

City of Sacramento

Legislation Text

File #: 2018-01533, **Version:** 1

Title:

Supplemental Agreement: Cooperative Agreement with Sacramento Municipal Utility District for the Instant Online Rebate Program

File ID: 2018-01533

Location: Citywide

Recommendation:

Pass a Motion authorizing the City Manager or the City Manager's designee to execute Supplemental Agreement No. 1 to City's Cooperative Agreement No. 2018-0861 with Sacramento Municipal Utility District (SMUD) to continue the Instant Online Rebate Program, for an amount not-to-exceed \$200,000, bringing the agreement's total not-to-exceed amount to \$300,000.

Contact: Roshini Das, Sustainability Manager (916) 808-6270; Jim Peifer, Principal Engineer, (916) 808-1416, Department of Utilities

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Supplemental Agreement

Description/Analysis

Issue Detail: Per the City of Sacramento's 2013 Water Conservation Plan, the Department of Utilities provides various rebates and incentives to city residents to encourage water use efficiency. One of the rebate programs is for EPA WaterSense certified smart irrigation controller systems that tailor watering schedules based on site conditions such as soil moisture, rain, wind, slope, soil, plant type, and evapotranspiration. These systems can save an average home nearly 13,500 gallons of water annually.

In May 2018, the City entered into a cooperative agreement with SMUD that allows Utility water

customers to purchase smart irrigation controllers on SMUD's online consumer marketplace, SMUD Energy Store, and to receive instant online rebates. The cooperative agreement is for \$100,000 through May 14, 2020. In October 2018, the SMUD Energy Store went live with the instant online rebates and has met with great success. Due to high demand, funding is expected to run out shortly. Staff recommends increasing the total not-to-exceed amount by \$200,000, which would allow SMUD to continue to offer the rebates through the term of the Agreement. Supplemental Agreement No.1 allows SMUD to continue to offer the instant rebates for smart irrigation controller systems in the SMUD Energy Store.

Reduction of water use by providing incentives that encourage water efficient behavior protects and promotes the public health, safety and welfare by conserving a vital resource that is subject to ever-increasing demands.

Policy Considerations: Council approval is required in accordance with City Code Chapter 3.64 for supplemental agreements that increase the Agreement amount.

Economic Impacts: None

Environmental Considerations: The Community Development Department, Environmental Planning Services has reviewed the proposed agreement and has determined that it is not considered a "project" under the California Environmental Quality Act (CEQA) Guidelines. The approval of an agreement for water efficiency rebate program is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment (CEQA Guidelines section 15378 (b)).

Sustainability: The City's 2035 General Plan Goals U 2.1.10 Water Conservation Standards and U2.1.11 Water Conservation Programs; and the City's 2013 Water Conservation Plan requires the City to implement water conservation programs that increase water use efficiency, including providing incentives for adoption of water efficiency measures.

Commission/Committee Action: None

Rationale for Recommendation: In May 2018, City Council approved the cooperative agreement (Agreement # 2018-0861) for \$100,000 with SMUD to offer instant rebates on smart irrigation controllers on SMUD Energy Store. The program launched in October 2018 and has been very successful. Due to high demand, the funding is almost depleted and adding \$200,000 to the agreement will allow SMUD to continue to offer the instant rebates.

Financial Considerations: The proposed Supplemental Agreement No. 1 will increase the contract amount by \$200,000, for a new total not-to-exceed amount of \$300,000. Sufficient funds are available in the Water Conservation program (I14120400) to execute the agreement.

There are no General Funds allocated or planned for this project.

Local Business Enterprise (LBE): Not Applicable.