DATE: November 12, 2014

TO: Waste Management Authority (WMA)

FROM: Gary Wolff, Executive Director
       Wendy Sommer, Deputy Executive Director

BY: Teresa Eade, Senior Program Manager
     Karen Kho, Senior Program Manager

SUBJECT: Prop 84 Drought Round Grant Acceptance - Resolution

BACKGROUND
Since 2011 StopWaste has been a member of the Bay Area Integrated Regional Water Management (IRWM) group and has collaborated with water agencies, cities, and counties to jointly apply for Prop 84 funding. The California Department of Water Resources awarded funding from Prop 84 Rounds 1 and 2 to the Bay Area IRWM. StopWaste’s portion of these prior grants, totaling $430,247, leverages Bay-Friendly Landscape & Garden education resources with the regional lawn rebate programs being implemented by 10 water agencies in the 9 Bay Area counties. On March 26, 2014, the WMA Board adopted the latest Bay Area IRWM Plan Update, which is a requirement for Prop 84 grant eligibility.

DISCUSSION
On October 30, 2014 the California Department of Water Resources awarded $32,178,423 to the San Francisco Bay Area Integrated Regional Water Management Region from the Prop 84 2014 Drought Grant program. The Bay Area IRWM Drought Round proposal includes a $5.9 million Bay Area Regional Drought Relief Conservation Program, which (subject to Board approval) will be administered by StopWaste and includes twelve water agencies in the region. The water conservation program includes rebates for lawn replacement and other water efficiency measures and a drought-resistant soil and garden marketplace project. The soil and garden marketplace project will regionalize the Agency’s Compost and Mulch target activities. See Attachment A for the approved scope of work.

StopWaste was selected to administer this program based on its prior involvement in the conservation program and experience in implementing regional energy efficiency programs. Staff is asking the WMA Board to authorize the Executive Director to enter into a contract with ABAG for $5,993,971, which includes $5,663,000 in rebates, and take other related actions. Please note that
the rebates will be paid by the twelve water agencies in the Regional Drought Relief Conservation Program to their participating customers, and we will then manage the process of reimbursement from DWR. We will not process individual rebates.

Before DWR will sign a final grant agreement, they will require that the Board adopt a standard form resolution that they will provide, but which is not yet available. We expect the content to be similar to the Prop 84 Round 1 resolution that the Board adopted previously. Rather than waiting until the Resolution is available, we thought it would be more transparent to bring forward this grant acceptance decision at the same time as the mid-year budget amendments. Bringing it forward now also moves the contract process forward efficiently.

**RECOMMENDATION**

Adopt the Resolution attached.
RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO CONTRACT FOR THE PROP 84 DROUGHT ROUND GRANT AND OTHER RELATED ACTIONS

WHEREAS, the State electorate approved multiple statewide bond measures since 2000, including Propositions 50 and 84, to fund water and natural resource projects and programs, including Integrated Regional Water Management (IRWM); and

WHEREAS, state statute and guidelines required that an IRWM Plan be adopted by the governing boards of participating agencies before IRWM grant funds would be provided for water resources management projects that are part of the IRWM Plan; and

WHEREAS, the Alameda County Waste Management Authority (Authority) adopted the Bay Area IRWM Plan Update on March 26, 2014 to be eligible to receive IRWM grant funding; and

WHEREAS, the Governor declared a State of Emergency due to extended drought conditions in California and authorized an accelerated round of Prop 84 grant funding; and

WHEREAS, the Authority partnered with twelve water agencies to submit a Bay Area Regional Drought Relief Conservation Program as part of the Bay Area IRWM Drought Round Proposal; and

WHEREAS, the Department of Water Resources awarded the Bay Area IRWM $28.2 million in funding, including $5,993,971 for the Bay Area Regional Drought Relief Conservation Program; and

WHEREAS, the regional conservation program includes rebates for water conservation measures and a soil to garden marketplace, and

WHEREAS, the Authority has been designated as the administrator for the regional conservation program, and

NOW THEREFORE, BE IT RESOLVED, that the Authority hereby authorizes the Executive Director to:

1. Enter into all necessary contracts and agreements with ABAG in order to accept up to $5,993,971, amend the FY 2014/15 budget to add these funds to Project 1153: Prop 84 Round 3.

2. Approve any required time extensions, modifications, or amendments thereto.

3. Allocate the necessary resources to implement and carry out the amended scope of work.
ADOPTED BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSENT:
ABSTAINED:

____________________________________
Gary Wolff, PE, PhD
Executive Director
The Association of Bay Area Governments (ABAG) received a total of $28.2 million in funding from the Department of Water Resources, of which the Bay Area Regional Drought Relief Conservation Program will receive $5,993,971.

Regional Water Rebates ($5,663,000)
StopWaste will contract with ABAG and administer this grant, which includes funding for:

- Lawn-to-landscape conversions (rebates for lawn replacement), high-efficiency toilet rebates, high-efficiency toilet direct installation, high-efficiency washer rebates, and a soil and garden marketplace project.
- The project will save 1,200 acre-feet of water per year for a total of 24,000 acre-feet over twenty years.
- The grant begins this fiscal year and span three years.

Grant Administration ($230,971)
StopWaste will administer the Regional Drought Relief Conservation Program grant on behalf of the twelve partner agencies, and conduct the following activities:

- Coordinate agency responsibilities and manage cost commitments
- Develop Quarterly Progress Reports, including preparing progress reports detailing work completed in prior quarter and submittal to ABAG for submittal to DWR
- Develop invoices, including preparing quarterly invoices including relevant supporting documentation for submittal to ABAG for submittal to DWR
- Drafting the Project Completion Report

Drought Resistant Soil and Garden Marketplace ($100,000)
StopWaste will develop a soil and garden marketplace to support water rebates, lawn conversion and use of compost and mulch, including conducting the following activities:

- Develop Lawn to Garden partnerships to market and advertise the program
- Conduct stakeholder meetings and workshops for the public
- Develop website tools for retail partners and water agencies