



● **Board of Directors**
Water Planning and Stewardship Committee

1/11/2022 Board Meeting

7-7

Subject

Authorize a three-year agreement for Inspection and Verification Services for Conservation Programs with WaterWise Consulting, Inc.; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

This action requests authorization to enter into a competitively-awarded professional services agreement with WaterWise Consulting, Inc. for an amount not to exceed \$500,000 per year. WaterWise Consulting Inc. will provide inspection and verification services for Metropolitan's conservation rebate programs.

Details

Background

Metropolitan administers various incentive programs to help commercial and residential consumers conserve water. Metropolitan uses a vendor to perform on-site inspections, substantiate the accuracy of rebates, and perform other related services as required.

Metropolitan's current inspection contract will expire on March 31, 2022. In September 2021, Metropolitan issued a competitive request for proposal (RFP) seeking consultant services to perform inspection and verification services. Over 1,900 firms were notified of the solicitation through Metropolitan's bid release system. Of these, 53 prospective vendors downloaded the RFP packet. Despite the broad outreach, Metropolitan received only one response. An evaluation committee reviewed and scored the respondent's proposal; the evaluation was favorable, and the committee recommended WaterWise Consulting, Inc. (WaterWise) be awarded a contract. Metropolitan proposes to enter a three-year rollover agreement with terms in effect from April 1, 2022, to March 31, 2025. The maximum amount payable per year is \$500,000.

WaterWise will support the following Metropolitan conservation programs:

- The "SoCal WaterSmart" regional rebate program, which provides turf replacement and device-based rebates for residential and commercial consumers.
- The Water Savings Incentive Program, which provides financial incentives for customized water efficiency projects.
- The Member Agency Administered Program, which utilizes Metropolitan's funding and provides indoor and outdoor incentives to save water.
- The Regional Multi-Family Housing Toilet Replacement (Pre-94) Program, which provides enhanced incentives for toilet replacement in multi-family residential properties as part of our disadvantaged communities' initiatives.
- Pre- and post- inspections for member agency-administered turf replacement programs.

WaterWise demonstrated they have the technical competence and qualifications to provide inspection and verification services for Metropolitan's conservation programs. Their team has the skills to perform program tracking, provide customer service in scheduling appointments, and conduct inspections at the volume required

for Metropolitan's various programs. The firm has provided inspection and verification services to Metropolitan since 2016 and has proven it can support the entire service area. Further, WaterWise provides conservation program inspections for agencies such as the city of Ventura, San Diego County Water Authority, Santa Clarita Water Agency, and Moulton Niguel Water District.

Because only one bid was received for this solicitation, staff did consider alternative approaches to the current inspection program. However, the WaterWise proposal proved more cost-effective and efficient than Metropolitan hiring staff to perform inspections or resoliciting multiple bids for smaller portions of Metropolitan's service area. WaterWise's ability to provide a reasonable cost for inspection services effectively protects Metropolitan and our agencies' investment in our conservation rebate programs.

Staff is requesting to authorize the agreement with WaterWise for inspection and verification services for an amount not to exceed \$500,000 per year.

Policy

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Metropolitan Administrative Code Section 3107: Water Use Efficiency Guidelines

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves continuing administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed action is not subject to CEQA because it involves other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines)

CEQA determination for Option #2:

None required

Board Options

Option #1

Authorize the General Manager to execute the agreement with WaterWise Consulting, Inc. for inspection and verification services for Metropolitan's water conservation programs.

Fiscal Impact: The maximum amount payable per year is \$500,000.

Business Analysis: WaterWise Consulting, Inc. is highly experienced in providing inspection and verification services for indoor and outdoor conservation devices and programs. It is not feasible, nor cost-effective, for Metropolitan staff to perform these services.

Option #2

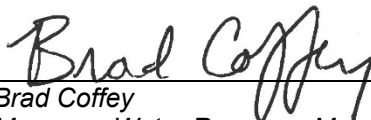
Do not authorize this agreement with WaterWise Consulting, Inc. until a new competitive proposal can be awarded.

Fiscal Impact: No known fiscal impact, but Metropolitan would issue a new request for proposal for inspection and verification services by region, which may cause an interruption to Metropolitan's conservation programs.

Business Analysis: An extension of the current contract would be necessary to allow staff to reissue the RFP, although additional companies may not submit proposals.

Staff Recommendation

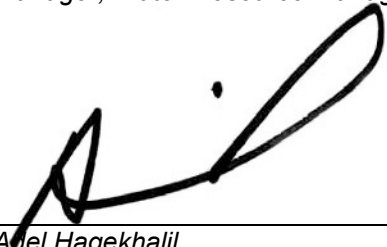
Option #1



Brad Coffey
Manager, Water Resource Management

12/22/2021

Date



Adel Hagekhalil
General Manager

12/27/2021

Date

Ref# wrm12681347