

WEST BASIN MUNICIPAL WATER DISTRICT

SEPTEMBER 12, 2005 – Water Resources
Little, Baker

SEPTEMBER 26, 2005 – Board Meeting

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Approved by: Richard Nagel

ACTION CALENDAR

TURF TECH INDUSTRIES LANDSCAPE CONSERVATION PILOT PROJECTSUMMARY:

The District has been approached by Brian Barklage of Turf Tech Industries to discuss the possibility of conducting a landscape conservation pilot project. One goal of the pilot project is to establish a more substantial base of documentation with which to apply for the next round of Proposition 50 funding, should it become available. The Proposition 50 application submitted in January of this year by the District in cooperation with Turf Tech narrowly missed the funding threshold.

Since the Proposition 50 application, Mr. Barklage has submitted two pilot proposals. The concept for each proposal is fundamentally the same: work with select cities in our service area to apply water efficiency tools and education to assist the City in conserving water. In his proposal, he explains that he would perform a landscape audit, and develop an efficiency irrigation schedule using Turf Tech's proprietary software. The concept does not include installation of new hardware, it merely uses existing irrigation hardware more efficiently. Both pilot proposals are summarized below. Copies of each proposal are included as Exhibits "A" and "B".

Pilot 1

Mr. Barklage initially provided staff with a proposal to work with the Cities of Carson and City Rolling Hills Estates. In his proposal, he would work with each City to conduct the following tasks:

- Identify suitable sites (parks, schools, etc.);
- Gather historical water use data for each site;
- Conduct an audit of each site;
- Develop an efficient irrigation schedule using Turf Tech software;
- Work with City staff to input the efficient water schedule into each irrigation controller;
- Monitor water usage and continue working with City staff; and
- Provide City staff with irrigation software so they can continue developing irrigation schedules for controller input.

Benefits/Costs

According to the proposal submitted, the following lists the benefits for each City and the associated costs to the District:

City of Carson

- Based on 136 acres of irrigated landscape, the proposal is estimating that 161.5 AF of water can be saved over a one-year period;
- This savings is derived from the difference of the water currently being used, 474.3 AF compared to the amount of water that should be used, 312.8 AF, based on the irrigation software; and
- According to the proposal, this translates to a savings of \$105,114.64 savings to the City based on the \$1.49/HCF water rate the City is currently paying.

District Cost:

The amount that Mr. Barklage would charge the District to save this water for the City of Carson is \$61,200.

City of Rolling Hills Estates:

- Based on 24.75 acres of irrigated landscape, the proposal is estimating that 51.1 AF of water can be saved over a one-year period;
- This savings is derived from the difference of the water currently being used, 95.2 AF compared to the amount of water that should be used, 44.1 AF, based on the irrigation software; and
- According to the proposal, this translates to a savings of \$49,890.60 to the City based on the \$2.24/HCF water rate the City is currently paying.

District Cost:

The amount that Mr. Barklage would charge the District to save this water for the City of Rolling Hills Estates is \$11,137.

Project Pay-Out vs. Pay Back Schedule

For this pilot, Mr. Barklage is proposing that the District pay-out the following:

	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Total
Carson \$61,200	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$12,337	\$72,337
Rolling Hills Estates	\$11,137							

Mr. Barklage states, that based on the Cities' savings, the pay-back period is roughly six months.

Pilot 2

In August 2005, Mr. Barklage provided District staff with a second pilot. This pilot is greater in size as compared to Pilot 1. It seeks to identify 50 acres in each of the District's Divisions, for a total of 250 Acres. The combined total for Pilot 1 is 160.75 for two Cities.

In this Pilot, Mr. Barklage would conduct the same tasks as mentioned in Pilot 1.

District Cost:

Under this Pilot scenario, Mr. Barklage is proposing that the District pay him \$112,500. This amount was computed by taking the amount his charges per acre, \$450 per acre x 250 acres.

- 20%, or \$22,500, would be due at the start of the project; and
- Eight consecutive monthly payments of \$11,250 would be made on pre-agreed upon dates.

District Reimbursement Mechanism

The August pilot proposal states that the District would be reimbursed by the participating Cities as they achieve savings. However, based on more recent discussions with Mr. Barklage, staff understands that that he would be responsible for contracting with participating Cities to receive payment from their expected savings, and in turn, reimburse the District. It is not clear whether the reimbursement would be on a monthly basis, or at the end of the test year.

Alternative Approaches to Implementation

Should the District engage Turf Tech on this pilot concept, staff offers the following options for the Board's consideration:

Option 1: Proceed with Turf Tech's initial proposal (Pilot 1), as described in Exhibit "A".

Option 2: Proceed with Pilot 2, but with the following suggested modifications:

- The District would limit its financial contribution to the up-front payment that would be increased from 20 to 25%, or \$28,125. District would not pay the additional eight monthly installments of \$11,250. Turf Tech would receive its monthly payments directly from the participating Cities as a term of their contract. This would avoid the administration of the monthly cash-flow from the District to Turf Tech, and from the City to the District, via Turf Tech; and
- The District would require a staff person to attend all initial meetings between Turf Tech and City leaders (and subsequent meetings as necessary) to ensure the appropriate representation of the District's role and resource management objectives. It should be noted, however, that adequate staff resources to accomplish this are not currently budgeted, and would require reassignment of existing staff priorities.

Option 3: Seek competitive proposals from other vendors through a "Request for Proposals" process based on the pilot concept.

FISCAL IMPACTS:

Funds have not been budgeted for the pilot projects.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Water Resources Committee on September 12, 2005. Director Baker moved to change this matter to an Action Item, was seconded by Director Little and agendized to the September 26, 2005 Board meeting for consideration.

RECOMMENDED MOTION:

That the Board approves the Committee's recommendation of not pursuing Turf Tech's proposal.

LIST OF EXHIBITS:

Exhibit "A" - Pilot 1
Exhibit "B" - Pilot 2

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