



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: SEPTEMBER 20, 2022
FROM: PUBLIC UTILITIES DEPARTMENT WARDS: ALL
**SUBJECT: WATER CONSERVATION SURCHARGE PROGRAM ENHANCEMENTS FOR
WATER USE EFFICIENCY REBATE PROGRAMS IN THE AMOUNT OF \$310,000**

ISSUE:

Approve program enhancements and additions to the Water Conservation Surcharge programs as a response to the California Drought for an estimated additional investment for Fiscal Year (FY) 2022/23 of \$310,000.

RECOMMENDATIONS:

That the City Council:

1. Approve the change to the Residential Turf Removal Program, to increase funding from \$3 per square foot of turf to \$5 per square foot of turf, estimated total fiscal impact for FY 2022/23 of \$125,000;
2. Approve the change to the Commercial Turf Removal Program, to increase funding from \$3 per square foot of turf to \$5 per square foot of turf, estimated fiscal impact for FY 2022/23 of \$150,000;
3. Approve the new Residential Flow Monitoring Device Program, estimated fiscal impact for FY 2022/23 of \$25,000;
4. Approve the new Residential Hose Bib Program, estimated fiscal impact for FY 2022/23 of \$10,000; and
5. Approve the purchase of soaker hoses for the Tree Care Program, estimated fiscal impact for FY 2022/23 of \$10,000.

BOARD RECOMMENDATION:

On July 25, 2022, the Board of Public Utilities voted to recommend the approval of program enhancements and additions to the Water Conservation Surcharge programs as a response to the California Drought for an estimated additional investment for FY 2022/23 of \$310,000. Board

members requested some additional information to outline the water program resource costs, which was subsequently provided to them. The following table highlights the additional detail and demonstrates the acre foot water savings, expected device lifetime, costs, and savings per acre foot realized.

Residential Devices	Annual Saving (acre-feet/year)	Device Lifetime (years)	Lifetime Savings (acre-feet)	RPU Cost Per Measure (\$)	RPU Cost per Acre Foot Saved (\$)
Premium HET (Based on savings from 1.6 gpf toilet)	0.0105	20	0.210	\$0.00	\$0.00
Weather Based Irrigation Controller (each; < 1 acre)	0.0414	10	0.414	\$120.00	\$289.86
Weather Based Irrigation Controller (/Station; > 1 acre)	0.0179	10	0.179	\$0.00	\$0.00
Rotary Multi-Stream Nozzle	0.0026	5	0.013	\$3.00	\$227.27
Soil Moisture Sensor (each; < 1 acre)	0.0414	10	0.414	\$0.00	\$0.00
Soil Moisture Sensor (/Station; > 1 acre)	0.0179	10	0.179	\$0.00	\$0.00
Rain Barrel	0.0019	5	0.010	\$0.00	\$0.00
High Efficiency Clothes Washer	0.0328	14	0.459	\$0.00	\$0.00
Cistern	0.0076	5	0.038	\$0.00	\$0.00
Leak Monitoring Device	0.0627	10	0.627	\$25.00	\$39.87
Hose Bib Controller	0.0179	10	0.179	\$15.00	\$83.80
Turf Replacement - Avg project size/yr (2018-2022) = 2,052 sq. ft.	0.2770	10	3.047	\$3,000	\$984.43

LEGISLATIVE HISTORY:

On May 24, 2022, the State Water Resources Control Board (SWRCB) adopted an emergency water conservation regulation that will ensure more aggressive conservation by local water agencies across the state. The new regulation bans irrigating turf at commercial, industrial, and institutional properties, such as grass in front of or next to large industrial or commercial buildings. The ban does not include watering turf that is used for recreation or other community purposes, water used at residences, or water to maintain trees. The regulation also requires all urban water suppliers to implement conservation actions under Level 2 of their Water Shortage Contingency Plans.

BACKGROUND:

In 2006, Metropolitan Water District (MWD) and Western Municipal Water District (WMWD) entered into a Water Conservation Funding Agreement to provide funding for local residential, commercial, industrial, and institutional water conservation programs. Concurrently, Riverside Public Utilities (RPU) entered into an agreement with WMWD that allowed RPU to participate in MWD's water conservation programs as a member agency of WMWD. The term for both of these agreements was from FY 2006/07 through FY 2014/15. The WMWD/RPU agreement allowed RPU to receive regional water conservation funding during California's unprecedented 2014-2016 drought, assisting RPU to fund such programs as the popular WaterWise Landscape Program, which contributed to RPU meeting its State-mandated water conservation goals.

In 2015, MWD and WMWD executed the Second Amendment to the Residential and Commercial Water Conservation Funding Agreement, extending WMWD participation in the conservation programs through June 30, 2025.

On June 12, 2018, City Council approved RPU's participation in MWD's regional conservation program, which offers rebates and conservation measures, including high-efficiency toilets, high-

efficiency clothes washers, weather-based irrigation controllers, turf replacement (WaterWise landscaping), and other commercial and residential incentives. SoCalWaterSmart.com provides RPU customers a fully automated, convenient rebate application and rebate processing tool.

RPU water customers have been utilizing SoCalWaterSmart to apply for and to receive rebates for many different conservation measures such as High-Efficiency Clothes Washers (HECW), High-Efficiency Toilets (HET), High Efficiency Sprinkler Nozzles (HE Nozzles) and Weather-Based Irrigation Controllers (WBIC). In addition to those rebates, RPU customers can now also apply for rebates for devices such as soil moisture sensors and rain barrels.

Since the Governor extended the drought emergency statewide, the SWRCB adopted emergency regulations on January 4, 2022, as it deemed necessary to supplement voluntary conservation by prohibiting certain wasteful water practices. Based on the SWRCB's enactment of emergency water conservation regulations on May 24, 2022, it is anticipated the City Council may declare Stage Two of the City's Water Conservation Ordinance. Upon declaration of Stage Two by the City Council, the following measures shall apply:

1. Except as otherwise provided in this section, all Stage One measures remain in effect but shall be mandatory, not voluntary.
2. Customers will be asked to reduce their monthly water consumption up to 15 percent.
3. Non-agricultural irrigation is limited as follows:
 - a. Properties may be irrigated only between the hours of 6:00 p.m. to 10:00 a.m. Irrigation of landscaping is prohibited on any day of the week from 10:00 a.m. to 6:00 p.m.
 - b. Properties may not be irrigated more than three times per week.
 - c. All automatic irrigation timers shall be adjusted according to irrigation time restrictions and changing weather patterns and shall completely eliminate run-off.
 - d. Use of graywater, as that term is defined in the California Health and Safety Code, and use of recycled water for irrigation is permitted on any day and at any time, subject only to any permits issued by the City.
4. All plumbing leaks, improperly adjusted sprinklers, or other water devices requiring repair or adjustment shall be corrected to the satisfaction of the City within 72 hours of notification by the City. The City will attempt to contact customers by phone, mail, email or text, or printed "door-hanger" notice. All customers shall ensure that the City has current telephone contact information.
5. Construction operations receiving water from a construction meter or water truck shall not use water unnecessarily for any purpose, other than those required by regulatory agencies. Construction projects requiring watering for new landscaping materials shall adhere to the designated non-agricultural irrigation requirements set forth above.

DISCUSSION:

In anticipation of the enactment of Stage Two, the current SoCalWaterSmart programs were analyzed for water saving opportunities. The table below outlines the current incentives.

SoCalWaterSmart				
Residential Incentive	RPU Contribution	MWD Contribution	Total Incentive	Approved RPU FY 22/23 Budget
Turf Removal (sq ft)	\$1	\$2	\$3	\$100,000
Weather Based Irrigation Controller	\$120	\$80	\$200	\$25,000
High Efficiency Sprinkler Nozzle	\$3	\$2	\$5	\$25,000
Commercial Incentive	RPU Contribution	MWD Contribution	Total Incentive	Approved RPU FY 22/23 Budget
Turf Removal (sq ft)	\$1	\$2	\$3	\$150,000
Total Budget				\$300,000

Proposed Turf Removal Incentive Enhancements

RPU met with Western Municipal Water District (WMWD) to discuss ways in which both agencies can better align to provide City residents with similar incentives for turf removal. It is recommended that for FY 2022/23, RPU and WMWD will offer the City of Riverside residential and commercial customers the same incentive for their turf removal projects. If approved, RPU and WMWD residential customers who elect to remove turf would receive \$5 per square foot of turf removed up to 1,000 square feet and \$2 per square foot of turf removed up to 5,000 square feet. Commercial customers in both RPU and WMWD service territories would receive \$5 per square foot of turf removed up to 5,000 square feet and \$2 per square foot of turf removed up to 50,000 square feet. This program change will extend the opportunity to a greater number of customers.

RPU and WMWD are planning to host joint seminars aimed at large landscape maintenance contractors who are interested in offering turf removal services to their customers. The events are planned to educate the contractors on incentive levels, program guidelines, and detailed instructions on how to assist their customers with applying for rebates.

Proposed New Programs for RPU Water Customers

Residential Flow Monitoring Device - Flow monitoring devices monitor a home's water use and can help detect leaks. There are several devices noted on SoCalWaterSmart which are aimed at serving a variety of needs. Some of the recommended devices can differentiate between indoor and outdoor use and even between water-using appliances.

Residential Hose Bib Irrigation Controller - SoCalwaterSmart is offering a rebate for hose bib timers. Hose bib irrigation controllers are battery operated devices that connect to an existing hose faucet and are usually equipped with 2-4 hose outlet connections. Each hose outlet connection accepts a normal hose which then is operated by the controller's timer.

Residential Tree Care Program – RPU would like to offer a free soaker hose to residential customers that provide proof of purchase for a hose bib timer and at least one bag of mulch. The US Forest Service recommends the use of soaker hoses and a mulch ring for irrigating trees during water restrictions. This method of irrigation is extremely valuable for those customers who have existing trees that are normally irrigated during turf irrigation. If the program is approved, soaker hoses will be distributed from the Customer Resource Center.

To meet anticipated customer demand for program assistance to achieve a 15% reduction in water use, RPU is proposing to double its investment in water rebates for a total contribution of \$610,000 in Fiscal Year 2022/23. The table below outlines the proposed water efficiency program changes and additions (changes highlighted and bold) for the opportunities to invest in rebates for devices and programs that produce the greatest amount of water savings.

SoCalWaterSmart (bewaterwise.com)				
Residential Incentive	RPU Contribution	MWD Contribution	Total Incentive	Proposed RPU FY 22/23 Budget
Turf Removal (sq ft)	\$3	\$2	\$5	\$225,000
Weather Based Irrigation Controller	\$120	\$80	\$200	\$25,000
High Efficiency Sprinkler Nozzle	\$3	\$2	\$5	\$15,000
Flow Monitoring Device (New)	\$75	\$100	\$175	\$25,000
Hose Bib Irrigations Controller (New)	\$15	\$35	\$50	\$10,000
Commercial Incentive	RPU Contribution	MWD Contribution	Total Incentive	Proposed RPU FY 22/23 Budget
Turf Removal (sq ft)	\$3	\$2	\$5	\$300,000
RPU – Casa Blanca Resource Center				
Residential Incentive				
Tree Care Program (New)				\$10,000
Total Budget				\$610,000

STRATEGIC PLAN ALIGNMENT:

This item contributes to **Strategic Priority 4 - Environmental Stewardship** and **Goal 4.2** - sustainably manage local water resources to maximize reliability and advance water reuse to ensure safe, reliable and affordable water to our community.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – Riverside is actively engaged with the statewide drought and is providing education and tools to the community that can help RPU customers increase their water use efficiency.
2. **Equity** – Riverside has developed water conservation programs that reduce demand and that ensure the finite water resources of the City can be available to all members of the community.
3. **Fiscal Responsibility** – The programs contained in this report all follow industry best practices and are either paid for in full by MWD funds or are greatly subsidized by MWD funds demonstrating fiscal prudence.
4. **Innovation** – The implementation of the water flow monitoring device program will allow residential RPU water customers to better understand their water use, by using their mobile

devices as well as up to the minute leak detection, a function that has not yet been available to RPU water customers.

5. **Sustainability & Resiliency** – By providing community education and enhanced water rebates to RPU water customers, RPU's water conservation measures will assist all City residents in effectively managing water resources in a sustainable manner.

FISCAL IMPACT:

The total fiscal impact of this action is \$300,000. The current adopted budget for these programs is \$300,000. The total cost of the proposed program enhancements and new programs is an additional \$310,000, for a total cost of \$610,000. The funding source for these programs is revenue generated from the City Council approved Water Conservation Surcharge. Sufficient funds are budgeted and available in Public Utilities Water Conservation Fund account number 6220200-457028 for residential expenditures and 6220200-457024 for commercial expenditures.

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availability of funds: Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/City Treasurer
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Attachment: Presentation