




BOARD MEMORANDUM

DATE: October 10, 2019

TO: Board of Directors

FROM: Steve Cole 
Assistant General Manager

SUBJECT: Approve a Resolution Authorizing the General Manager to Enter into a Contract with WaterWise Consulting, Inc.

SUMMARY

As part of its conservation program, the Santa Clarita Valley Water Agency (SCV Water, Agency) provides water efficiency check-ups to residential, commercial, and landscape customers. Additionally, in support of its various rebates (smart controllers, turf conversion, toilet conversion, drip installation), SCV Water conducts pre- and post-inspections to validate and confirm customer participation. Considering the technical experience required to adequately conduct the check-ups and projected high volumes of customer uptake, these services have been and continue to be provided to the Agency by an outside consultant. Since the Agency's launch, such services were funded by unique agreements premised on retail, regional, and salient program type (Valencia, Santa Clarita, Newhall, Regional; residential, commercial, etc.). As systems continue to merge and with uniform conservation engagement practices, staff are seeking to solicit conservation services under a single agreement.

DISCUSSION

To meet the Santa Clarita Valley's conservation goal of 20% water savings in gallons per capita day (GPCD) by 2020, as set forth in SBx7-7 and stated in the 2010 and 2015 Urban Water Management Plans, the retail water purveyors (retailers) and the Agency adopted the Santa Clarita Valley Water Use Efficiency Strategic Plan (Plan). Subsequent to adoption of the Plan, staff developed operational criteria for programs needed to meet the Plan's goals. In 2013, and subsequently updated in 2016, the Agency, in cooperation with the retailers, implemented several water conservation programs to accommodate customer specific needs and frontline assistance. Since the launch of SCV Water in 2018, conservation program support has been provided via independent agreements for specific services including residential, commercial, and landscape check-ups. These programs and supplemental services are essential to SCV Water's successful completion of the 20% by 2020 reduction requirements established in SBx7-7 and to the new conservation requirements prescribed in SB 606 and AB 1668; approved and signed into law in 2018 and expected to formally begin in 2023.

Professional services sought by the Agency include, but are not limited to, water efficiency check-ups for residential, commercial, and large landscape customers, rebate pre-/post-inspections, staff training, customer service (scheduling, customer inquiries, etc.), education, research, and analysis support. The Request for Proposal (RFP) for Conservation Professional Services was posted on PlanetBids on August 9, 2019 and closed on August 30, 2019. Additionally, the solicitation was posted in *The Signal* on August 22 and 23, 2019. However, only one proposal was submitted to the Agency.

Based on the single proposal submission, staff evaluated the scope of services and cost schedules, both current and historic, of regional water agencies which provide similar services to determine and ensure market appropriateness. The criteria used to evaluate proposal were:

- Scope of Services
- Cost Schedule
- Quality of Services
- Quality of Writing
- Reporting of the work to the Agency

Table 1. Cost Comparison (Proposal Submission and Regional Water Agencies)

Agency	Residential Check-Up	Residential Irrigation Inspection	Rebate Inspection	CII Check-Up (Large)	Irrigation Survey	Program Manager
SCV Water	\$175	\$150	\$75	\$1500	\$1,000	\$125/hr
City of Camarillo		\$125	\$75	-	-	\$125/hr
Cal American Water	\$175	-	-	\$2000	\$1,250	\$125/hr
LA County	\$210	-	-	\$2000	\$1,500	-
Irvine Ranch Water District	\$175	-	-	\$2000	\$1,500	-
Moulton Nigel Water District	-	\$150	-	-	\$1,000	\$125/hr

Note: For SCV Water, Residential Irrigation Checks also incorporates the 'Core Scope of Services' which provides leak detection, customer education, and water bill/water use history review.

Recommended Selection for Water Conservation Professional Services

WaterWise Consulting, Inc., provided a technical proposal that covered requirements and requests identified by SCV Water. Based on the submitted proposal and as supported in the cost comparison matrix, staff has determined that the prices stated by WaterWise Consulting, Inc., are reasonable and appropriate. Additionally, staff from the agencies contacted provided verbal and written feedback to the research team noting above satisfactory performance. Additionally, WaterWise Consulting, Inc., currently provides these services to SCV Water and the Agency has received positive feedback from customers participating in its programs. The proposal identifies new approaches to monthly and annual reporting which will improve the agencies performance monitoring efforts including participation and water savings calculations.

On October 9, 2019, the Water Resources and Watershed Committee considered staff's recommendation to approve a resolution authorizing the General Manager to enter into a contract with WaterWise Consulting, Inc.

FINANCIAL CONSIDERATIONS

The proposed contract with WaterWise Consulting, Inc., would be covered under the Agency's Water Conservation Budget, which is funded by the wholesale water rate and retail rates. The following table summarizes the current estimated expenditures for each component as identified in the Agency's FY 2019/20 and FY 2020/21 Budget.

Table 2. Conservation Budget Components (Water Conservation Professional Services)

Budget Component	Residential	Commercial	Large Landscape	Totals	Percent
Regional	\$30,000	\$50,000	\$75,000	\$155,000	37.4%
Newhall	\$10,000	\$5,000	\$1,500	\$16,500	4.0%
Santa Clarita	\$90,000	\$20,000	\$7,500	\$117,500	28.4%
Valencia	\$75,000	\$25,000	\$25,000	\$125,000	30.2%
Totals	\$205,000	\$100,000	\$109,000	\$414,000	100%
Percent	49.5%	24.2%	26.3%	100%	-

Residential – The proposed annual total for Residential Programs is \$205,000. This includes inspection support for Regional turf conversion rebates and water check-ups for Newhall, Santa Clarita, and Valencia. Conservation staff anticipates ~ 1,500 residential check-ups will be conducted annually and is working to update the turf conversion program to increase participation.

Commercial – The proposed annual total for Commercial Programs is \$100,000. This includes Regional's school support programs and commercial check-ups for Newhall, Santa Clarita, and Valencia customers.

Large Landscape – The proposed annual total for Landscape Programs is \$109,000. This includes inspection support for Regional's turf conversion program and irrigation inspections for Newhall, Santa Clarita, and Valencia customers.

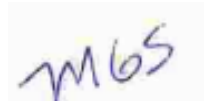
Based on the budgeted totals, staff recommends a not to exceed contract amount of \$414,000 annually. Additionally, the contract should be for a term of 1 year with 4 optional extension years.

RECOMMENDATION

The Water Resources and Watershed Committee recommends that the Board of Directors approve the attached resolution authorizing the General Manager to enter into a contract with WaterWise Consulting, Inc.

MD

Attachment

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RESOLUTION NO. _____

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SANTA CLARITA VALLEY WATER AGENCY ADOPTING A RESOLUTION
AUTHORIZING THE GENERAL MANAGER TO ENTER INTO AN AGREEMENT WITH
WATERWISE CONSULTING, INC., TO PROVIDE WATER CONSERVATION
PROFESSIONAL SERVICES**

WHEREAS, the mission of the SCV Water is to provide reliable, quality water at a reasonable cost to the Santa Clarita Valley; and

WHEREAS, SCV Water's water supply comes from both the California State Water Project and local groundwater aquifers; and

WHEREAS, our statewide, regional, and local water systems face challenges on numerous fronts, including further regulatory actions to protect species, climate change, and frequent dry conditions that will affect the future reliability of our water supplies; and

WHEREAS, in November 2009, the Water Conservation Act of 2009 (Senate Bill X7-7) was enabled by the State of California and calls for all water suppliers to improve their water use efficiency by reducing their gallons per capita by day by 20% by 2020; and

WHEREAS, in June 2015, the Santa Clarita Valley Water Use Efficiency Strategic Plan was finalized; and

WHEREAS, in May 2018, Senate Bill 606 and Assembly Bill 1668 were signed into law which impose a new, long-term water conservation framework for urban water suppliers beginning in 2023; and

WHEREAS, in 2018, the Governor of California updated the California Water Plan which calls for specific actions, investments, and strategies to improve water resource management, and

WHEREAS, a proposal to implement programs under the Santa Clarita Valley Water Use Efficiency Strategic Plan were received on August 30, 2019; and

WHEREAS, staff recommends entering into a contract with WaterWise Consulting, Inc., for Water Conservation Professional Services.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Santa Clarita Valley Water Agency directs the General Manager to enter into an agreement, in a form acceptable to the General Counsel, with WaterWise Consulting, Inc., for an amount not to exceed \$414,000 and for a term of one year with the option of four one-year renewals, for the implementation of Water Conservation Professional Services.

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