



REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2604
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Consent
October 28, 2008

Honorable Mayor and
Members of the City Council

Title: Agreement: Regional Water Authority for the Proposition 50 Regional Toilet Replacement Program

Location/Council District: Citywide

Recommendation: Adopt a **Resolution** 1) authorizing the City Manager to execute an agreement with the Regional Water Authority (RWA) for the Proposition 50 Regional Toilet Replacement Program for an amount not to exceed \$ 212,625 and 2) amending the FY2008/09 Water Fund Revenue and Expenditure Budgets in the amount of \$157,250.

Contact: Marty Hanneman, Interim Utilities Director, 808-5704; Julie Friedman, Water Conservation Administrator, 808-7898

Presenters: N/A

Department: Utilities

Division: Administration

Organization No: 14001441

Description/Analysis

Issue: The RWA was established to, among other things, provide assistance to achieve water efficiency on a regional scale, assist member agencies with meeting Best Management Practice (BMP) commitments and solicit grant funding for conservation efforts. The City of Sacramento has been an active member since July 2001, which has enabled the City a better opportunity to meet the BMP's established with the Water Forum Agreement (WFA) and the California Urban Water Conservation Council (CUWCC).

Specifically, this project will utilize the California Department of Water Resources (DWR) grant funding program, provided through Proposition 50 funding awarded

to RWA, to increase water conservation efforts of Commercial, Industrial, Institutional and Residential water users under WFA BMP 16 and CUWCC BMP 9 and CUWCC BMP 14 by replacing high water using toilets with more efficient ultra low flow toilet (ULFT) and high efficiency toilet (HET) models.

Policy Considerations: This program consists of improving conservation efforts via state-approved “best management practices.” The Toilet Rebate program is one of these “best management practices.” Implementation of the proposed agreement supports the City’s water conservation strategic goals by further committing to the BMP’s outlined in the WFA and CUWCC reporting requirements.

Environmental Considerations: The agreement with RWA does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15378(b)(4) (approval of government funding mechanisms) and 15378(b)(5) (governmental administrative activities).

Sustainability Considerations:

Implementation of this agreement is consistent with the City Sustainability Master Plan in advancing the following water conservation goals:

1. Conserving the use and protection of sources of water
2. Implementation of select water conservation BMP’s
3. Partnership opportunities with water purveyors to continue a regional approach toward water conservation education

Rationale for Recommendation: It is recommended that the City Council adopt the resolution approving the agreement between the City of Sacramento and RWA allowing the City to utilize Proposition 50 grant funding for the Toilet Replacement Program. This program supports Council’s direction to meet the BMP’s stated in the WFA and CUWCC and does so with minimal net Water Fund dollars.

Financial Considerations:

Up to \$116,250 has been dedicated over the next two years by RWA to provide reimbursement to the City from the Proposition 50 Regional Toilet Replacement Program for these incentives provided to the City’s Commercial, Industrial, Institutional, and Residential customers. Net costs to the City will be further reduced if the Council approves the agreement with RWA for reimbursement from the Regional Water Authority/Sacramento Regional County Sanitation District (SRCSD) Water Conservation Incentives Project. Table 1.1 projects estimates for toilet rebate requests by customer class and illustrates estimates for cost-sharing from DWR and SRCSD funding as specified in the proposed agreement.

Table 1.1 Projected Estimates for the Two Year Grant Program

Grant Program	Residential		Commercial		Paid to Customer (City pays upfront costs to customer)	DWR Reimbursement	SRCS D Reimbursement	City Cost Share
	ULFT	HET	ULFT	HET				
FY 2009	700	25	10	600	\$212,625	\$116,250	\$41,000	\$55,375

The majority of RWA’s costs to administer the Proposition 50 Regional Toilet Replacement Program will be paid by grant funding; the City share of the remaining RWA costs is estimated not to exceed \$1,560.

There are sufficient funds in the current fiscal year Water Conservation Operating Budget for these purposes.

Staff recommends amending the FY2008/09 Water Fund Revenue and Expenditure Budget (fund 6005, dept id 14001441) by \$157,250. The City’s cost of \$55,375 is already budgeted in the current fiscal year Water Conservation budget.

Emerging Small Business Development (ESBD):

There are no goods or services purchased as a result of the proposed actions in this report. Therefore, there are no Emerging Small Business Development issues.

Respectfully Submitted by: Michael Malone
 Michael Malone
 Field Services Manager

Approved by: Marty Hanneman
 Marty Hanneman
 Assistant City Manager
 Interim Director of Utilities

Recommendation Approved:

Ray Kerridge
 Ray Kerridge
 City Manager

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Attachment 1

Background

In July 2001, the City of Sacramento joined the Regional Water Authority as a member whose mission is to represent the regional water supply interests and to assist its members of the Regional Water Authority in protecting and enhancing the reliability, availability, affordability and quality of water resources.

Today, Regional Water Authority represents 22 water purveyor and affiliated agency members in Sacramento, Placer, El Dorado, and Yolo Counties.

This agreement will utilize the California Department of Water Resources (DWR) grant funding program provided through Proposition 50 funding awarded to RWA to increase water conservation of Commercial, Industrial, Institutional and Residential water users under WFA BMP 16 and CUWCC BMP 9 and CUWCC BMP 14 by replacing high water using toilets with more efficient ultra low flow (ULFT) and high efficiency toilet (HET) models.

RESOLUTION NO.

Adopted by the Sacramento City Council

AUTHORIZING AN AGREEMENT WITH REGIONAL WATER AUTHORITY FOR THE PROPOSITION 50 REGIONAL TOILET REPLACEMENT PROGRAM

BACKGROUND

- A. In July 2001, the City of Sacramento joined the Regional Water Authority (RWA) whose mission is to represent the regional water supply interests and to assist members of the RWA in protecting and enhancing the reliability, availability, affordability and quality of water resources.
- B. Today, the RWA represents 22 water purveyor and affiliated agency members in Sacramento, Placer, El Dorado, and Yolo Counties.
- C. The agreement with RWA will utilize the California Department of Water Resources (DWR) grant funding program provided through Proposition 50 funding awarded to RWA to increase water conservation by replacing high water using toilets with more efficient ultra low flow (ULFT) and high efficiency toilet (HET) models.
- D. RWA staff will administer the two-year agreement. With funding to be provided under the agreement and another agreement with RWA for the RWA/Sacramento Regional County Sanitation District Water Conservation Incentives Project, it is estimated that the net rebate costs to City will not exceed \$55,375.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Manager is authorized to execute an Agreement with the Regional Water Authority for the Proposition 50 Regional Toilet Replacement Program for January 1, 2008 to December 31 2009.
- Section 2. The FY2008-09 Water Fund Revenue and Expenditure Budget (Fund 6005, dept id 14001441) is amended in the amount of \$157,250.

