



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** December 4, 2012

**TO:** Mayor and Councilmembers

**FROM:** Water Resources Division, Public Works Department

**SUBJECT:** Contract For Technical Services For The Commercial, Industrial And Institutional Water Use Survey And Incentive Program

### **RECOMMENDATION:**

That Council authorize the Public Works Director to execute a contract with Maddaus Water Management in the amount of \$64,000 for technical services for the Commercial, Industrial and Institutional Water Use Survey and Custom Incentive Water Conservation Program, and authorize the Public Works Director to approve expenditures of up to \$6,400 for extra services of Maddaus Water Management that may result from necessary changes in the scope of work.

### **DISCUSSION:**

#### **BACKGROUND**

The City's Long-Term Water Supply Plan Water Conservation Policy states that the City will operate a Water Conservation Program aimed at minimizing the use of potable water supplies, meeting the requirements of the California Urban Water Conservation Council Best Management Practices, and achieving compliance with 20 X 2020 per capita water use limitations. The Commercial, Industrial and Institutional (CII) Water Use Survey and Custom Incentive Water Conservation Program (CII Program) was developed through the technical analysis and modeling of the City's Water Conservation Program to develop cost effective water conservation measures as part of the Long-Term Water Supply Plan. CII customers typically have more constant water demands and more difficulty in reducing demand, even in periods of drought, than residential customers. For many years, City staff has conducted Level 1 water use surveys (water checkups) for commercial water customers and found them to be an effective tool for water conservation. As part of the Water Conservation Program technical analysis, it was determined that there is a potential for significant water savings by conducting Level 2 water use surveys, focusing on a specific subset of the City's CII customers, the highest water consumption customers. These surveys require a trained technical professional.

Project Description:

The CII Program will consist of the City offering CII water use surveys and custom incentives to targeted high water using CII customers within the City's water service area. Maddaus Water Management (Maddaus) will provide water use efficiency experts to conduct an onsite water use survey of the program participant's site. City staff will team up with Maddaus to perform surveys and will be trained to conduct Level 2 water use surveys for the future. The surveys will determine potential methods and/or equipment that the surveyed businesses can employ to reduce their site's water consumption, which will be specific to the type of business being evaluated. Maddaus will provide each business with a written report detailing specific water efficiency opportunities to make their on-site operations more efficient. Once the survey has been completed, the City, with assistance from Maddaus, will analyze the recommended project's cost benefit ratio to determine if the site qualifies for a financial incentive. Incentives of up to \$5,000 per site will be provided to help offset the cost of the equipment or other modifications needed for the water conservation improvements. The goal is for the CII customer to implement the suggested conservation methods and thereby reduce their potable water consumption.

The objective of the project is to complete ten surveys of the City's highest water using CII customers over the next two years and offer cost effective incentives to those ten sites. The CII Program is cost effective based on the technical analysis and modeling of the City's Water Conservation Program.

Maddaus was selected as part of an RFP process that included requesting proposals from eight qualified firms in California. Maddaus was the only firm that submitted a proposal to the City. The feedback staff received from firms who did not respond to the RFP was that it wasn't cost effective to offer their services due to the City's small number of CII customers eligible for a Level 2 water use survey and the travel time.

The Water Commission reviewed the proposal on November 12, 2012 and voted to recommend Council approval.

**SUSTAINABILITY IMPACT:**

Estimated water savings is 19 acre feet per year (AFY), which is the average amount of water used by 57 families in a year. This reduces the need to develop new water supplies and also eliminates the need to treat this amount of water and wastewater.

**BUDGET/FINANCIAL INFORMATION:**

Costs paid for installation of water conservation equipment or practices will have ongoing water consumption savings. It is projected that 19 AFY of demand can be eliminated. Costs for incentives are additional to the cost for the consultant contract. Assuming the City will avoid having to produce water at a cost of \$600 per acre foot, the payback period for the consultant cost is just under six years. The City already offers incentives to residential and commercial customers for water conservation equipment. Funding for this program was included in the Fiscal Year 2013 Water Budget.

**PREPARED BY:** Rebecca Bjork, Water Resources Manager/AJ/mh

**SUBMITTED BY:** Christine F. Andersen, Public Works Director

**APPROVED BY:** City Administrator's Office