

Allocation of Grant Savings to Remaining Retail Agencies



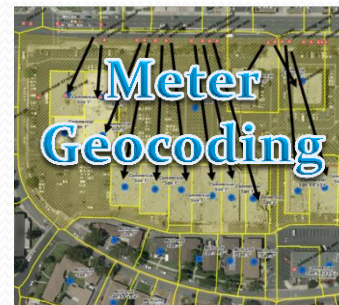
Conservation-Based Water Rates



Ian Achimore
Senior Watershed Manager
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April 26, 2018

Emergency Drought Grant Program Components

Focus of presentation is on
Conservation-Based Water Rates



Scope of Conservation-Based Rates Component

- SAWPA provides funding and technical assistance (w/ Tom Ash of IEUA) to retail water agencies
- Funding = \$215,030 per retail water agency
 - Two phased funding approach (50% : 50% split of \$215,030) to incentivize adoption



Partnership with Retail Agencies



Summary by Retail Agency

Sub-Grantee	Conservation-Based Rates Status
Chino	Study finalized; rate hearing in June 2018.
Chino Hills	Study finalized; rate hearing on May 8, 2018.
Cucamonga Valley Water District	Rate study finalized; Board decided not to utilize rates on September 20, 2017.
East Valley Water District	Rate study finalized; Adopted rates on June 2015.
Garden Grove	Rate study finalized; Council decided not to utilize rates on August 22, 2017.
Hemet	Ongoing study; briefing management.
Rialto	Rate analysis finalized April 2018; moving forward with rates after deadline of Grant Agreement.
San Jacinto	Rate study finalized; Council decided to not utilize rates on December 5, 2017.
Tustin	Rate study draft finalized; moving forward with rate setting process after deadline of Grant Agreement.

Major Reasons Retailers End Participation in Rates Component

- A. Issues with out-of-date billing systems that cannot calculate water-use budgets at the customer level,
- B. Results from their recent rate studies that analyzed the implementation of conservation-based rates,
- C. Decisions by their councils/boards, and
- D. Feedback from management.



Retailer:

Major Reason:

D

B, C

B, C

A

B, C

Remaining Cities Participating

Chino



Prop 218 Hearing:
June 2018
Implement rates if adopted:
November 2018

Chino Hills



Prop 218 Hearing:
May 8, 2018
Implement rates if adopted:
July 2018

Hemet



Rate study draft,
Briefed City Council
Members and
Management Team,
Scheduling Follow Up
Workshops.

Applying Savings to Three Agencies

- Grant savings from 5 agencies ending participation:
 - \$711,000 total
- Allocated between 3 remaining cities to serve as a further incentive to adopt rate structure:
 - \$237,000 per city
- Additional \$237,000 would increase Sub-Grantee agreements to \$450,000 per agency

Incentivizing Rate Adoption



Initial Allocation

Phase 1 (Study)	Phase 2 (Adopt and Implement)	Total Sub-Grantee Agreement
\$107,515	\$107,515	\$215,030

Proposed Allocation

Phase 1 (Study)	Phase 2 (Adopt and Implement)	Total Sub-Grantee Agreement
\$107,515	\$344,789	\$452,303

Ensuring All Funding is Utilized

- Chino Hills and Chino are moving forward with rates at an accelerated pace.
- Hemet has projected that they can cover their projected rate conversion costs within the new Sub-Grantee agreement amount of \$450,000.
- If any of the cities do not need up to \$450,000, those left over funds would be allocated amongst the others.



Recommendation

Approve the following:

- 1) Distribution of the Conservation-Based Water Rates Project's cost savings to the three remaining participating cities: Chino, Chino Hills and Hemet;
- 2) Preparation and execution of amendments to the three cities' Sub-Grantee agreements.



Emergency Drought Grant Program

Retail Water Agency Meter and NAICS Geocoding Program

Status Update

Rick Whetsel
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Santa Ana Watershed Project
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April 26, 2018



Program Objectives

- Provide comprehensive water meter geocoding (account matching) services
- Classify commercial, industrial and institutional (CII) accounts using North American Industry Classification System (NAICS) coding
- Identify of mixed meter CII accounts as defined in the State's final report entitled, Making Water Conservation a California Way of Life, Implementing Executive Order B-37-16.
- Implement for a minimum of six retail water agencies located within the Santa Ana River Watershed and the EMWD and WMWD service areas within the Upper Santa Margarita Watersheds.
- SAWPA staff and Conservation Advisory Workgroup will coordinate with consultant through regular meetings.



Program Highlights

- Miller Spatial selected to implement the Program
- Up to \$300,000 in Prop 84 Grant funding authorized by SAWPA PA 22 Committee
 - Funding allocated on a first come / first serve basis
- Project completion estimated
 - October 31, 2018



Interested Agencies

- Monte Vista Water District
- Rancho California Water District
- Mesa Water District
- Fontana Water Company
- City of Chino Hills
- Cucamonga Valley Water District
- City of Ontario
- City of Upland
- City of Chino
- Western Municipal Water District
- Jurupa Community Services District
- City of Corona
- City of Norco
- Eastern Municipal Water District
- City of San Bernardino
- West Valley Water District
- Anaheim City
- Yorba Linda Water District
- Irvine Ranch Water District
- East Orange County Water District



Status Update

Agencies	Task 1: Agency Outreach & Data Consultation	Task 2A: Technical Approach	SubTask 2A: Water Meter Account to Water Meter Service Area Matching Services (METERS)	SubTask 2B: Account Classification Services (NAICS)
Rancho California WD	Complete	Agreement	Complete	Complete
Monte Vista WD	Complete	Agreement	Complete	Complete
Mesa WD	Complete	Agreement	Complete	Complete
Jurupa CSD	Additional Requests	Agreement	Complete	Complete
Irvine Ranch WD	Complete	Agreement	In Process	Complete
Western MWD	Complete	Agreement	In Process	Complete
Yorba Linda WD	Complete	Agreement Finalizing	In Process	Complete
San Bernardino City WD	Complete	In Process	In Process	In Process
Fontana WD	Complete	Agreement Finalizing	In Process	In Process
Cucamonga Valley WD	Complete	Agreement Finalizing	In Process	Complete
Upland City WD	Additional Requests	In Process	In Process	In Process
West Valley WD	Complete	Agreement Finalizing	In Process	Complete
Eastern MWD	Complete	Agreement Finalizing	Waiting	In Process
Anaheim City WD	Complete	Contacted	Waiting	In Process
Norco City WD	Complete	Contacted	Waiting	In Process
Corona City WD	Complete	Contacted	Waiting	In Process
Ontario City WD	Complete	Contacted	Waiting	In Process
Chino Hills City WD	Complete	Contacted	Waiting	In Process
East Orange County WD	Complete	Contacted	Waiting	In Process
Chino City WD	Contacted	Not Started	Not Started	Not Started

Questions?



- <https://millerspatial.maps.arcgis.com/apps/SummaryViewer/index.html?appid=64bdd2a460b447d68a85ef00b437920c>





Emergency Drought Grant Program Update



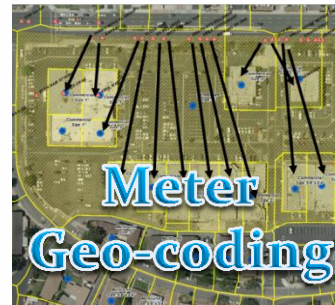
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April 26, 2018

Emergency Drought Grant Program Components

Project 1: Conservation Based Reporting Tools and Rate Structure Implementation



Project 2: High Visibility Turf Removal and Retrofit



Note the Following Items Before Reading Charts

- The dates and funding amounts provided for project completion assume the DWR approves the amendment request approved by the PA 22 Committee on August 24, 2017.
- The funding amounts for Project 2 show that the Sub-Grantee agreements have been amended, per the approval of the PA 22 Committee on August 24, 2017. That action increased the funding available to Eastern Municipal Water District, Inland Empire Utilities Agency and Western Municipal Water District.
- The funding amounts reflect the latest invoices that have been submitted to SAWPA by February 28, 2018.

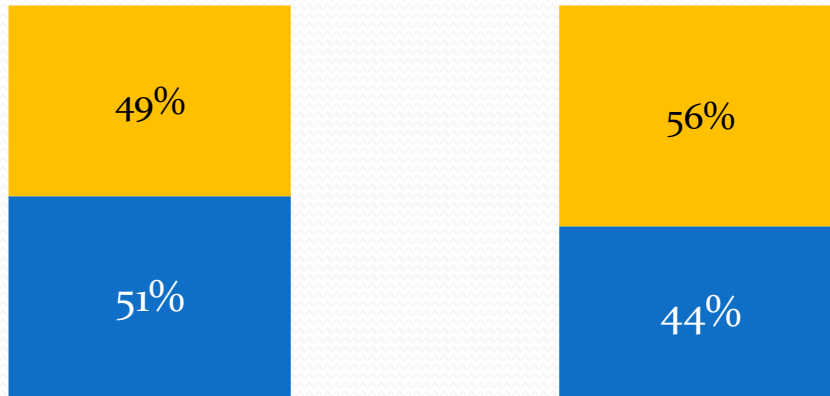
Overall Program Status

	Grant	Required Funding Match	Total
In Grant Agreement	\$ 12,860,110	\$ 7,051,533	\$ 19,911,643
Invoiced (\$)	\$6,192,209	\$ 5,943,834	\$12,136,043
Invoiced (%)	48%	84%	61%

Status by Individual Project

Grant Funds Invoiced

■ Invoiced ■ Not Invoiced



Project 1

Project 2

Scheduled dates of completion:

Project 1: Dec 2018

Project 2: Dec 2018

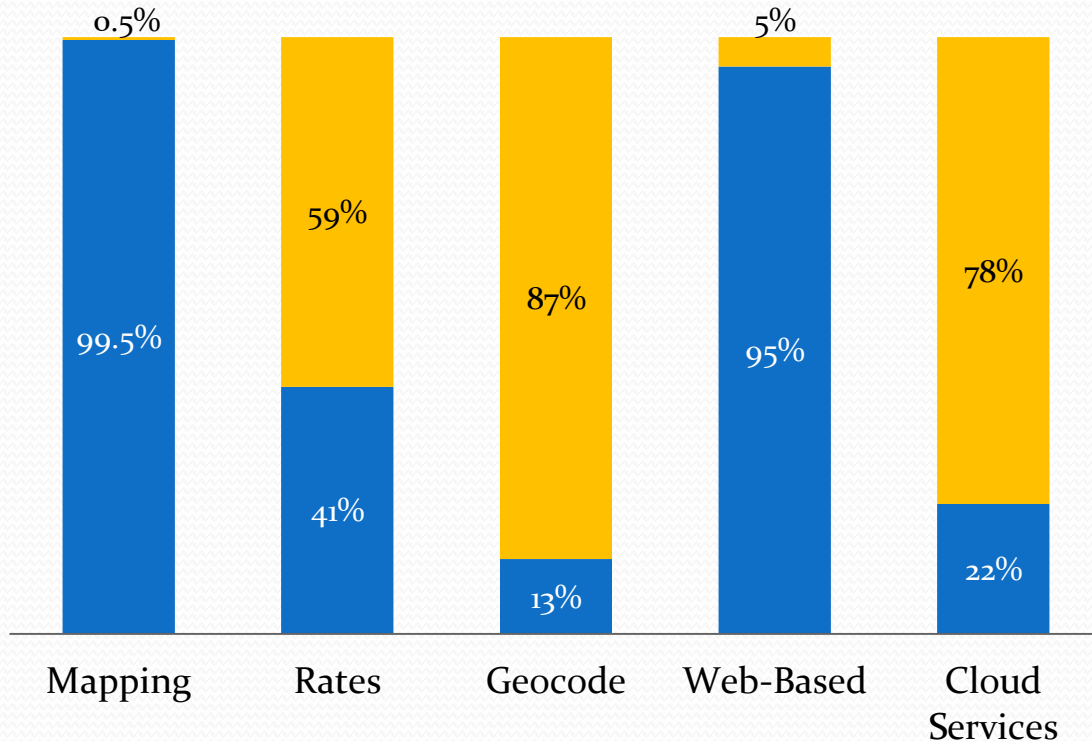




Status by Component (Project 1)

Grant Funds Invoiced

■ Invoiced ■ Not Invoiced



Scheduled dates of completion:

Mapping: (Completed) July 2017

Rates: Dec 2018

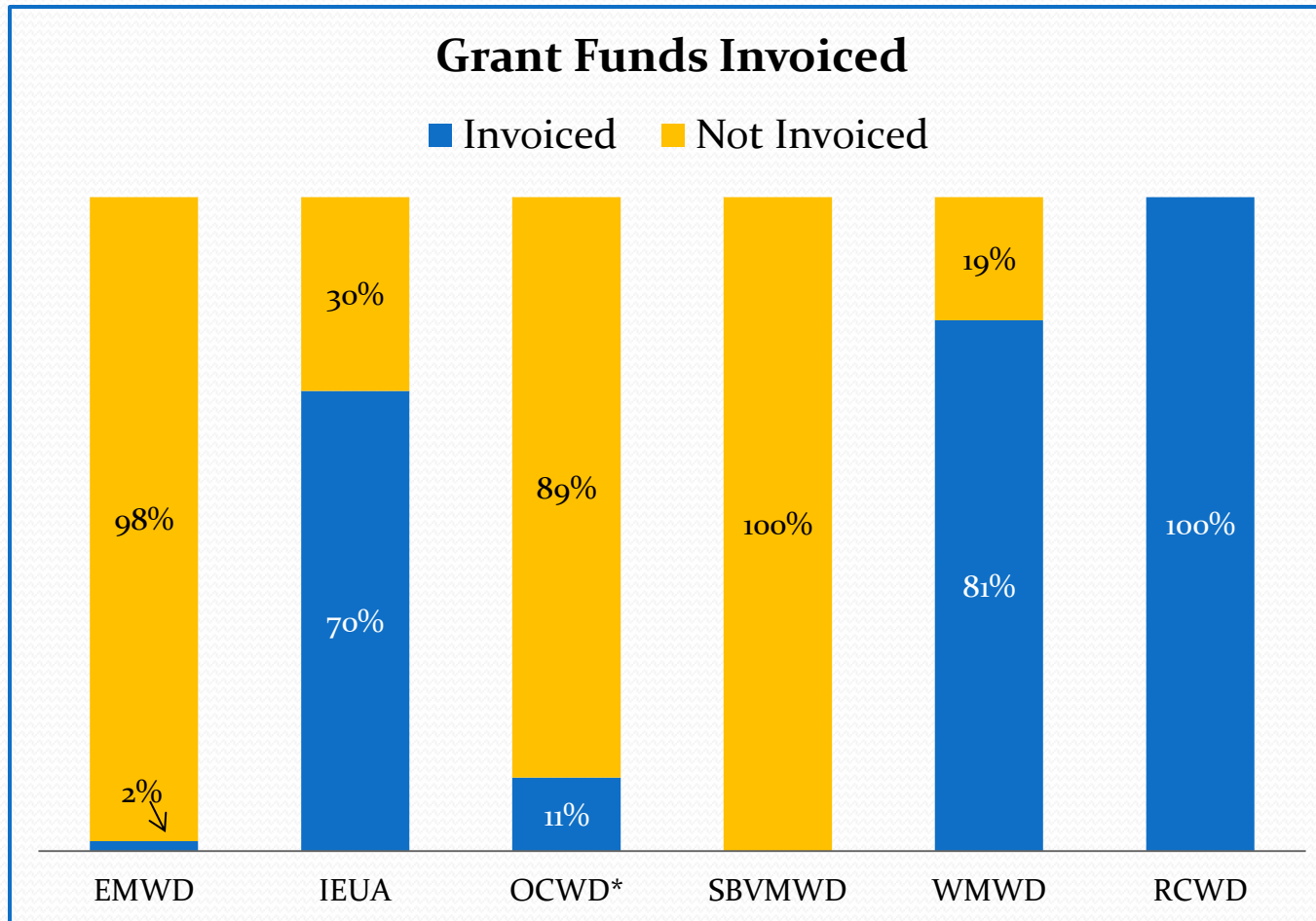
Geocoding : Dec 2018

Web-Based Tool: June 2018

Cloud Services : August 2018



Status by Agency (Project 2)



Scheduled date
of completion:

Dec 2018

*OCWD has an agreement with MWDOC that passes down the conditions from their Sub-Grantee agreement to MWDOC



Turf Invoicing

- Although not all invoices have not been received, the Sub-Grantees are making major progress and projects are being implemented.
- Some of the agencies are choosing to hold invoices until their overall turf removal program in their service area is complete.
- By holding invoices, a final and comprehensive invoice package that includes an agency's total turf removal costs can be submitted to SAWPA, which is beneficial for accounting and administration.



Questions



Changes to Metropolitan Water District's Water Use Efficiency Programs



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April 26, 2018

MWD Budget Approval

- Adopted biennial budget for FYEs 2019 and 2020
 - Allocated \$86M to Water Use Efficiency (WUE) Programs
 - Option to draw \$66M from carryover funding for total of \$152M
- Adopted new Landscape Transformation Program



*THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA*

Landscape Transformation Program

- Offered as a rebate to residential, commercial and public agencies to install water savings landscapes.
 - Proposed rebate would be \$1 per square foot of turf removed.
 - MWD member and retail agencies can add funds to MWD's \$1 per square foot, if desired.
- Will include sustainable landscaping requirements, such as swales, dry river beds, or rain barrels.



New Program to Compliment Drought Grant

- Landscape Transformation Program may compliment the Emergency Drought Grant Program because the rebates offered to customers by the PA 22 / MWD member agencies can be coupled with the Prop 84 grant funds.
- PA 22 decided in August 2017 to amend the Sub-Grantee agreements with EMWD, IEUA and WMWD to increase their allocation of grant funds using the Grant Program's costs savings, but left a "cushion" of **\$83k** of the cost savings unallocated.
- The **\$83k** could be utilized to compliment this new Program as MWD is requiring agencies to finalize their project within six months after an application is submitted.



MWD's Member Agency Administered Programs



- MWD also adopted a provision that up to 25% of a member agency's allocation, which are provided through their Member Agency Administered (MAA) programs, can be available for projects that include:
 - Consumer landscape education workshops,
 - Storm water capture workshops,
 - Consumer landscape design help, and
 - Public agency demonstration gardens.
- May be of interest to the PA 22 Committee and SAWPA plans to discuss with the Committee member's staff if a regional and multi-agency effort could be funded through this new MAA funding policy.



Questions