

- **Board of Directors**
Water Planning, Quality and Resources Committee

October 14, 2003 Board Meeting

8-6

Subject

Authorize a landscape water-use efficiency incentive for commercial weather-based irrigation controllers

Description

This letter would establish a new incentive for commercial, industrial, and institutional (CII) customers to purchase and install water-saving, weather-based irrigation controllers. This new incentive would further expand the range of resources available through Metropolitan's comprehensive approach to landscape water use efficiency, which presently includes educational resources, public outreach programs, and incentives for recycled water, centralized irrigation control systems, and residential weather-based controllers. [Attachment 1](#) provides additional information on existing activities.

Proposed Commercial-Grade Weather-Based Irrigation Controller Incentive

The proposed action would provide CII customers an incentive of \$5.50 per irrigation station for the purchase of a weather-based irrigation controller. Metropolitan presently offers residential customers an incentive of \$65 per controller (generally up to 12 stations). Because CII landscapes are typically larger than the average residential landscape, CII customers often require irrigation controllers capable of supporting more than 12 stations. Therefore, a scalable incentive using the rate of \$5.50 per station is recommended for CII customers. The maximum amount payable by Metropolitan for any weather-based irrigation controller shall not exceed one-half of the unit's total cost of purchase. [Attachment 2](#) provides additional details on the basis for this proposed incentive.

This month the Board will also consider accepting a \$1.78 million grant from the Department of Water Resources to provide additional funding on top of Metropolitan's incentives (residential and CII, if approved) to initiate customer acceptance of this new technology through the combined value of Metropolitan's and the State's incentive funding. A portion of the grant would also provide for a report that will include an evaluation of the water savings achieved, the relative effectiveness of various controller technologies, and overall program cost-effectiveness.

Next Steps

Staff continues to collaborate with member agencies, developers, landscape professionals, community groups, and inventors to aggressively explore and develop new approaches to improving urban landscape water-use efficiency. As new technology matures and new approaches are crafted, the Board will be presented additional steps for its consideration.

Policy

By Minute Item 38290, dated June 12, 1990, the Board set the incentive amount at \$154 per acre-foot of water conserved to a maximum contribution of one-half the project cost.

By Minute Item 44974, dated August 20, 2002, the Board authorized an incentive of \$65 per unit for the retrofit installation of evapotranspiration controllers in residential landscapes.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is categorically exempt under the provisions of CEQA and the State CEQA Guidelines. The proposed action involves the funding and installation of irrigation controllers at existing public or private facilities involving negligible or no expansion of use and no possibility of significantly impacting the physical environment. Accordingly, the proposed action qualifies under a Class 1 Categorical Exemption (Section 15301 of the State CEQA Guidelines).

The CEQA determination is: Determine that pursuant to CEQA, the proposed action qualifies under a Categorical Exemption (Class 1, Section 15301 of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options/Fiscal Impacts

Option #1

Adopt the CEQA determination and authorize a new incentive for commercial-grade, weather-based irrigation controllers.

Fiscal Impact: Impact of the \$5.50 per station commercial-grade, weather-based irrigation controller incentive will be managed within the existing Conservation Credits Program. Initial implementation is expected to cost \$100,000 to \$200,000 over the next three years.

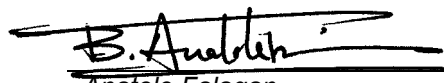
Option #2

Do not authorize the proposed action.

Fiscal Impact: None


Staff Recommendation

Option #1



 Anatole Falagan
 for Stephen N. Arakawa
 Manager, Water Resource Management

9/15/2003
 Date



 Ronald R. Gastelum
 Chief Executive Officer

9/24/2003
 Date

Attachment 1 – Overview of Metropolitan Landscape Water-Use Efficiency Incentives

Attachment 2 – Proposed New Incentive for Commercial-Grade Weather-Based Landscape Irrigation Controllers

Overview of Metropolitan Landscape Water-Use Efficiency Incentives

Over the past two decades Metropolitan has adopted a comprehensive package of effective measures aimed at improving the water-use efficiency of Southern California's urban landscape. The following actions are ongoing in concert with the member agencies:

1. Local Resource Projects (Water Recycling): Up to \$250 per acre-foot to support the development and production of recycled water, which is widely used for landscape irrigation.
2. Centralized Irrigation Control System Incentives: Financial incentives for the installation of centralized weather-based controllers to increase the irrigation efficiency of large landscapes.
3. Protector del Agua Landscape Educational Series: Workshops to train landscape professionals and residential customers in the application of landscape water-use efficiency concepts.
4. Weather-Based Landscape Irrigation Controller Rebates (Residential): \$65 per unit for the purchase and installation of residential-grade, weather-based irrigation controllers.
5. Southern California CIMIS Weather Stations: Metropolitan owns and maintains nine weather stations that are part of the California Irrigation Management Information System (CIMIS) cooperative network. These stations generate real-time weather data, which is used by weather-based irrigation technology to determine landscape-watering needs.
6. Residential Water Audits: Incentives to member agencies to conduct audits of individual residences experiencing high water usage. Audits typically include an assessment of landscape irrigation systems (inspection of sprinklers and adjustment of automatic irrigation controller).
7. Southern California Heritage Landscape Program: A public outreach campaign to promote outdoor water conservation region-wide, including the City Makeover Program and internet-based tools, such as the *Watering Calculator* and the *Watering Index*.

**Proposed Incentive for Commercial-Grade,
Weather-Based Landscape Irrigation Controllers**

A study of evapotranspiration irrigation controllers (ET controllers) sponsored by Metropolitan in cooperation with Municipal Water District of Orange County and the Irvine Ranch Water District, estimated the water savings of ET controllers to be approximately 13,500 gallons per 12-station controller per year. Landscape requirements in a commercial setting may require significantly more irrigation stations. Based on the results of this study, staff estimated a conservative, water-savings of 1,125 gallons per year (per irrigation station). When extended over the assumed product life of ten years, and combined with Metropolitan's incentive of \$154 per acre-foot of conserved water, the result is an approximate incentive of \$5.50 per station. Currently, commercial grade, weather-based controllers cost upward of \$20 per irrigation station.

A \$5.50 per station rebate for commercial-grade controllers will enable Metropolitan to issue a scalable rebate to commercial, industrial and institutional customers, on the basis of the number of stations in the customer's weather-based irrigation controller. Under this incentive, a 24-station weather-based irrigation, controller would receive an incentive of \$132, and a 48-station weather-based irrigation controller would receive an incentive of \$264. Staff expects most rebates to be issued under this program would be for controllers of less than 64 stations, which would result in an incentive payment of \$352.