

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES
FROM: CLAIRE NORDLIE, SUSTAINABILITY COORDINATOR,
SANTA ROSA WATER

SUBJECT: FUNDING AGREEMENT BETWEEN STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES AND CITY OF SANTA
ROSA FOR DIRECT INSTALL WATER USE EFFICIENCY
PROJECT

AGENDA ACTION: REPORT ITEM

RECOMMENDATION

It is recommended by Santa Rosa Water staff that the Board of Public Utilities, by resolution, approve the Funding Agreement between the State of California Department of Water Resources and the City of Santa Rosa to implement the Direct Install Water Use Efficiency Project and authorize the Director of Santa Rosa Water to execute the Funding Agreement and related documents.

EXECUTIVE SUMMARY

In September 2022, Governor Newsom signed Assembly Bill 179, which amended the State of California budget for the 2022-23 Fiscal Year and appropriated \$1.5 million for the City of Santa Rosa to launch a Direct Install Water Use Efficiency Program Project. The proposed grant-funded project will finance the competitive hiring of qualified plumbers who will purchase and install high efficiency toilets at residential, commercial, industrial and institutional locations in Santa Rosa Water's service area, at no cost to the customer. High efficiency fixtures, including showerheads, kitchen aerators, and bathroom aerators will be provided by Santa Rosa Water to the qualified plumbers for installation at these locations.. To receive the funding, Santa Rosa Water must enter into a formal funding agreement with the California Department of Water Resources (DWR). Santa Rosa Water staff recommend that the Board of Public Utilities approve the funding agreement and authorize the Director of Santa Rosa Water to execute the funding agreement and related documents.

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BACKGROUND

In September 2022, Santa Rosa Water staff learned that Assembly Bill 179, which amended the California Budget Act of 2022, designated \$1,500,000.00 in funding to the City of Santa Rosa for the implementation of a Direct Install Water Use Efficiency Project (Project). The funds were appropriated to the California Department of Water Resources (DWR), which has been delegated the responsibility for establishing procedures and administering disbursement of Project funding. To receive this funding, the Board of Public Utilities must adopt a resolution approving the attached funding agreement and authorizing the Director of Santa Rosa Water to execute the funding agreement.

The proposed Project will consist of the direct install of approximately 1,900 high efficiency toilets and other water efficiency fixtures at residential and commercial, industrial, and institutional (CII) locations in Santa Rosa Water's service area. For residential locations, the toilet package will consist of up to two high efficiency toilets, and as needed, high-efficiency showerheads, bathroom aerators, and kitchen aerators. For CII locations, the limit on the number of toilets installed is at the discretion of the Santa Rosa Water staff, to maximize the potential water savings. CII customers will also be issued free showerheads, bathroom aerators and kitchen aerators as needed. The fixtures and installation are provided at no cost to the customer.

In 2016, a similar direct install program that was grant funded was offered to Santa Rosa Water customers, and approximately 6,000 toilet packages were installed in two years at residential locations within Santa Rosa Water's service area. This Project will build on the success of that previous program, as well as expand installation of high efficiency toilets to CII locations.

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

Not applicable.

ANALYSIS

A program of this type, a direct install program, has drawn considerable attention in the past from Santa Rosa Water customers, with over 6,000 toilet packages installed in 2016 and 2017 utilizing grant funding. In late 2022, Santa Rosa Water developed and released an online form for customers to be notified when a prospective direct install program launches. In about one month, Santa Rosa Water received over 180 responses to this form with minimal advertising.

Santa Rosa Water anticipates installing about 1,700 residential toilets and approximately 200 "flush-o-meter" style CII toilets at locations within Santa Rosa Water's service area. Staff anticipate the water savings from the Project will exceed 1,400 acre-feet over the

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lifespan of the high-efficiency toilets, showerheads, and bathroom and kitchen aerators that are installed.

FISCAL IMPACT

Santa Rosa Water seeks to implement the Project for the benefit of Santa Rosa Water customers utilizing the \$1,500,000.00 in funding appropriated in Assembly Bill 179. This funding will be disbursed by the Department of Water Resources to Santa Rosa Water with no additional funding match required by Santa Rosa Water. Staff time is needed to manage the proposed project, but it would be captured within already budgeted staff resources capacity.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guidelines Section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

On March 16, 2023, the Board of Public Utilities Contract Review Subcommittee reviewed the attached funding agreement and recommended approval.

ATTACHMENTS

- Attachment 1 – Funding Agreement between the State of California and City of Santa Rosa
- Resolution

CONTACT

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