

Meeting Date: 5/31/2016

Report Type: Consent

Report ID: 2016-00552

Title: Agreement: Proposition 84 Regional Water Efficiency Drought Measures Grant for the Water Conservation Rebate Program

Location: Citywide

Recommendation: Pass a Resolution authorizing the City Manager or the City Manager's designee to 1) accept the grant award for the amount of \$132,840; 2) execute an agreement with the Regional Water Authority for the allocation of Proposition 84 grant funding; and 3) amend grant revenue and expenditure budgets in the Water Conservation Program (I14120400).

Contact: Daniel Choe, Supervising Financial Analyst, (916) 808-5988; Michele Gray-Samuel, Program Specialist Grant Manager, (916) 808-6645; Alaina Jordan, Administrative Analyst, (916) 808-5801, Department of Utilities

Presenter: None

Department: Department Of Utilities

Division: Fiscal Operations

Dept ID: 14001611

Attachments:

1-Description/Analysis

2-Resolution

3-Agreement

City Attorney Review

Approved as to Form

Joe Robinson

5/23/2016 5:45:07 PM

Approvals/Acknowledgements

Department Director or Designee: Bill Busath - 5/16/2016 12:23:04 PM

Description/Analysis

Issue Detail: The Regional Water Authority (RWA) serves as the local administrative agent for the State of California's Integrated Regional Water Management Program (IRWM). The Department of Water Resources (DWR) Proposition 84 Implementation Grant Project was established to improve the reliability of water supply systems in the state. On May 22, 2013, the City entered into Project Agreement (2013-0471) with RWA, to participate in obtaining grant funding from DWR for the Sacramento Regional Exterior Water Use Surveys and Upgrades Project. The City was awarded grant funding and revenue and expense budgets were established in the Water Conservation Rebate Program (I14120400) in the amount of \$12,488, of which 100% has been expended.

On November 12, 2014 RWA submitted a multi-agency grant application for Prop 84 IRWM 2014 Drought Grant funding and was awarded \$773,750 in grant funds. The City of Sacramento is a sub-recipient of this award and will receive \$132,840 in grant funding from RWA. This grant award will provide resources for the Water Conservation Rebate Program otherwise funded by City utility funds.

Policy Considerations: Accepting grant funding is consistent with past practices to help offset the costs to ratepayers.

Economic Impacts: None

Environmental Considerations: The Community Development Department, Environmental Planning Services Division reviewed the proposed project and determined that it is exempt from review under the California Environmental Quality Act (CEQA) under Section 15304(b) of the CEQA Guidelines, which covers minor alterations to land. The program to be funded with the grant funds includes the replacement of conventional landscaping with water efficient landscaping.

Sustainability: The project is consistent with the City's Sustainability Master Plan goal by enabling DOU to continue to promote water conservation awareness.

Commission/Committee Action: Not Applicable

Rationale for Recommendation: Approval of this agreement will allow the City to receive grant funding of \$132,840 for the Water Conservation Program (I14120400). The rebate program for irrigation efficiency and turf replacement will help to continue the City's efforts in water conservation awareness. The program allows the City's customers to receive a rebate (up to \$500 for residential and up to \$1,500 for commercial) for removing turf or upgrading irrigation.

Financial Considerations: Under the Project Agreement with RWA, the grant award is \$132,840 and RWA has a 25 percent funding match requirement of \$33,210. The Water Conservation Rebate Program (I14120400) has sufficient funds to meet the City's cost-share of \$33,210.

Staff is recommending that the Water Reimbursable fund (6205) be amended to reflect the grant appropriation of \$132,840 for revenue and expenditure budgets in the Water Conservation Rebate program (I14120400).

Local Business Enterprise (LBE): Any contracts funded with the grant will comply with applicable LBE requirements.

RESOLUTION NO. 2016 –

Adopted by the Sacramento City Council

May 31, 2016

Agreement: Proposition 84 Regional Water Efficiency Drought Measures Grant for the Water Conservation Rebate

BACKGROUND

- A. On May 22, 2013, the City entered into Project Agreement (2013-0471) with the Regional Water Authority (RWA), to participate in obtaining grant funding from the California Department of Water Resources (DWR) for the Sacramento Regional Exterior Water Use Surveys and Upgrades Project. The City was awarded grant funding and revenue and expense budgets were established in the Water Conservation Rebate Program (I14120400) in the amount of \$12,488, of which 100% has been expended.
- B. The RWA subsequently coordinated a multi-agency grant application and was awarded \$773,750 in funding through DWR's Proposition 84 Drought Assistance Grant. The grant funding provided by DWR awarded to RWA, will provide funding to several different agencies, including the City of Sacramento, for the continuing enhancement of the City's Water Conservation Rebate program.
- C. The City is entering into a Project Agreement with RWA to allow the City to accept \$132,840 in grant funding. RWA has a 25 percent match requirement of \$33,210. The Water Conservation Rebate Program has sufficient funds to meet the City's match requirement.

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

- Section 1 The City Manager or the City Manager's designee is authorized to:
- A. Accept the grant award for the Water Conservation Program (I14120400);
 - B. Execute an agreement with the Regional Water Authority, for the allocation of Proposition 84 grant funding to the City, for an amount not-to-exceed \$132,840; and
 - C. Amend revenue and expenditure budgets in an amount not-to-exceed \$132,840, in the Water Reimbursable fund (6205) for the Water Conservation Program (I14120400).

**REGIONAL WATER AUTHORITY
PROJECT AGREEMENT**

REGIONAL WATER EFFICIENCY DROUGHT MEASURES PROJECT

This Agreement is made and entered into as of the __ day of _____, 2015, by and between the Regional Water Authority (“RWA”), a joint exercise of powers authority formed under California Government Code section 6500, and following, and the Members and Contracting Entities of RWA listed in **Exhibit 1** to this Agreement, upon their execution of this Agreement (who are collectively referred to in this Agreement as “Participants”), to provide for carrying out a project or program that is within the authorized purposes of RWA, and sharing in the cost and benefits by the Participants.

RECITALS

A. RWA is a joint powers authority, formed to serve and represent regional water supply interests and to assist its members in protecting and enhancing the reliability, availability, affordability and quality of water resources.

B. The joint powers agreement (“RWA JPA”) pursuant to which RWA was formed and operates, authorizes RWA to enter into a “Project or Program Agreement,” which is defined in the RWA JPA as an agreement between RWA and two or more of its Members or Contracting Entities to provide for carrying out a project or program that is within the authorized purposes of RWA, and sharing in the cost and benefits by the parties to the Project or Program Agreement.

C. Article 21 of the RWA JPA states: “The Regional Authority’s projects are intended to facilitate and coordinate the development, design, construction, rehabilitation, acquisition or financing of water-related facilities (including sharing in the cost of federal, State or local projects) on behalf of Members and/or Contracting Entities. The Regional Authority may undertake the development, design, construction, rehabilitation, acquisition or funding of all or any portion of such projects on behalf of Members and/or Contracting Entities in the manner and to the extent authorized by such Members and/or Contracting Entities as provided in this Agreement, but shall not accomplish these functions, nor acquire or own water-related facilities in its own name.”

D. Article 22 of the RWA JPA states: “Prior to undertaking a project or program, the Members and/or Contracting Entities who elect to participate in a project or program shall enter into a Project or Program Agreement. Thereafter, all assets, benefits and obligations attributable to the project shall be assets, benefits and obligations of those Members and/or Contracting Entities that have entered into the Project or Program Agreement. Any debts, liabilities, obligations or indebtedness incurred by the Regional Authority in regard to a particular project or program, including startup costs advanced by the Regional Authority, shall be obligations of the participating Members and/or Contracting Entities, and shall not be the debts, liabilities, obligations and indebtedness of those Members and/or Contracting Entities who have not executed the Project or Program Agreement.”

E. RWA and the Participants desire to carry out a project and share in the costs and benefits

of the project, as a Project or Program Agreement as provided for in Articles 21 and 22 of the RWA JPA.

F. The RWA Regional Water Efficiency Program (“RWEF”) is an integral part to achieving RWA’s mission and provides a valuable service to RWA and RWEF members.

In consideration of the promises, terms, conditions and covenants contained herein, the parties to this Agreement hereby agree as follows:

1. Recitals Incorporated. The foregoing recitals are hereby incorporated by reference.

2. Defined Terms. Terms defined in the RWA JPA will have the same meaning in this Agreement.

3. Description of the Project. A key element of the RWA RWEF is to support the water conservation programs of the 20 member agencies. As signatories of the Water Forum Agreement (www.waterforum.org), members participating in the RWEF have committed to implementing a number of Best Management Practices for urban water conservation. In addition, 14 RWA members also have committed to the Memorandum of Understanding Regarding Urban Water Conservation as supported by the California Urban Water Conservation Council (www.cuwcc.org) with similar BMPs.

The Regional Water Efficiency Drought Measures Project (“Project”) will accelerate the water conservation goals and programs of the Participants. The primary goal of the Project is to utilize \$773,750 in funding awarded to the RWEF through the California Department of Water Resources’ (“DWR”) Proposition 84 Drought Grant to improve the reliability of water supply systems in the state. To work towards accomplishing this goal, the RWEF identified landscape irrigation efficiencies incentives such as rebates to replace lawns with low-water use plants, irrigation system upgrades and the purchase and installation of weather-based "smart" irrigation controllers as one effective strategy. Participants will conduct water use surveys and provide customers with landscape equipment upgrade recommendations and incentive funding with the goal of increasing onsite irrigation water efficiency. Project Participants are listed in **Exhibit 1**.

Exhibit 2 outlines DWR contractual obligations that all Participants must adhere to if they are to receive any funding for this Project. Grant reimbursable expenses are for the period beginning January 17, 2014 and ending June 30, 2018 per the funding agreement with DWR. A description of the grant project statement of work including reimbursement procedures is included as **Exhibit 3**. Project Participants agree to submit information associated with fulfilling the statement of work in a timely fashion to allow RWA to meet reporting requirements. Additionally all project Participants will calculate and report water savings based on a standard methodology developed by the RWEF project manager.

4. Sharing in Project Costs and Benefits. Subject to the provisions of Articles 8 and 10 of this Agreement, it is anticipated that up to 12 RWA members, contracting agencies and other local agencies will participate in the Project as listed in **Exhibit 1**. Non-RWA members may participate in the Project, but may be subject to a 20% surcharge for any fees collected for the

Project. Agencies that are both non-RWA members and non-RWEP members may be subject to a total 40% surcharge. Surcharges collected are to be designated to the RWA Operating Fund. Each Participant will pay an apportioned share for the project costs, based on their relative estimated benefit received from the grant program, for any fees that need to be collected for the Project.

Exhibit 4 provides an estimate of the benefit for each of the Participants. Note that the grant provides a total of \$773,750 for the Project. **Exhibit 4** serves to identify the grant-reimbursable funds requested by the Participant that have been reserved for its use, unless it requests to release these funds due to non-use. The remaining funds that have not been released as outlined in **Exhibit 4** will be available to Participants on a first-come, first-served basis. Finally, Participants not currently identified in **Exhibit 1** or **Exhibit 4** may be added to this Agreement following its execution subject to availability of funds and approval of the RWA RWEP Program Manager.

In accordance with the provisions of Articles 21 and 22 of the RWA JPA, any debts, liabilities, obligations or indebtedness incurred by RWA in regard to the Project will be the obligations of the Participants, and will not be the debts, liabilities, obligations and indebtedness of those Members and/or Contracting Entities who have not executed this Agreement.

6. Role of RWA. The Executive Director of RWA will: (a) ensure that the interests of Members and Contracting Entities of RWA who do not participate in this Project are not adversely affected in performing this Agreement, (b) provide information to the Participants on the status of implementation of the Project, and (c) administer the grant on behalf of RWA and the Participants consistent with the provisions of this Agreement.

7. RWA Project Management Fee. The management fee to administer the Project has an estimated budget of \$7,040, which is funded in part by the Proposition 84 Drought grant. RWA does not anticipate the need to collect project management fees from Participants for this project. Project management activities include development of project agreements, project guidance, project meetings, quarterly reporting, preparation and submittal of final project reports and ten annual post-project reports as required by the DWR funding agreement. Project management expenses may be incurred by a combination of RWA staff and consulting support as determined by RWA.

8. Authorization to Proceed with the Project. Upon execution of this Agreement, each Participant will be authorized to conduct water use surveys and administer associated incentives up to the amount defined in **Exhibit 4** for each respective Participant.

9. Term. This Agreement will remain in effect for so long as any obligations under this Agreement remain outstanding.

10. Withdrawal. A Participant may withdraw from this Agreement without requiring termination of this Agreement, effective upon ninety days' notice to RWA and the other Participants, provided that, the withdrawing Participant will remain responsible for any indebtedness incurred by the Participant under this Agreement prior to the effective date of withdrawal.

11. Amendments. This Agreement may be amended from time to time with the approval of all of the Participants and RWA.

12. General Provisions. The provisions of Articles 37 through 41, inclusive, of the RWA JPA, and the provisions of Article 10 (“General Provisions”) of any Participation Agreement entered into between RWA and a Participant, will apply to this Agreement.

The foregoing Regional Water Efficiency Drought Measures Project Agreement is hereby consented to and authorized by RWA and the Participants.

Dated: _____, 2015

Dated: _____, 2015

Signature

Signature

Name

Name

Regional Water Authority

Provider

EXHIBIT 1

REGIONAL WATER AUTHORITY

REGIONAL WATER EFFICIENCY DROUGHT MEASURES

PROJECT PARTICIPANTS

Provider

Citrus Heights Water District
City of Folsom
City of Lincoln
City of Roseville
City of Sacramento
City of West Sacramento
Orange Vale Water Company
Placer County Water Agency
Rancho Murieta Community Services District
Rio Linda / Elverta Community Water District
Sacramento Suburban Water District
San Juan Water District

EXHIBIT 2

REGIONAL WATER AUTHORITY

REGIONAL WATER EFFICIENCY DROUGHT MEASURES

DWR CONTRACTUAL OBLIGATIONS FOR PARTICIPANTS

1. State Audit Document Requirements

The list below details the documents/records that State Auditors typically reviewed in the event of a Grant Agreement being audited. Grantees (includes all Participants) should ensure that such records are maintained for each State funded Program/Project. Where applicable, this list of documents also includes documents relating to the Grantee's funding match which will be required for audit purposes.

Internal Controls:

1. Organization chart (e.g., Agency's overall organization chart and organization chart for this Grant Agreement's funded project).
2. Written internal procedures and flowcharts for the following:
 - a. Receipts and deposits
 - b. Disbursements
 - c. State reimbursement requests
 - d. State funding expenditure tracking
 - e. Guidelines, policy(ies), and procedures on State funded Program/Project
3. Audit reports of the Grantee's internal control structure and/or financial statements within the last two years.
4. Prior audit reports on State funded Program/Project.

State Funding:

1. Original Grant Agreement, any amendment(s) and budget modification documents.
2. A list of all bond-funded grants, loans or subventions received from the State.
3. A list of all other funding sources for each Program/Project.

Contracts:

1. All subcontractor and consultant contracts and related, if applicable.
2. Contracts between the Grantee, member agencies, and project partners as related to the State funded Program/Project.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the Grant Agreement.
2. Documentation linking subcontractor invoices to State reimbursement requests and related Grant Agreement budget line items.
3. Reimbursement requests submitted to the State for the Grant Agreement.

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State.
2. Deposit slips or bank statements showing deposit of the payments received from the State.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the Grant Agreement.

Accounting Records:

1. Ledgers showing receipts and cash disbursement entries for State funding.
2. Ledgers showing receipts and cash disbursement entries of other funding sources.

3. Bridging documents that tie the general ledger to reimbursement requests submitted to the State for the Grant Agreement

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and Grantee staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Grantee's

Project Files:

1. All supporting documentation maintained in the Program/Project files.
2. All Grant Agreement related correspondence.

2. Retention. DWR will withhold five percent (5.0%) until January 1, 2018 and ten percent (10.0%) until the grant terminates on June 30, 2018, of the funds requested by RWA for reimbursement of project costs until after all projects are completed and RWA has complied with its obligation to submit all required reports. Upon receipt of the retained funds held by DWR, RWA will distribute those funds to each Participant in accordance with the previously agreed amount due.

3. Acknowledgement of Credit. Participants shall include appropriate acknowledgement of the State and any cost-sharing partners for their support when promoting their projects or using any data or information developed under the Grant.

4. Child Support Obligations. Each Participant acknowledges and agrees that by participating in the grant, it recognizes the importance of child and family support obligations and will fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code. Each Participant also will fully comply with the earnings assignment orders of all employees and will provide the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

5. Drug-Free Workplace. Each Participant certifies, under penalty of perjury under the laws of State of California, its compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 et seq.) and have or will provide a drug-free workplace by taking all of the actions:

- a) Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code Section 8355(a).
- b) Establish a Drug-Free Awareness Program, as required by Government Code Section 8355(b) to inform employees, contractors, or subcontractors about all of the following:
 1. The dangers of drug abuse in the workplace,
 2. Grantee's policy of maintaining a drug-free workplace,
 3. Any available counseling, rehabilitation, and employee assistance programs, and
 4. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
- c) Provide as required by Government Code Sections 8355(c), that every employee, contractor, and/or subcontractor who works under this Grant Agreement:
 1. Will receive a copy of Grantee's drug-free policy statement, and
 2. Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.

6. Nondiscrimination. Each Participant acknowledges and agrees that it shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because

of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave or pregnancy disability leave. Participants shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). Each Participant shall give written notice of its obligations under this paragraph to labor organizations with which they have a collective bargaining or other agreement.

7. Americans With Disabilities Act. Each Participant certifies that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C., 12101 et seq.), and all applicable regulations and guidelines issued pursuant to the ADA.

8. Submission of Reports. Each Participant will provide all reports, data, information, and certifications necessary for RWA to comply with all DWR reporting requirements, including the reports described in Exhibit 3. RWA will provide Participants with template report forms, reporting and instructions and related assistance to ensure the timely preparation and submittal of all reports in the necessary formats required under the Grant Agreement. Participants will timely respond to any RWA requests for additional information and work on required reports.

9. Accounting and Return of Grant Disbursement. Each Participant is obligated to account for the expenditure of all grant funds received. Participant's obligations for accounting, disclosure and return of funds include:

- a) **SEPARATE ACCOUNTING OF GRANT DISBURSEMENT AND INTEREST RECORDS:** Grantee shall account for the money disbursed pursuant to this Grant Agreement separately from all other Grantee funds. Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Grantee shall keep complete and accurate records of all receipts, disbursements, and interest earned on expenditures of such funds. Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by State at any and all reasonable times.
- b) **FISCAL MANAGEMENT SYSTEMS AND ACCOUNTING STANDARDS:** The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of state law or this Grant Agreement.
- c) **REMITTANCE OF UNEXPENDED FUNDS:** Grantee, within a period of sixty (60) calendar days from the final disbursement from State to Grantee of grant funds, shall remit to State any unexpended funds that were disbursed to Grantee under this Grant Agreement and were not needed to pay Eligible Project Costs.

10. State Indemnification. To the extent permitted by law, each Participant agrees to indemnify, defend and hold harmless the State against any loss or liability arising out of any claim or action brought against the State, and against any and all losses, claims, damages, liabilities or expenses, of every conceivable kind, character and nature whatsoever arising out of, resulting from, or in any way connected with: (1) the project or the conditions, occupancy, use, possession, conduct or management of, work done in or about, or the planning, design, acquisition, installation, or construction, of the Project or any part thereof; (2) performing any of the terms contained in the Grant Agreement or any related document; (3) any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the federal Comprehensive Environmental Response, Compensation and Liability Act, Resource Conservation and Recovery Act, Water Pollution Control Act, and Clean Air Act, and the California Hazardous Substance Account Act, Hazardous Waste Control Law and Water Code section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the System; or (4) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein,

in light of the circumstances under which they were made, not misleading with respect to any information provided by the Grantee for use in any disclosure document utilized in connection with any of the transactions contemplated by the Grant Agreement. Grantee agrees to pay and discharge any judgment or award entered or made against the State with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this indemnification shall survive the term of the Grant Agreement.

EXHIBIT 3
REGIONAL WATER AUTHORITY
REGIONAL WATER EFFICIENCY DROUGHT MEASURES
PROJECT STATEMENT OF WORK

Regional Water Authority

Regional Water Efficiency Drought Measures Project Procedures and FAQs

Table of Contents

General Background and Funding Information	12
Project Overview	13
Reporting Requirements	16
Attachment A Example of Itemized Equipment and Labor Invoice.....	19
Attachment B Program Application.....	20

General Background and Funding Information

The Regional Water Authority (“RWA”) serves as the local administrative agent for the State of California’s Integrated Regional Water Management Program. State funding for the Integrated Regional Water Management Program was approved, by voters, in November 2006 through the passage of Proposition 84. Funding for the Regional Water Efficiency Drought Measures Project (“Project”) totaling \$1,000,000 was awarded to RWA’s Regional Water Efficiency Program (“RWEF”) through the California Department of Water Resources’ (“DWR”) Proposition 84 Drought Grant Project as part of the larger Regional Water Efficiency Project.

Regional Water Efficiency Drought Measures are designed to educate and incentivize the Sacramento region's 1.9 million customers to increase water efficiency outdoors where 65 percent of household water use occurs. The project includes three related components: increased public outreach through advertising, media outreach and event participation; irrigation efficiencies such as rebates to replace lawns with low-water use plants, irrigation system upgrades, and the purchase and installation of weather-based "smart" irrigation controllers; and sponsoring the purchasing and installation of irrigation system upgrades and signage at The CapRadio Garden. Capital Public Radio is converting the resource intensive lawn outside their building to a productive, water efficient, edible garden. The Garden will provide a hands-on curriculum that will teach students about healthy food, how it grows and where it comes from through experiential, place based garden activities. The interpretive signs will illustrate the ease of replicating the irrigation system in a residential environment. The rebate program will provide an estimated 1,400 incentives for landscape upgrades and is projected to conserve an estimated 145 acre-feet of water per year (or 1,450 acre-feet over the project's 10-year lifespan). More information about each component is provided below.

1. **Public Outreach** - This effort will provide funding for additional public outreach prioritizing current outdoor drought messaging, selecting desired messages, securing media ad buys, facilitating media outreach activities, and hosting public outreach events to further deliver desired messages to customers.
2. **Irrigation Efficiencies** - Provide 1,400 water use surveys (outdoor water audit) and up to \$500 for single family residential or \$1,500 for large commercial, industrial, or institutional accounts; for each completed survey in irrigation system upgrades including turf replacement. This agreement focuses on this component. Agreements are not applicable for Public Outreach and the CapRadio Garden.
3. **The CapRadio Garden** – This effort will provide funding for the purchasing and installation of drip irrigation and signage in the educational garden.

Table 1 Grant Distribution by Project

Tasks	Project Component	Grant Share
1.	Public Outreach	\$200,000.00
2.	Irrigation Efficiencies	\$773,750.00
3.	The CapRadio Garden	\$10,000.00
	Total	\$983,750.00

Regional Water Authority will manage Task 1. Public Outreach and Task 3. The CapRadio Garden. The participating water providers will manage their own Irrigation Efficiencies programs and submit data to RWA for reimbursement.

The funds for the Irrigation Efficiencies project are proportionally allocated based on each water provider’s initial request and are only applicable to incentives. Water providers will supply local cost share through the water surveys it provides to each participant. Table 2 displays the distribution of Irrigation Efficiencies project funds.

Table 2 – Distribution of project funds

Water Provider	Incentives	Water Surveys	Total
Citrus Heights Water District	\$10,000.00	\$2,500.00	\$12,500.00
City of Folsom	\$91,939.50	\$22,984.88	\$114,924.38
City of Lincoln	\$51,039.50	\$12,759.88	\$63,799.38
City of Roseville	\$194,189.50	\$48,547.38	\$242,736.88
City of Sacramento	\$132,839.50	\$33,209.88	\$166,049.38
City of West Sacramento	\$40,814.50	\$10,203.63	\$51,018.13
Orange Vale Water Company	\$18,319.50	\$4,579.88	\$22,899.38
Placer County Water Agency	\$75,579.50	\$18,894.88	\$94,474.38
Rancho Murieta Community Services District	\$30,589.50	\$7,647.38	\$38,236.88
Rio Linda / Elverta Community Water District	\$10,000.00	\$2,500.00	\$12,500.00
Sacramento Suburban Water District	\$91,939.50	\$22,984.88	\$114,924.38
San Juan Water District	\$26,499.50	\$6,624.88	\$33,124.38
Total	\$773,750.00	\$193,437.50	\$967,187.50

Project Overview

Why Irrigation Efficiencies?

In the Sacramento region, 65% of all household water use is used outdoors. Aside from overwatering and evaporation, water can also be wasted by inefficient, leaking, or broken irrigation systems. This project aims to increase irrigation efficiency for a selection of single family residential and commercial, industrial, and institutional (CII) properties within the RWA region.

Irrigation Efficiency (IE) is a critical measure of irrigation performance in terms of the water required to irrigate a landscape. It can be defined in terms of 1) the irrigation system performance, 2) the uniformity of the water application and 3) the response of the landscape to irrigation. Having an efficient irrigation system is better for the landscape and saves water. Irrigation systems and/or equipment that were inadequately designed, inefficient, or poorly maintained reduce the irrigator's degree of control over the way water is applied.

What is the Irrigation Efficiencies Project?

The Project was developed to help residential and CII customers upgrade and increase the efficiency of their irrigation systems. The Project will provide customers with a free water use survey (outdoor water audit) from their water provider and a list of various recommended irrigation system upgrades to increase efficiency. Examples of efficiency upgrades include: replacing sprayers in non-turf areas

with low volume drip irrigation systems, removing pop-up spray heads in turf areas and replacing them with low precipitation, high distribution uniformity or multi-stream nozzles with an inches per hour (In/h) flow rate of 1.10, installing a pressure regulator on the irrigation system to reduce the pressure to an appropriate level for proper system performance, and installing check valves in low-lying sprinklers to stop excess drainage from seeping from the sprinkler head. Participants may also recommend turf removal to their customers to reduce outdoor water use.

To provide an incentive to the customer to implement the recommended landscape upgrades to their property, the Project offers a rebate of up to \$500 per residential survey/meter and \$1,500 per CII survey/meter. The rebate only covers the recommended turf removal and/or irrigation system upgrades provided to the customer during the initial water use survey. The rebate may also be used to cover labor costs to install the recommended efficient irrigation and pressure regulating equipment. Labor costs are limited to \$150 for residential survey/meter and \$500 for CII survey/meter. Itemized receipts for equipment are required to receive a rebate. If a participant requests reimbursement for labor, a detailed invoice from a licensed landscape contractor (contractor must have a current State of California C27, D12, or C36 license) must be submitted with labor and equipment costs listed individually, see Attachment A for an example. Rebates will only be administered to the property owner of record for each participating site. The unit cost of irrigation equipment installed must not exceed the manufacturer's suggested retail price.

What irrigation and pressure regulating equipment does the rebate cover?

Participating water provider staff will determine site appropriate equipment based on the efficiency needs of an individual property. Eligible equipment includes:

- Smart Irrigation Controllers (Controller must be on the SWAT-tested list, which can be found at www.irrigation.org/swat/)
- Drip irrigation systems
- Replacing mis-matched sprinkler heads with like-kind heads.
- Water pressure-regulating devices
- Check valves
- Low precipitation, high distribution, uniformity or multi stream rotating nozzles
- Rain shut off devices and/or moisture sensors

Equipment installation is covered by the rebate. Who is responsible for installation?

The residential or CII customer is ultimately responsible for equipment installation. However the customer may choose to hire a third party or landscape contractor for equipment installation and may be reimbursed through the Program, up to the limits described above. If the customer chooses to hire a landscape contractor and wants to be reimbursed by the Program, the work must be performed by a State of California licensed landscape contractor that holds a C27 or D12 specialty license (or a C36 plumbing license for pressure regulation equipment installation) and a business license. Although customers should be reminded to check the licensing status of any contractor they hire and that rebates will only be provided for work by licensed contractors, it is the water provider's responsibility to confirm that the contractor has a valid license. The application provides helpful tips so that the customer can also check to verify their own contractor as well. Additionally Green Gardener Trained Professionals may meet the above qualifications. To find a Green Gardener and check their qualifications, customers may visit BeWaterSmart.info.

What about Turf Replacement?

The Irrigation Efficiencies Project includes reimbursement to the water provider for paying customers to remove turf. Guidelines for this component are the same as other irrigation efficiency components. A pre-project inspection is required as is a post-project inspection. Water providers with Turf Replacement programs will follow their agency's rules and guidelines for turf replacement.

What are the basic steps for this project?

1. Customers submit completed application to their water provider.
2. Application is received, rebate funds are confirmed, and the water provider contacts and schedules a water use survey (referred to as a "Pre-Qualification Evaluation" on the Program application).
3. The on-site Pre- Qualification Evaluation is completed. Both the applicant and the water provider must sign and date the Pre- Qualification Evaluation form.
4. Customers receive a list of water provider/consultant-recommended irrigation system upgrades. Upgrades must be made using items from eligible equipment list to receive a rebate (see above) and may include removal of turf.
5. Customer purchases and installs recommended upgrades as well as schedules Post-Installation Inspection.
6. An onsite Post-Installation Inspection is completed by the water provider/consultant. Water provider/consultant collects the Pre-Qualification Evaluation form and receipts for recommended irrigation system upgrades. Submission of the receipts and form are required to be eligible for a rebate under this Program. If the contractor purchased the materials on behalf of the customer, a detailed invoice showing separate line-items for materials and labor is required. Rebates will not be processed until a Post-Installation Inspection has occurred.
7. Once-approved, a rebate will be issued by the water provider to the customer within 90 days from the date of Post-Installation Inspection.
8. Water provider will submit rebate reporting data and invoices for reimbursement to RWA on a quarterly basis.

What is required of the customer to receive the rebate?

- Fill out Project application and submit to water provider.
- Schedule and complete a Pre-Qualification Evaluation administered by water provider or consultant.
- Purchase irrigation system equipment upgrades specifically recommended on the Pre-Qualification Evaluation form.
- Install recommended irrigation system equipment.
- Schedule and complete a Post-Installation Inspection administered by water provider or consultant.
- Submit recommended irrigation system equipment receipts and Pre-Qualification Evaluation form to water provider.

What is required from the water provider or consultant?

- Outreach to the water provider's customers about the Project through bill inserts, website, phone "on hold" messages, newsletters, etc.

- Process customer application.
- Schedule and complete Pre-Qualification Evaluation and associated form.
- Provide instructions to customer on how to schedule the Post-Installation Inspection after the customer has installed equipment.
- When requested by customer, schedule and complete Post-Installation Inspection.
- Collect Pre-Qualification Evaluation form and customer receipts and retain all documentation from Project in case of audit from DWR.
- If approved, issue rebate check or account credit to customer.
- Complete reporting requirements and submit to RWA according to the schedule provided in Table E of this document.

How will outreach be handled by each water provider?

Program outreach is the responsibility of each water provider. The phrase “This Program is financed under the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84, Chapter 2), administered by State of California, Department of Water Resources.” must be present on all outreach materials including websites.

Can a water provider give multiple rebates to a site with multiple dedicated landscape meters?

Yes, if a CII property has multiple dedicated landscape meters a water provider can choose to provide multiple rebates to a property given that water savings are not compromised. In summary, a water provider can choose to provide one rebate per property or one rebate per meter for CII. These sites must be clearly identified in the quarterly reporting documents. For residential rebates, only one rebate per household is permitted.

Reporting Requirements

Each participating water provider needs to complete a Pre-Qualification Evaluation (water use survey) and Post-Installation Inspection. The water use survey components will be determined by each participating water provider but should be in line with industry standards. As part of the Pre-Qualification Evaluation, the water provider must provide the customer with a list of recommended irrigation upgrades that are appropriate for the site and that are eligible to receive rebate money through this grant. During the Post-Installation Inspection, the water provider must confirm that recommended irrigation upgrades were installed and are properly functioning. This ensures the changes made by the customer will result in water savings for the water provider.

The water provider also needs to complete the Irrigation Efficiency Data Collection worksheet for each survey, which contains three tabs: Water Surveys (Table C), Irrigation Efficiencies (Table D) and Post-Project Reporting.

Table C

Water Surveys	
Employee Name	Name of Employee
Position	Position held by the employee
Task	Task done by the employee or contractor: i.e. Pre or Post Inspection, data entry, etc.

Date	Date task accomplished
Labor (hrs)	This is the amount of time spent on the task; do not enter any time less than 15 minutes.
Loaded Hourly Rate	Hourly rate with Benefits does not include overhead.
Total	Labor Hours multiplied by Loaded Hourly Rate

Water Surveys may be conducted by water provider staff or by a consultant. Water providers are required to comply with all applicable laws and regulations regarding securing competitive bids and undertaking competitive negotiations. Consultant invoices must be itemized (example in **Exhibit 5**).

Table D

Irrigation Efficiencies	
CUSTOMER DATA	
Customer Name	Name of customer receiving survey & incentives
Address	Site street address-physical property location not the mailing address.
Street Name	Street name
City	City
Zip	Zip Code
Parcel Number	Assessor’s Parcel Number from County records
Water Provider Acct	Customer water provider account number
PRE-INSTALL WATER USAGE (1 year)	
Jan-Dec	Enter usage data by billing cycle
Units	Units of measure for the usage data (af, ccf, etc...)
INCENTIVES	
Application ID	Application number (provider provided tracking number)
Size of Landscape Area in Sq Ft	Square feet of landscape area
Controller	Amount rebated for SWAT-tested Controller
Pressure Regulator Equipment	Amount rebated for Pressure Regulator Equipment
Drip or Low Volume Equipment	Amount rebated for Drip or Low Volume Equipment
Sprinkler Heads or Nozzles	Amount rebated for Sprinkler heads or nozzles
Pipe & Pipe Fittings	Amount rebated for Pipe & Pipe Fittings
Turf Replaced Area in Sq Ft)	Square feet of turf removed
Turf Rebate	Amount rebated for turf replacement
Total amount customer spent	
Total Amount paid to customer	Total amount paid to the customer
Controller Manufacturer	Manufacturer of Irrigation Controller
Controller Model	Model of Irrigation Controller
Business Name	Name of business, if applicable
Business Type	Type of business, use drop down menu

POST-INSTALL WATER USAGE (1 year)

Jan-Dec

Enter usage data by billing cycle

Units

Units of measure for the usage data (af, ccf, etc...)

Please note the project requires pre- and post-meter data for each survey. Monthly or bimonthly billing cycle data is required for one year prior to irrigation upgrade installations and one year after irrigation upgrade installations. After initial post-installation data (in coordination with billing cycles) reporting for one year, data reporting to RWA is still required on an annual basis (not by billing cycle) for all accounts that received a rebate/irrigation upgrade installation until 2025. Annual account water use data will be collected in the Post Project Reporting Tab and will include customer data as defined in Table D and will include annual account water use.

DWR has also requested the number of items included in the rebate. For example if the customer purchased 50 sprinkler heads enter that data in the reporting spreadsheet.

The above information will be used by RWA to invoice the Department of Water Resources on a quarterly basis and provide Program participants with updates. Table E displays the reporting schedule. Water providers must submit data to the RWA by the deadlines provided below.

Table E

Quarter 1	Quarter 2	Quarter 3	Quarter 4
	7/1/2015	10/1/2015	1/1/2016
4/1/2016	7/1/2016	10/1/2016	1/1/2017
4/1/2017	7/1/2017	10/1/2017	1/1/2018
4/1/2018	6/1/2018		

Attachment B.

PROGRAM APPLICATION



Regional Water Authority Irrigation Efficiency Rebate Program



Instructions: Completely fill in Sections 1-7 of the application and submit to water provider.

1. Name and Address:

2. Application Date:

Applicant Name (Rebate Check/Credit Payable To)

Mailing Address

City

State

Zip

Company Name (if different than Applicant Name)

Daytime Phone No.

Email

Site Name and Site Address (For Commercial, Industrial, and Institutional properties or if different from Mailing Address above)

City

State

Zip

Water Account Number

Site Assessor's Parcel Number (APN)*

*APN can be found online by County. Sacramento County: assessorparcelviewer.saccounty.net/ and Placer County: lis.placer.ca.gov/gis.asp

3. Who is your water provider? (See list of participating water providers below.)

Participating Water Providers:

Citrus Heights Water District	City of Sacramento	Rancho Murieta CSD
City of Folsom	City of West Sacramento	Rio Linda / Elverta CWD
City of Lincoln	Orange Vale Water Company	Sacramento Suburban Water District
City of Roseville	Placer County Water Agency	San Juan Water District

4. Which of the following best describes your property? (Please circle one)

Single Family Residential	Multi Family Residential	Commercial: Small or Large	Industrial/ Manufacturer	Institutional: School, Health Care, Government, other
---------------------------	--------------------------	----------------------------	--------------------------	---

5. Terms and Conditions

- The applicant applying for the rebate must be a water service customer of one of the above participating water providers and the site where the equipment is to be installed must receive water service from one of the those providers.
- The site must currently be metered and have a minimum of 12 months of metered usage data.
- Rebates are only available to improve existing in-ground irrigation systems and/or automatic timers. New irrigation system installations are not eligible.
- The maximum rebate for irrigation system efficiency upgrades is \$500 per residential meter and \$1,500 per Commercial, Institutional, and Industrial (CII) meter. Rebate may include materials and labor (installation) costs. Material cost per unit must not exceed manufacturer's suggested retail price. Installation is the sole responsibility of the applicant. However the applicant can choose to hire a licensed (State of California C27, D12, or C36 license) landscape contractor. To confirm that a contractor holds a valid license visit www.cslb.ca.gov. Installation costs from a licensed landscape contractor can be reimbursed through this Program for up to \$150 per residential meter and \$500 per CII meter, for a total rebate not to exceed above

EXHIBIT 4

**REGIONAL WATER AUTHORITY
REGIONAL WATER EFFICIENCY DROUGHT MEASURES PROJECT**

ESTIMATED BENEFITS

Water Provider	Surveys	Grant Share
Citrus Heights Water District	18	\$10,000.00
City of Folsom	166	\$91,939.50
City of Lincoln	92	\$51,039.50
City of Roseville	351	\$194,189.50
City of Sacramento	240	\$132,839.50
City of West Sacramento	74	\$40,814.50
Orange Vale Water Company	33	\$18,319.50
Placer County Water Agency	137	\$75,579.50
Rancho Murieta Community Services District	55	\$30,589.50
Rio Linda / Elverta Community Water District	18	\$10,000.00
Sacramento Suburban Water District	166	\$91,939.50
San Juan Water District	48	\$26,499.50
Total	1,400	\$773,750.00