



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 3/12/2024

To: Board of Directors, Sonoma County Water Agency
Department or Agency Name(s): Sonoma County Water Agency
Staff Name and Phone Number: Paul Piazza 707-547-1968
Vote Requirement: Majority
Supervisorial District(s): Countywide

Title:

As-Needed Water Loss Control Technical Assistance and Related Services

Recommended Action:

Authorize Sonoma County Water Agency's General Manager to execute the Second Amended and Restated Agreement for As-Needed Water Loss Control Technical Assistance and Related Services with E Source Companies, LLC, in a form approved by County Counsel. The amended agreement increases the amount by \$99,000, for a new not-to-exceed agreement total of \$233,000. There is no change to end date of December 31, 2026.

Executive Summary:

This item requests that the Board authorize Sonoma County Water Agency's (Sonoma Water) General Manager to execute the Second Amended and Restated Agreement for As-Needed Water Loss Control Technical Assistance and Related Services. Under the proposed amended agreement, E Source Companies, LLC (Consultant) will continue to design, administer, and coordinate regional water loss information meetings, and perform other technical services related to water loss reduction including, but not limited to, water loss audit validation services and in-situ supply meter accuracy testing services.

The regional meetings and audit validation services provide cost-effective water loss control assistance to the retail water agency members of the Sonoma-Marin Saving Water Partnership (Partnership). These services support the retail agencies in meeting new water loss reduction regulations and the required annual submittals of validated water loss audits. The increased amount will be used for additional audit validations and select in-situ accuracy testing of Sonoma Water customer meters.

Discussion:

HISTORY OF ITEM/BACKGROUND

In October 2015, the California Senate passed Bill 555, which required urban retail water suppliers to annually submit a validated level 1 water audit to the Department of Water Resources. Additionally, passage of Senate Bill 606 and Assembly Bill 1668 enacted California Water Code section 10608.34 that required the State Water Resources Control Board (SWRCB) to develop water loss performance standards for urban retail water suppliers between January 2019 and July 2020. The SWRCB began conducting stakeholder meetings in March 2018 to develop these water loss reduction standards. The SWRCB completed the public rulemaking for the

regulation in April 2023. The standards are meant to reflect retail water agency-specific levels of efficient water loss that can be cost-effectively achieved and maintained over time. Retail water agencies under this regulation are defined as having 3,000 or more connections or 3,000-acre feet or more in water sales annually.

The adopted regulation for water loss standards is a separately enforceable requirement of a more comprehensive regulatory process underway to develop new water use efficiency targets (Urban Water Use Objectives) for retail water agencies. The Urban Water Use Objectives incorporate the unique weather and service area conditions of each retail water utility to calculate a volumetric water use target based on four combined standards, namely: 1) water loss, 2) indoor residential uses, 3) outdoor residential uses, and 4) outdoor uses for commercial, industrial, and institutional customers. Although the development of the standards for water loss and residential indoor uses are now completed, the SWRCB public rulemaking for the remaining outdoor standards is ongoing.

Considering the new-developed regulation for water loss standards, and in the pursuit of opportunities to improve practices related to water loss control, in 2019, Sonoma Water and other members of the Partnership sought to undertake several projects that would require water loss technical assistance. Potential projects included, but were not limited to, the following projects:

- 1) Regional water loss information meetings.
- 2) Water Loss Audit Validation.
- 3) Meter Assessment and Testing Plan of Sonoma Water's customer meters.
- 4) In-situ meter accuracy testing of Sonoma Water's customer meters.

The Partnership represents 13 water utilities in Sonoma and Marin counties that have joined together to provide regional solutions for water use efficiency. The utilities include the cities of Cloverdale, Healdsburg, Santa Rosa, Rohnert Park, Petaluma, Sonoma, and Cotati; the North Marin, Valley of the Moon, and Marin Municipal water districts; the Town of Windsor; California American Water (Larkfield District); and Sonoma Water. The Partnership was formed to identify and recommend implementation of water use efficiency projects and maximize the cost-effectiveness of water use efficiency programs in our region.

Funds were added to the first amended agreement to complete a meter assessment and testing plan for Sonoma Water's customer meters and to provide continued water loss audit validations and quarterly water loss control working group meetings for the Partnership for 2022 and 2023. Since that time, the number of audit validations requested annually has grown and now includes all the 11 retail utilities in the Partnership required to submit validated water loss audits. Rather than hire an outside consulting firm, these utilities decided to obtain these services through the Partnership's reduced cost-per-audit validation, which depleted the available funds under the first amended agreement sooner than anticipated.

Additional funding is needed to make up for the depletion of funds that were used towards the unanticipated audit validations in 2022 and 2023 and to ensure adequate funding is available for audit validations and continued quarterly working group meetings for the duration of the term of the agreement. Following completion of the meter assessment and testing plan, additional funding is needed for a small number of Sonoma Water's customer meters to conduct in-situ accuracy testing to compare against the existing bench testing and factory testing. The results will be used to evaluate confidence levels in the existing meter test process.

Sonoma Water and Consultant entered into an agreement for the design, administration, and coordination of regional water loss information meetings, as well as other technical services related to water loss reduction, on December 15, 2020, in the amount of \$50,000.

A first amended agreement, approved by the Board on August 30, 2022, increased the agreement amount by \$84,000 for a new not-to-exceed total of \$134,000 and extended the agreement by three years to December 31, 2026.

SELECTION PROCESS

Consultant was selected from a list of qualified consultants developed from a competitive selection process. In December 2021, Water Source Optimization, Inc. was acquired by E Source Companies, LLC, a research, consulting, and data science firm based in Delaware. Attached is a memo that explains the competitive selection process.

SERVICES TO BE PERFORMED

Under the amended agreement, Consultant will continue to design, administer, and coordinate regional water loss information meetings, and perform other technical services related to water loss reduction including, but not limited to, water loss audit validation services and in-situ supply meter accuracy tests for Sonoma Water.

The additional cost is \$99,000, for a new not-to-exceed agreement total of \$233,000. There is no change to end date of December 31, 2026.

County of Sonoma Strategic Plan Alignment

N/A

Sonoma Water Strategic Plan Alignment

Goal: Planning and Infrastructure

Strategy: Conduct planning that integrates and balances operational, maintenance, and infrastructure priorities

Action: Continue to engage in planning efforts and partnerships to protect and enhance our water supply.

Goal: Climate Change

Strategy: Develop and implement practices to understand and minimize vulnerability to climate change impacts.

Action: Support interagency partnership efforts addressing regional climate-resiliency planning and projects.

This work directly aligns with these goals through the continued regional efforts of the Partnership to cost-effectively reduce water loss, which has a positive effect on the resilience of regional water supplies by lowering demands and associated carbon emissions that are created from producing potable water into Sonoma Water’s and the contractors’ transmission systems, which then leaks out before reaching customers.

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

08/30/22: Approved amended agreement between Sonoma Water and E Source Companies, LLC for continued as-needed water loss control technical assistance and related services. Cost \$134,000; term end 12/31/26.

FISCAL SUMMARY

Expenditures	FY23-24 Adopted	FY24-25 Projected	FY25-26 Projected
Budgeted Expenses	\$27,000	\$36,000	\$36,000
Additional Appropriation Requested			
Total Expenditures	\$27,000	\$36,000	\$36,000
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	\$27,000	\$36,000	\$36,000
Use of Fund Balance			
General Fund Contingencies			
Total Sources	\$27,000	\$36,000	\$36,000

Narrative Explanation of Fiscal Impacts:

A budgeted amount of \$12,000 is available from FY 2023/2024 appropriations for the Water Conservation fund and \$15,000 is available from FY 2023/2024 appropriations for the Water Transmission fund. FY 2024/2025 and FY 2025/2026 appropriations will be budgeted in those fiscal years.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Attachment 1: Competitive Selection Process Memo

Related Items "On File" with the Clerk of the Board:

None