

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:
Prepared on: 08/12/03
Department Name: Water Agency/Public Works
Department No.: 054-04-07
Agenda Date: 09/16/03
Placement: Administrative
Estimate Time: N/A
Continued Item: NO
If Yes, date from:

TO: Board of Directors
Santa Barbara County Water Agency

FROM: Phillip M. Demery
Public Works Director

STAFF CONTACT: Thomas Fayram, Deputy Public Works Director
Rory Lang, PW Program Specialist, Ext. 3545

SUBJECT: **Adopt a Resolution to Receive DWR Grant Funding for the *Santa Barbara County Commercial, Industrial, and Institutional Rebate Program***

Recommendation(s):

That the Board of Directors:

- A. Adopt the attached Resolution to accept the terms and conditions of the Grant Agreement with the California Department of Water Resources (DWR) to receive grant funding for the *Santa Barbara County Commercial, Industrial, and Institutional (CII) Rebate Program*; and
- B. Authorize the Public Works Director to enter into a Grant Agreement and all other subsequent agreements or amendments to receive up to \$268,600 in funding for the *Santa Barbara County CII Rebate Program*.

Alignment with Board Strategic Plan:

[These recommendations are aligned with Goal No. 5: Maintain and Enhance the Quality of Life for all Residents.](#)

Executive Summary and Discussion:

On March 26, 2002, your Board received information regarding the Water Agency's grant application to the Department of Water Resources (DWR) for the *Santa Barbara County CII Rebate Program*, which was jointly developed by the Water Agency and the City of Santa Barbara. At your direction, staff submitted the proposal to DWR for consideration under their Proposition 13 Water Use Efficiency Grant Program. In May 2003, the Water Agency was notified that the CII Rebate program was one of twenty-five projects selected for Proposition 13 Water Use Efficiency funds statewide. The CII Rebate Program will assist in achieving the water conservation goals of the participating purveyors.

The CII Rebate Program will provide cash incentives to local businesses to replace 1800 toilets, 511 urinals, 200 multi-family common area laundry facility clothes washers, and 200 commercial laundromat clothes washers with water efficient fixtures over a period of three years to save 156 acre-feet of water per year.

The program cost will be \$309,675 with a projected economic life-time water savings of 3,163 acre feet (AF), with the cost of water saved estimated at \$215 per acre foot. Grant funding will provide \$268,600 and the partner water purveyors (City of Santa Barbara, City of Lompoc, City of Santa Maria and Santa Barbara County Water Agency) will provide matching funds through staff time (\$24,375) and a small cash contribution (\$16,700) for a total match of \$41,075. The Water Agency's portion of the matching funds will include staff time for contract administration and program management (\$15,000) and \$2,500 cash. The partner purveyors listed above will contribute the remainder of the matching funds.

DWR requires a signed grant agreement with the grantee to authorize funding. This agreement is for \$268,600 for a three-year project. In addition, the DWR requires that the governing board of the grantee adopt a resolution agreeing to the terms and conditions of the grant agreement.

Mandates and Service Levels:

The Water Agency is required to provide a regional program as part of the obligations for best management practices (BMPs) in the statewide California Urban Water Conservation Council (CUWCC) Memorandum of Understanding (MOU) and the Bureau of Reclamation's water conservation criteria. This project will help meet these requirements. The funding provided through the grant program will extend the reach of the Regional Program and will increase the cost effectiveness of the project. The commitments of matching funds from the partner purveyors (City of Santa Barbara, City of Lompoc, City of Santa Maria and Santa Barbara County Water Agency) will not reduce existing service levels because these projects are already included in the work plan for the Regional Water Efficiency Program.

Fiscal and Facilities Impacts:

Revenue from this grant was included in a final budget adjustment for FY 2003-04 under the Water Agency cost center of the Water Resources Division of the Public Works Department. Funds will be deposited in Dept: 054, Fund: 3050, Acct: 4789, Program: 3010. Expenditures relating to the CII Rebate Program will be paid from Dept: 054, Fund: 3050, Acct: 7460, Program: 3010.

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Adopt Resolution to Receive DWR Grant Funding for the *Santa Barbara County CII Rebate Program*

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Special Instructions:

Direct the Clerk of the Board to send a copy of the resolution and minute order to the Water Agency office, Attn: Christina Lopez

Concurrence: County Counsel, Auditor Controller