



Modifications to the Turf Replacement Program, Member Agency Administered Funds Program, Pre-1994 Multi-Family Toilet Replacement Program, and the So Cal Gas Direct Install Program

Conservation and Local Resources Committee

Item 6a

October 26, 2021

Objectives For Program Revisions

- Dial up program activity to address the current drought
 - Response to Governor's current drought mandate
 - Support additional programs as part of water supply alert
 - Potential use of state drought funding or grant funding
- Enhance conservation in the following sectors:
 - Disadvantaged Communities
 - Public Agencies
 - Commercial, Industrial, Institutional

Objectives for Modifying Existing Programs

- Seek large volume of water savings in short time
- Maintain program familiarity with agencies and public
 - Reduce administrative complexity
 - Continue emphasis on outdoor efficiency
- Emphasize public agency programs to demonstrate agency leadership and action during drought
- Continue to emphasize outdoor efficiency and water conservation

Recommended Modifications of Existing Conservation Programs

Modification of Turf Replacement Program

- For Commercial and Residential
 - Temporary increase from \$2 to \$3 per square foot (only if additional funding becomes available)
 - All other requirements/controls remain in place
 - Past programs demonstrate higher incentive = more activity
 - Earned media and public awareness campaigns will also increase activity
 - Allow additional time for project completion if watering restrictions impede projects



Additional Assistance for Public Agencies

- Temporary changes
 - Increase rebate from \$2 to \$3/sq. ft.
 - Increase max area from 50,000 to 200,000 sq. ft.
 - Changes sunset at end of next biennial budget
- Provide “concierge” service assisting public agencies with project design, implementation and rebate application
 - Amend contract for current MWD consultants
- USBR grant application submittal for public agency turf program
 - Additional \$1/sq. ft. above turf rebate amount
 - Funding for assistance program



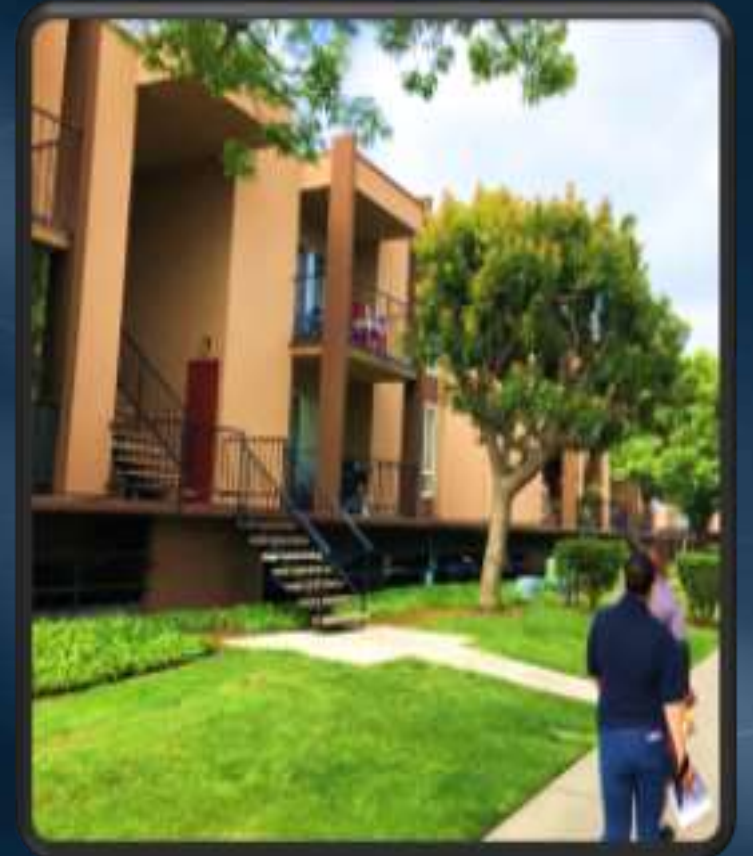
Modification of Member Agency Administered Program (MAAP)

- Create Public Agency category for MAAP funding
 - Comparable to the current underserved community category – not tied to \$195/acre foot level
 - Allows 100% of MAAP funding for a public agency project



Modification of Pre-1994 Multi-Family Toilet Replacement Rebate Program

- Current program funding replaces 10,000 toilets per budget cycle
 - First two offerings fully subscribed on first day
- Increase to 20,000 toilets per cycle and two cycles per fiscal year
- First launch planned for early 2022



SoCal Gas Direct Install Program Expansion

- Current MOU for direct installation of high-efficiency clothes washers for income-qualified customers
- Expand program to include additional water saving measures:
 - Toilets
 - Showerheads
 - Aerators
 - Irrigation Controllers



Budget Considerations—Current Status

	Paid ⁽¹⁾	Committed ⁽²⁾
Regional Devices	\$5.0M	\$4.2M
Member Agency Administered	\$1.7M	\$9.2M
Turf Replacement	\$9.9M	\$8.3M
Advertising	\$0.1M	\$1.0M
Other	\$1.9M	\$1.1M
TOTAL	\$18.6M	\$23.8M

Bi-annual authorization for FY20/21 & FY21/22 was \$86M

(Without new programs, expenditures for the biennium are estimated at \$46M)

(1) As of 7/1/2020 - 8/31/2021.

(2) Committed dollars as of September 10, 2021.

Budget Considerations Moving Forward

- Balancing Program Activity and Conservation Expenditures During Severe Drought
 - Drought emergency expected to result in increased program activity and reduced water transactions
 - Outdoor watering may be severely constrained in portions of service area if drought continues into 2022
 - Notify applicants that they can delay projects without penalty during period when outdoor watering restrictions imposed
 - Seek state funding for demand management program expansions
 - \$1/square foot funding increase (other than for public agencies) conditioned upon receipt of external funds
 - Reduces fiscal exposure during period of reduced water transactions

Budget Considerations for FY21-22—New and Revised Programs

Category	FY20/21 Actual	FY21/22 Projected	Proposed Additions	Biennium Expenditures
Regional Devices	\$4.5 M	\$6.5 M		\$11 M
Member Agency Administered	\$1.5 M	\$7 M	\$2.5 M	\$11 M
Turf	\$8.6 M	\$10 M	\$2 M (public agency)	\$20.6 M
Advertising	\$0.104 M	\$1 M		\$1.1 M
Other*	\$2 M	\$2.5 M		\$4.5 M
Flow Monitoring Pilot	--	\$0.6 M		\$0.6 M
Multi Family Property Toilet Replacement	--	\$2.75 M	\$5.5 M	\$8.75 M
SoCal Gas Program Expansion			\$1.5 M	\$1.5 M
Muni Leak Detection/Repair Pilot			\$2.6 M	\$2.6 M
MWD BUDGET TOTAL	\$16.7 M	\$30.4 M	\$14.1 M	\$61.65 M

Bi-annual authorization for FY20/21 & FY21/22 is \$86M

*Other includes (landscape classes, surveys, all inspections exclude Turf Replacement inspections, pilots/studies, WSIP, ICP

Summary

- Recommendations for Immediate Program Modifications
 - Turf Replacement Program Expansion (+\$1/sq ft pending external funding)
 - Public Agency Turf Replacement Program Expansion
 - Public Agency MAAP program
 - Pre-1994 Multi-Family Toilet Replacement Program Expansion
 - SoCal Gas Direct Install Program Expansion
- Biennial spending for all programs not to exceed Board authorized amount
- Seek external funds to support or expand these programs
- Targeting Board action in November based on Board feedback

Next Steps

- Board Discussion and Input
- Bring to Water Planning & Stewardship for Board Action in November

