



- Board of Directors
Communications and Legislation Committee

3/11/2014 Board Meeting

8-5

Subject

Authorize entering into a three-year agreement with Fraser Communications for regional communications and advertising services and media buys related to water awareness and conservation, not to exceed \$5.5 million annually

Executive Summary

As a result of the current statewide drought emergency and Metropolitan's Water Supply Alert Resolution, staff recommends that the Board authorize entering into a three-year agreement with Fraser Communications for regional communications and outreach to increase water awareness and conservation throughout Southern California.

Details

On January 17, 2014, Governor Jerry Brown issued an emergency statewide drought declaration and called on all Californians to conserve water. In response to the unprecedented drought conditions, Metropolitan adopted a Water Supply Alert Resolution on February 11, 2014. The resolution is a regional call for increased awareness of water supply conditions and extraordinary conservation within Metropolitan's service area. The Board also authorized an increase of \$20 million for conservation incentives and outreach, of which \$5.5 million is proposed to fund one year of a regional communications and outreach campaign. Funding for outreach in subsequent years would require subsequent authorization by the Board. Actions taken to lower water demands could avoid or reduce the magnitude of regional supply shortages in future years if drought conditions persist.

The proposed agreement with Fraser Communications would implement a strategic communications and outreach campaign to promote water awareness and encourage conservation. Messaging would focus on the value of water, the need to conserve, and the importance of investing now to prepare for the future. The campaign would be developed in coordination with the member agencies and informed by consumer research. Multiple media platforms would be used to reach various target audiences, including the region's ethnic communities.

Fraser Communications is uniquely qualified to quickly deploy a focused, strategic water awareness campaign, due to their communications expertise and experience in working on previous conservation outreach efforts with Metropolitan and other public agencies. Since 2008, Fraser Communications has developed several successful educational advertising campaigns for Metropolitan, with ads appearing on broadcast television, cable networks, radio stations, print and on websites. Radio and print ads were in English, Spanish, Chinese (Mandarin and Cantonese), Korean and Vietnamese. Online and social media included Google search advertising and a YouTube channel dedicated to water conservation. Fraser also helped develop Metropolitan's *bewaterwise*® and *California Friendly*® programs. With this experience, there would be a seamless start-up for this new campaign allowing immediate implementation.

A multimedia outreach campaign can be highly effective in raising consumer awareness and improving the public's understanding of the value of water, ways to conserve and the need to reinvest in water systems to maintain reliability. For these reasons, staff recommends that the Board authorize the General Manager to enter into a three-year contract with Fraser Communications for up to \$5.5 million. Work under the contract in second

and third years would be dependent upon board authorization of funding. Having a contract in place for subsequent years allows for rapid implementation of outreach if deemed appropriate by the Board.

Policy

Pursuant to Metropolitan Water District's Administrative Code Section 4210, it shall be the policy of the District to undertake and support water conservation programs. To that end, the District may develop and implement such programs and enter into agreements with member public agencies and other organizations to make more efficient use of water resources through water conservation programs so long as such agreements serve a beneficial purpose of the District.

By Minute Item 48772, dated August 16, 2011, the Board adopted the Long-term Conservation Plan and revisions to the water conservation policy principles. The Plan identifies outreach and education as a key strategy to help reduce per capita water use.

On February 11, 2014, the Board adopted a Water Supply Alert Resolution calling for increased awareness and extraordinary conservation within Metropolitan's service area.

On February 11, 2014, the Board authorized an increase of \$20 million for conservation incentives and outreach.

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 (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).

The CEQA determination is: Determine that the proposed action is not subject to the provisions of CEQA pursuant to Sections 15378(b)(2) and 15378(b)(4) of the State CEQA Guidelines.

CEQA determination for Option #2:

None required

Board Options

Option #1

Adopt the CEQA determination that the proposed action is not subject to CEQA and authorize the General Manager to enter into a three-year contract with Fraser Communications for regional communications, including advertising services and media buys related to water awareness and conservation, not to exceed \$5.5 million annually .

Fiscal Impact: \$5.5 million in 2014/2015 budgeted Operations & Maintenance funds (work under contract in second and third years is dependent upon board approval of funding).

Business Analysis: Increased awareness and conservation will help the region avoid or reduce the magnitude of a potential shortage in later years. This communications campaign would provide public messaging consistent with the state of California's drought response.

Option #2

Do not authorize the General Manager to enter into a three-year contract with Fraser Communications for regional communications related to water awareness and conservation.

Fiscal Impact: Metropolitan may incur increased operational costs to withdraw more water from regional storage and may need to purchase additional transfer water to protect storage reserves if dry conditions persist and the region does not take action to reduce demands.

Business Analysis: Demands for imported water may exceed supply and make it more difficult to manage storage reserves in future years if dry conditions persist and the region does not take action to reduce demands.

Staff Recommendation

Option #1



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3/5/2014
Date



Jeffrey Nightlinger
General Manager

3/6/2014
Date

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