

City Council Action Request

Department: Environmental Services	CEQA: Not a Project, File No.PP10-066 (e), Services that involve no physical changes to the environment.	Coordination: City Attorney's Office, City Manager's Budget Office and scheduled to be heard at the 12/8/11 Treatment Plant Advisory Committee Meeting.	CMO Approval:  11/10/11
			Dept. Approval: Kerrie Romanow /s/

RECOMMENDED ACTION:
Adopt a resolution authorizing the City Manager to negotiate and execute an agreement with the Santa Clara Valley Water District (District) for cost sharing of water conservation and wastewater flow reduction programs, for the period of January 1, 2012 through June 30, 2013, under which the City will pay the District an amount not to exceed \$500,000 and the City will receive an amount not to exceed \$180,000.

BASIS FOR RECOMMENDATION:

This agreement covers two programs:

- Indoor Water Conservation Programs that Result in Wastewater Flow Reduction to the San Jose/Santa Clara Water Pollution Control Plant**
Under this agreement, the City will reimburse the District up to \$500,000 for specific programs within the Plant Service Area, such as rebates for water-efficient clothes washers, toilets and urinals, submeters for mobile home parks and apartments, and water use surveys for residents. The District will reimburse the City up to \$150,000 to cover 50% of the City's cost (not including administration) for the Water Efficient Technology rebates administered by the City within the Plant Service Area.

Over the period of this agreement (1.5 years), these cost-shared programs are expected to achieve approximately 423,000 gallons per day (0.4 MGD) of measurable flow reduction in the Plant Service Area. Cost-sharing is a cost-effective strategy for the Plant to implement water conservation programs as required under NPDES Permit Provision 6.a. (Other Special Provisions, South Bay Action Plan). These programs will help achieve two wastewater performance measures reported annually in the Environmental and Utility Services CSA, Core Service: Protect Natural and Energy Resources.
- Neighborhood Preservation Water Conservation Program**
Under this agreement, the District will provide complete reimbursement for the City's Neighborhood Preservation Water Conservation Program in an amount not to exceed \$30,000. This program will achieve stormwater protection and water conservation benefits by providing vouchers to low-income San José homeowners who have received a citation under the City's Neighborhood Preservation Ordinance and who have improved their front yards in water-efficient ways. The program also supports the City's Strong Neighborhoods Initiative.

COST AND FUNDING SOURCE:

The total not to exceed amount the City will pay the District is \$500,000. The total not to exceed amount the District will pay the City is \$180,000. If the reimbursements reach their limits, the net cost to the City will be \$320,000.

Funding for this agreement is included in the 2011-2012 Adopted Operating Budget, Environmental Services Department Non-Personal/Equipment appropriation in Fund 513, the Treatment Plant Operating Fund. All \$500,000 will be encumbered with 2011-2012 funds.

Estimated revenue of \$25,000 from Santa Clara Valley Water District (SCVWD), based on past participation in the rebate program, is included in the 2011-2012 Adopted Operating Budget, Fund 513. If participation is greater than estimated and additional revenue up to the not to exceed amount of \$180,000 is received from SCVWD, the additional revenue will be recognized at that later date.

FOR QUESTIONS CONTACT: Mansour Nasser, Deputy Director, 277-4218.