount of stormwater runoff draining to the area's existing storm sewer system. These alleys have had on-going drainage issues that cause regular ponding and sediment tracking in the area. The estimated cost of the proposed green infrastructure improvements is \$1,418,580 with a grant request of \$945,180. The local matching funds are estimated to be \$473,400 and, subject to Council approval, would be provided from the Storm Sewer Capital Funds (Fund 469) for design, inspection, and construction management of the project by City staff. Staff is proposing to utilize the Storm Sewer Capital Funds as the source for the local match because funding from Fund 469 had already been identified for use on a basic storm sewer improvement project for these segments of alleyways. Use of the grant funds would reduce the amount of funding originally anticipated from Fund 469 from the original estimated project costs of \$729,000 to the estimated local match amount of \$473,400. The grant would expand on the basic storm system improvements by adding additional green infrastructure features that will also treat stormwater runoff and reduce the volume of runoff by encouraging infiltration on-site, and fund repaving of the entire alleyways (which is not included in the basic storm sewer improvement project).

If awarded the grant, staff will negotiate grant agreements for City Council consideration.

EVALUATION AND FOLLOW-UP

The application package is due to the California State Water Resources Control Board by June 27, 2012, with an anticipated award in early 2013. If the grant application is successful, the grant agreement and associated budget actions will be brought forward for Council approval.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**

- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This action does meet any of the criteria listed above, however this memorandum will be posted to the City's website for the June 19, 2012 City Council meeting.

COORDINATION

This memorandum has been coordinated with the departments of Transportation and Public Works, and the City Attorney's Office.

COST IMPLICATIONS

The table below identifies what local funding sources have been identified for the two projects. The grant program requires a minimum local match of 20% and staff have identified additional local matching funds would be needed to cover costs not eligible under the grant. Most of the match would be provided in the form of staff design, inspection, and construction management services for both projects. Sources for the matching funds include the Storm Sewer Capital Fund and Storm Sewer Operating Fund as shown in the table below. Details regarding the final grant and matching fund amounts would be brought forward for Council consideration if the grant is awarded and accepted for one or both projects.

Park Avenue Green Avenue Project		
Grant Amount	Other Funding Sources	Anticipated Source of Other Funds
\$859,100	\$428,800	The City would commit \$428,800 to fund portions of project design, inspection, and construction management services provided by PW and DOT, and not funded by the grant. These services would be funded by the Storm Sewer Capital Funds (Fund 469), subject to Council approval.
Martha Gardens Green Alleys Project		
\$945,180	\$473,400	The City would commit \$473,400 to fund the portions of project design, inspection, and construction management services provided by PW, and not funded by the grant. These services would be funded by the Storm Sewer Capital Fund (Fund 469), subject to Council approval.

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CEQA

Not a Project, File No. PP10-068(a) Grant Application (where Council is not obligated to enter into an agreement at the time of application).

/s/
KERRIE ROMANOW
Acting Director, Environmental Services

For questions please contact Elaine Marshall, Environmental Services Program Manager, at (408) 793-5355.