



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** February 11, 2014

**TO:** Mayor and Councilmembers

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

**SUBJECT:** WaterSMART Grant Lead Applicant For One-Stop Rebate Program

### **RECOMMENDATION:**

That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Approving an Application for Funding and the Execution of a Grant Agreement for the U.S. Bureau of Reclamation WaterSMART Grant for California Urban Water Conservation Council One-Stop Rebate Program.

### **DISCUSSION:**

Staff is proposing that the City partner with the California Urban Water Conservation Council (CUWCC) on the U.S. Bureau of Reclamation (USBR) WaterSMART Water and Energy Efficiency Grant for the One-Stop Rebate Program, with the City acting as the lead grant applicant. CUWCC will administer the One-Stop Rebate Program for the City as well as the other partnering agencies in the proposed grant program. The other agencies are: California American Water, Carpinteria Valley Water District, Casitas Municipal Water District, Dublin San Ramon Services District, Lake Arrowhead Community Services District, City of Napa, City of Redwood City, City of Ventura, and Goleta Water District. The funding request for the rebates includes a variety of measures such as smart irrigation controllers, replacing high water using turf grass with waterwise landscaping, and high efficiency clothes washers.

The grant application is for a two-year, \$285,000 grant, with a \$285,000 local cost share provided by the CUWCC and the partnering agencies. The City's cost share will be \$28,500. Awards will be announced by USBR in May 2014, with contracts issued by September 30, 2014.

The CUWCC received Proposition 50 funding through the California Department of Water Resources in 2006, allowing the CUWCC and its small to mid-size member agencies to offer the cost-effective Smart Rebate Program to customers to provide incentives for purchasing water efficient products. As of the end of 2013, the CUWCC had expended all funding through this original grant, and many CUWCC members, including the City, have expressed an interest in continuing the program. The City

issued the following rebates to City water customers through the CUWCC's Smart Rebate Program: 832 residential high efficiency washers, 230 residential high efficiency toilets, 111 residential ultra-low-flow toilets, 255 commercial high efficiency toilets, 18 high efficiency urinals, and 18 high efficiency water brooms. The CUWCC has a proven track record with its existing Smart Rebate Program, and participating agencies have indicated a high level of customer satisfaction with the program

The City is serving as the lead grant applicant agency because the USBR grant program is only available to organizations with water or power delivery authority. Thus, the CUWCC asked the City to act as the lead applicant agency so that this service can continue. If the grant proposal is accepted by USBR, the City would contract with USBR to accept the grant, and also contract with CUWCC to administer the One-Stop Rebate Program to provide the rebate program to the City and the other partnering agencies.

The City will be the official applicant as a federal contractor, with the financial and legal responsibilities associated with contract requirements. The CUWCC's intent is to assume the full workload of the program in order to keep the City's efforts to a bare minimum.

By offering a joint rebate program administered through the CUWCC, the City, along with other partnering agencies, can achieve the economies of scale by banding together under one umbrella to provide a full service, high volume residential and commercial program for water efficiency measures.

**BUDGET/FINANCIAL INFORMATION:**

If the grant is awarded, the City will receive an estimated \$28,500 from the USBR grant, which is 10% of the total grant request amount. The cost to the City will be a matching \$28,500 over the next two fiscal years which is a planned expense for the Water Fund.

**SUSTAINABILITY IMPACT:**

Estimated water savings for the City's portion of the One-Stop Rebate Program is a total of 410 acre feet over a 10-year period.

**PREPARED BY:** Joshua Haggmark, Acting Water Resources Manager/AJ/mh

**SUBMITTED BY:** Rebecca Bjork, Acting Public Works Director

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