

GRANT AGREEMENT AMENDMENT NO. 2 AND GRANT COST SAVINGS



Project Agreement 22
Committee

November 21, 2019

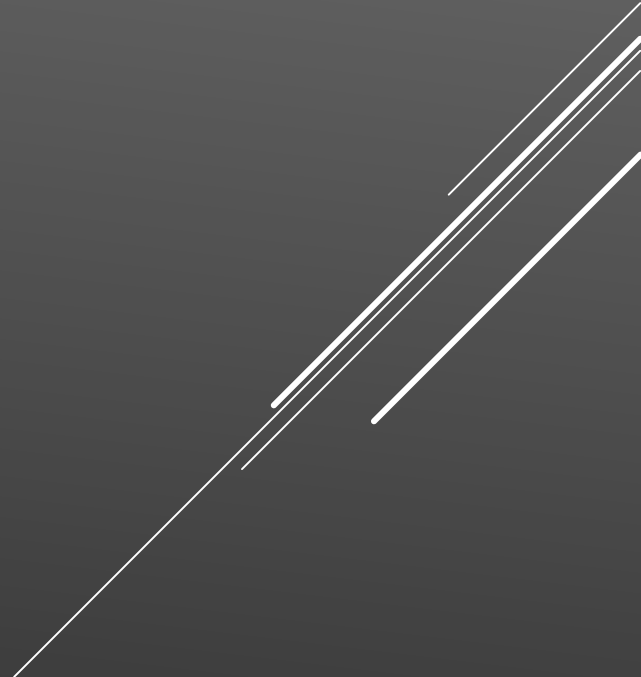
AGREEMENT TIMELINE

SAWPA IRWM Funding Area Grant Agreements

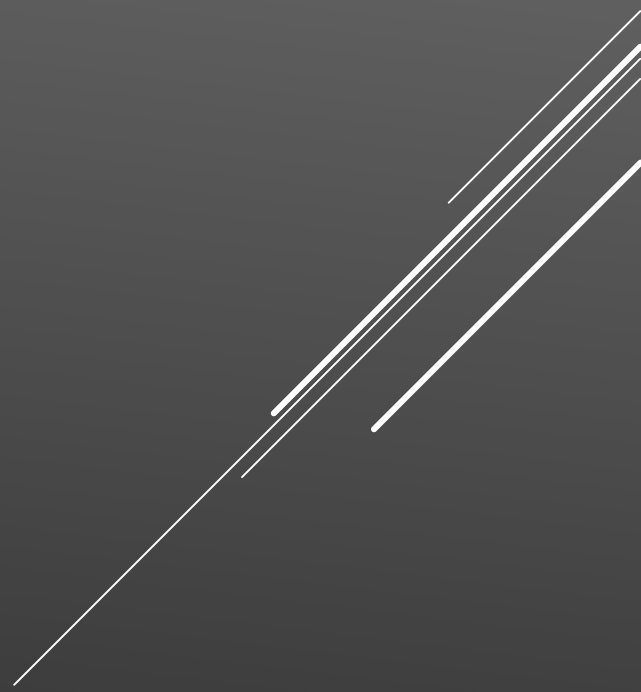
- ▶ Prop 84 Round 1: Executed 2012
- ▶ Prop 84 Round 2: Executed 2014
- ▶ Prop 84 2014 Drought Round: Executed 2015
- ▶ Prop 84 2015 Final Round: Executed 2016
- ▶ Prop 1 Round 1: Executed 2020 (estimate)



DROUGHT GRANT TIMELINE

- ▶ 2014: DWR and Governor release 2014 Round IRWM grant guidelines; focus on drought response
 - ▶ 2014: SAR Watermaster Action Team develops IRWM grant proposal with consultant Dudek and Upper Santa Margarita Watershed IRWM lead Rancho California Water District
 - ▶ 2015: Grant Agreement executed with DWR and SAWPA
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PROGRAM IS MULTI-WATERSHED

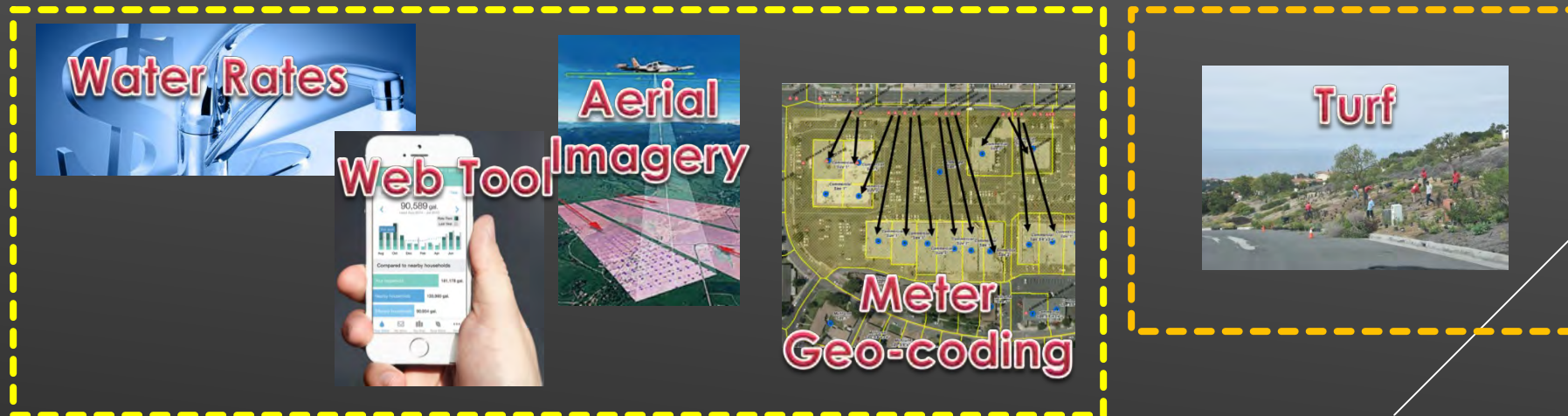
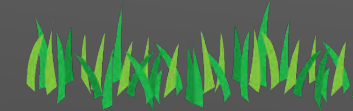


PROJECTS INCLUDED IN DROUGHT GRANT PROGRAM

Project 1: Conservation Based Reporting Tools and Rate Structure Implementation

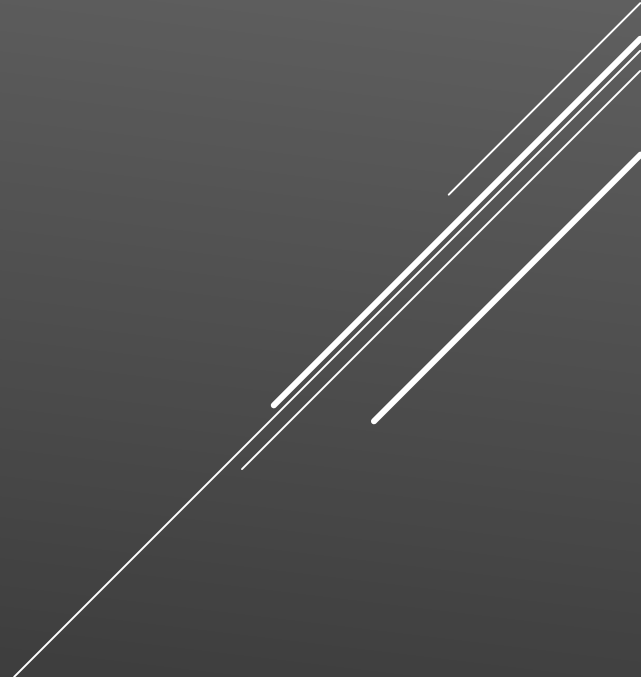


Project 2: High Visibility Turf Removal and Retrofit



*Components/tasks

UPDATES

- ▶ Grant Agreement with DWR has a termination date of December 31, 2019.
 - ▶ There is an estimated savings of \$261,000 that cannot be expended by the deadline.
 - ▶ SAWPA met with DWR staff on November 5, 2019 and they agreed to a one-year extension.
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ANALYSIS OF COST SAVINGS

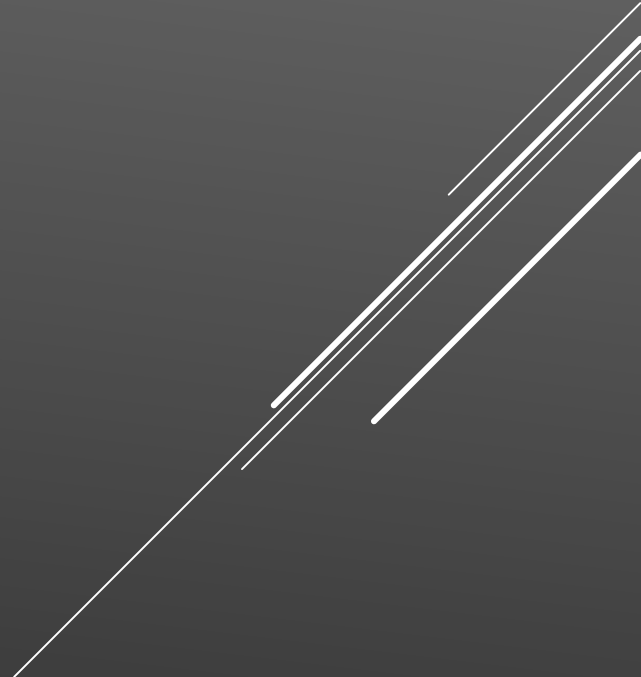
Project	Category	Grant Budget	Spent To Date (9/30/19)	Remaining to Spend	Final Cost Projections	Δ (Budget – Final Cost)
1	A – Project Mgmt	\$1,194,852	\$1,068,608	\$126,244	\$1,104,852	\$90,000
	B – Land Purchase	\$-	\$-	\$-	\$-	\$-
	C – Design	\$50,000	\$50,000	\$-	\$50,000	\$-
	D – Implementation	\$5,190,824	\$5,004,298	\$186,526	\$5,174,361	\$16,463
	Total	\$6,435,676	\$6,122,906	\$312,770	\$6,329,213	\$106,463
2	D - Implementation**	\$6,424,434	\$3,686,507	\$2,737,927	\$6,268,923	\$155,511

*\$25,774 of this funding is dedicated for the Upper Santa Margarita Watershed.

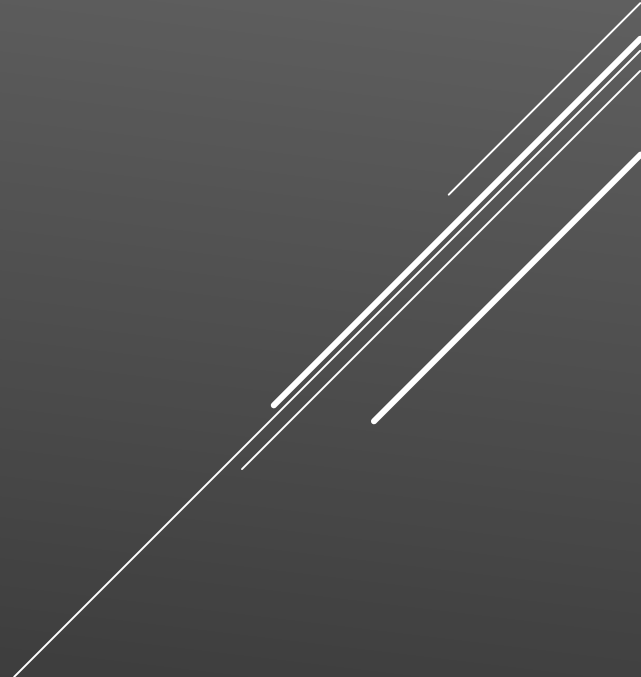
**There is only one category in the Project 2 budget.

Totals to approximately **\$260,000**

CONCLUSIONS

- ▶ Per DWR feedback, funding cannot be moved between Project 1 and 2;
 - ▶ Will move some cost savings between categories in Project 1 to cover items such as imagery costs for Upper Santa Margarita Watershed and rates implementation costs;
 - ▶ Recommend awarding grant cost savings to the project leads in the Santa Ana River Watershed (the SAWPA member agencies and MWDOC) on a first come, first serve basis.
 - ▶ For example, IEUA has approximately \$44,000 in costs that can be billed to DWR going forward that would expeditiously spend down much of the cost savings and ensure retention was released to the member agencies as quickly as possible.
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RECOMMENDATION

1. Receive and file this update on the Drought Grant Agreement; and
 2. Approval of distribution of grant cost savings associated with the High Visibility Turf Removal and Retrofit rebates on a first come, first serve basis.
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SARCCUP: Smartscape Update

Project Agreement 22 Committee

November 21, 2019



Program Development and Task List

- ◆ Smartscape is a partnership between SAWPA member agencies and OC Coastkeeper, developed in 2015 during SARCCUP initial grant application effort;
- ◆ Supports water customers that have transitioned from turf grass to drought tolerant landscaping through specific tasks:
 - ◆ Landscape site visits
 - ◆ Develop written training materials
 - ◆ Workshops, training, etc.
- ◆ Makes physical improvements to irrigation systems (prevents leaks and overwatering)



INLAND EMPIRE WATERKEEPER.
Advocacy • Education • Research • Restoration • Enforcement



ORANGE COUNTY
COASTKEEPER.

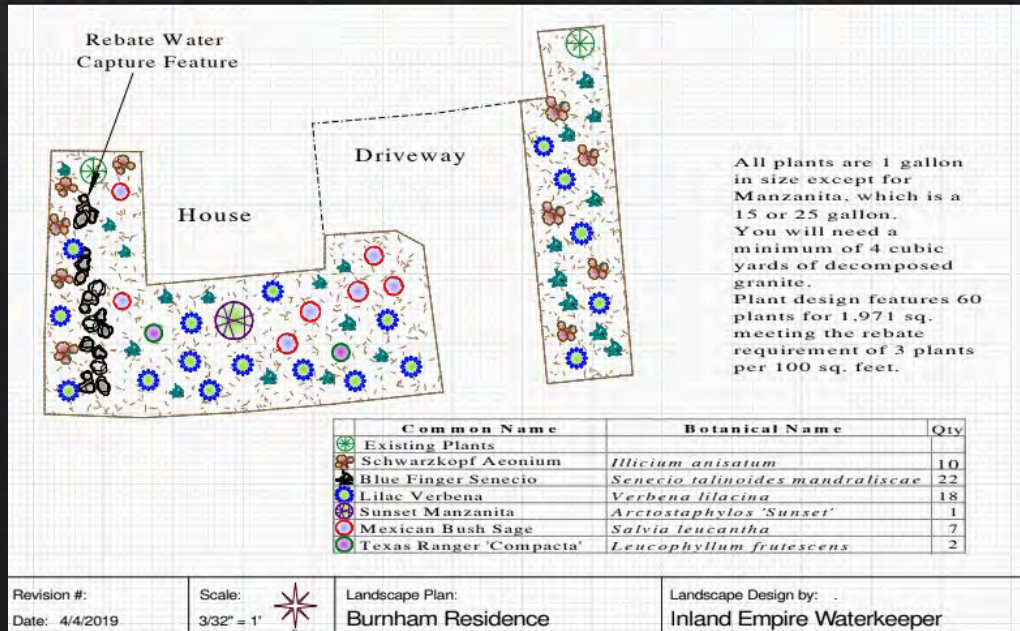
Program Overview and Agreements

- ◆ Program descriptions contained in Sub-Agreement and SAWPA Member Agency Roles/Responsibilities Memo:
 - ◆ Defines two-year schedule (March 2020 end date)
 - ◆ Defines scope and qualifications for OCCK training and outreach personnel
 - ◆ Task list and their specific costs
 - ◆ Deliverables:
 - ◆ Photo verification;
 - ◆ Customer forms; and
 - ◆ Reports on work completed.



Examples of Tasks Implemented

Landscape Designs - WMWD



Irrigation Improvements - IEUA



Smartscape Budget

	Grant Amount	Local Match*	Total Cost
Coastkeeper Sub-Agreement Amount	\$122,000	\$278,000	\$400,000

*OCWD's SARCCUP local cost share funding originally intended for Smartscape was added to Conservation-Based Water Rates portion of SARCCUP based on Pa 22 Committee direction and OCWD request.

Smartscape Spending To Date (Sept 2019)

Agency	EMWD	IEUA	SBMVWD	WMWD	Total
Allocation	\$96,509	\$96,509	\$96,509	\$96,509	\$386,034
Invoiced	\$72,875	\$96,349	\$58,775	\$38,350	\$266,349
Remaining	\$23,634	\$160	\$37,734	\$58,159	\$119,685

69%
Implemented



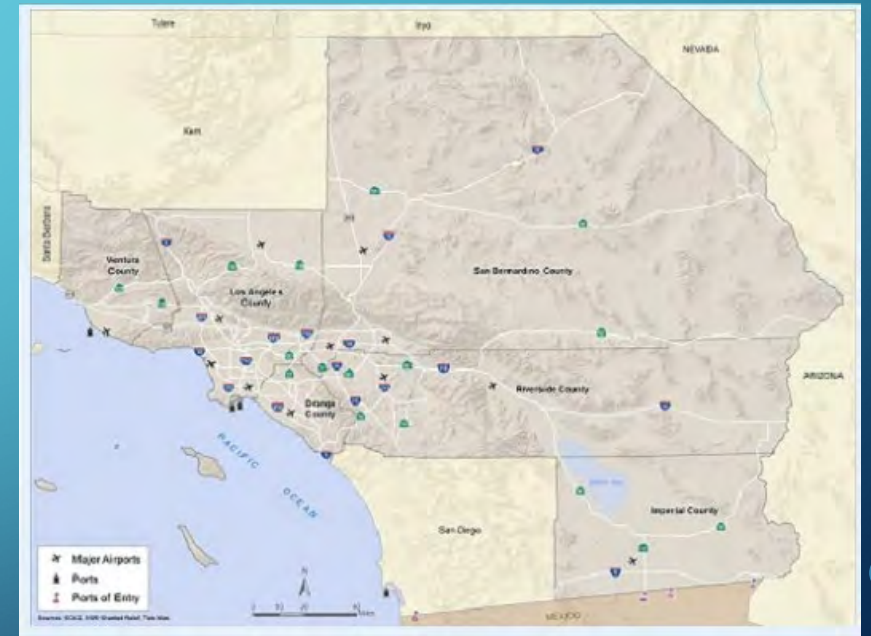
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENT'S AERIAL IMAGERY CONSORTIUM

PROJECT AGREEMENT 22 COMMITTEE

NOVEMBER 21, 2019

WHAT IS SCAG?

- Joint Powers Authority focused on regional planning;
- Member agencies include city and county governments;
- In 2018 they launched the Aerial Imagery Consortium to gather imagery the same year as the census, 2020.



NEXUS TO SAWPA AND THE MEMBER AGENCIES

- Compliance with AB 1668 and SB 606 (Making Conservation a California Way of Life);
- Member agency imagery needs; and
- Implementation of the Watershed-Wide Water Budget Decision Support Tool.



WATER BUDGETS TOOL COST ESTIMATES

Task	Task Description	Cost
1	Imagery	\$560,000
2	Analysis	\$565,000
3	Decision Support Tool	\$340,000
Total		\$1,465,000
Funding Sources	Prop 1 Grant Share	\$500,000
	Bureau of Reclamation Share	\$597,500
	Cost Share	\$367,500

Subtask	Imagery Task Costs	Cost
A	RFP Development and Release	\$40,000
B	Flight and Creation of Tiled Imagery	\$470,000
C	Quality Control	\$50,000
Total		\$560,000

COST ESTIMATES OF SCAG AND OTHER OPTIONS

Area Captured	Option	Products Provided	Capture Time	Cost
Orange County	SCAG/ Pictometry	3 inch 4 band imagery; building footprints; viewer tool	TBD, likely June 2020	\$112,000 to the group of interested parties in Orange County
Riverside County	SCAG/ Pictometry	3 inch 4 band imagery; building footprints; viewer tool	January 2020	TBD
San Bernardino County	SCAG/Aero Graphics	6 inch 4 band imagery; building footprints; viewer tool	February 2020	TBD
Watershed, South OC	DWR/Eagle Aerial	12 inch 4 band imagery	Spring/Summer 2018	Approximately \$30,000
Watershed, South OC	Satellite	11.8 inch 4 band imagery	Every 3 Months	Approximately \$80,000

CONCLUSIONS

- OCWD and MWDOC very interested in three-inch resolution data;
- Using SCAG would provide cost savings for the Tool's Task 1; and
- Riverside and San Bernardino County SCAG efforts would not produce usable data for outdoor water conservation because of winter flight time.

RECOMMENDATION

- Receive and file.

CONSERVATION-BASED WATER RATES UPDATE

PROJECT AGREEMENT 22 COMMITTEE

NOVEMBER 21, 2019



CITIES PARTICIPATING AT THIS TIME

Chino



Prop 218 Hearing:
June 19, 2018
Implement rates:
December 2019

Chino Hills



Prop 218 Hearing:
May 8, 2018
Implemented rates:
October 2018

Hemet



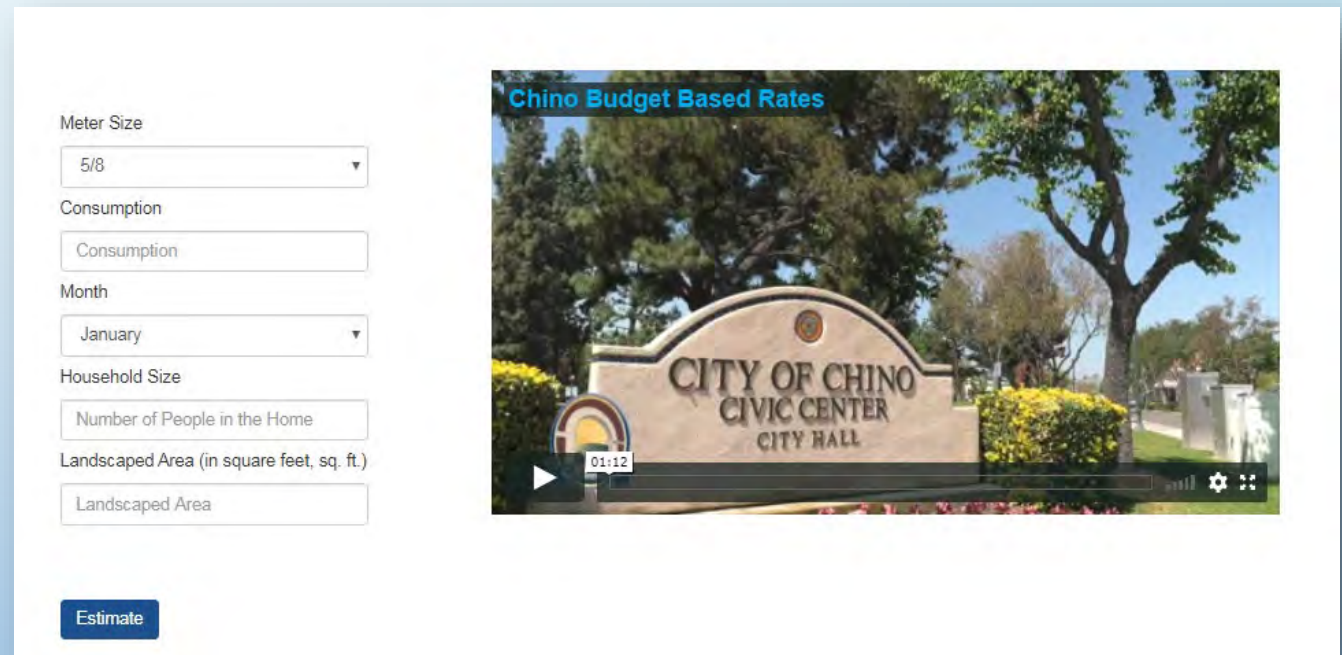
Final Rate Study Draft
December 2019

STATUS OF FUNDING BY AGENCY

Retail Water Agency	Invoiced to DWR	Estimated Future Invoice Costs	Final Costs (sum of invoiced and future invoices)
Chino	\$94,595	\$133,602	\$228,197
Chino Hills	\$1,052,304	\$20,000	\$1,072,304
Hemet	\$75,036	\$ -	\$75,036
Total	\$1,221,934	\$153,602	\$1,355,537

CHINO

- CITY HAS COMPLETED ALL MAJOR WORK BUT IS REFINING SOME OUTDOOR WATER BUDGET CALCULATIONS.
- RECENT WORK COMPLETED BY CITY:
 - WEBSITE
 - RATE CALCULATOR
 - BILL REDESIGN
- CITY PLANS TO LAUNCH BILLING STRUCTURE DECEMBER 1, 2019.



The image shows a screenshot of a web application interface. On the left is a form titled "Chino Budget Based Rates" with the following fields:

- Meter Size: 5/8
- Consumption: Consumption
- Month: January
- Household Size: Number of People in the Home
- Landscaped Area (in square feet, sq. ft.): Landscaped Area

At the bottom of the form is a blue "Estimate" button. To the right of the form is a video player showing a thumbnail of the "CITY OF CHINO CIVIC CENTER CITY HALL" sign. The video player has a play button, a progress bar at 01:12, and standard video controls.

CHINO HILLS

- CITY IS STILL INCURRING COSTS FOR:
 - MINOR BILLING SOFTWARE ISSUES,
 - EDUCATING CUSTOMERS ON THE NEW BILLING STRUCTURE, AND
 - ADDRESSING VARIANCES.
- COSTS ARE ABLE TO BE COVERED BY GRANT SAVINGS.

A Tiered Rate Structure

Budget-based rates take into consideration water-efficiency targets set by the State of California for indoor and outdoor water use, lot size, and weather conditions.

The 3 Tiers

TIER 1 INDOOR



- › 55 gal/person/day
- › Average water efficient household base rate

TIER 2 OUTDOOR



- › 1/3 property landscaped
- › More water in hot months
- › Less water in cold months

TIER 3 INEFFICIENT



- › High water use
- › Exceeds flexible tier 2 allocation

HEMET

- NEW CITY MANAGEMENT FEEDBACK IN MAY 2019 WAS TO NOT MOVE FORWARD WITH FINALIZING RATE STUDY.
- CITY IS CURRENTLY FINALIZING THE SECTION OF THE DRAFT STUDY THAT INCLUDES THEIR PRIORITIZATION OF THE PROJECTS WITHIN THEIR CAPITAL IMPROVEMENT PROGRAM.



