

Council Meeting of
December 19, 2006

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: Public Works - Approve agreement to provide marketing services for the implementation of enhanced water conservation services. Expenditure \$20,000.

RECOMMENDATION

The Public Works Director recommends that the City Council approve entering into an agreement with the South Bay Council of Governments (SBCCOG) to provide marketing services for the implementation of commercial, industrial and residential water conservation programs in the amount of \$20,000 over a two year period through December 31, 2008.

Funding

Funding is available in the current Water Enterprise Operating Budget.

BACKGROUND AND ANALYSIS

The Public Works Department met with representatives of both the South Bay Cities Council of Governments (SBCCOG) and West Basin Municipal Water District (WBMWD) to explore possible opportunities for forming a partnership arrangement to jointly implement high priority water conservation programs in the area. Both the City of Torrance and WBMWD are direct member agencies of the Metropolitan Water District of Southern California (MWD) and are responsible for providing imported MWD water supplies to the entire South Bay area.

The South Bay Cities Council of Governments is a joint powers authority among the South Bay cities, including Torrance. A major objective of the SBCCOG is to promote and coordinate programs of a regional nature in the South Bay area. Approximately one and a half years ago, the SBCCOG established the South Bay Energy Center, located in Torrance, to function as an energy information resource center and to market a wide variety of energy rebate, incentive and device distribution programs for Southern California Edison and Southern California Gas Company. The Energy Center has been very successful and has developed extremely active community outreach and marketing efforts, which target the same business and institutional customer base that both the City and WBMWD wish to reach with enhanced water conservation programs.

As a result of these discussions, it was decided that it would be mutually beneficial to form a partnership among all three entities to market and implement various high priority water conservation programs including: public restroom retrofit, commercial laundromat clothes washer replacement, landscape audit and irrigation equipment retrofit, high efficiency toilet installation and water efficient landscape educational programs throughout the area. In this proposed

partnership arrangement, West Basin Municipal Water District would provide for the retention of contractors to provide implementation services for these programs, and the SBCCOG would provide marketing services targeted to appropriate customer sectors.

It is proposed that the City enter into a two year agreement with the SBCCOG to provide comprehensive marketing and related support services for these water conservation programs in the amount of \$20,000. The service agreement with WBMWD for the provision of conservation program implementation services is addressed in a separate companion Council Item.

The Water Commission considered the enhanced water conservation programs at their August 17, 2006 meeting and unanimously supported the proposed partnership programs. The matter was subsequently brought before the City Council's Finance and Governmental Operations Committee at the November 14, 2006 meeting, at which time the Committee recommended approval of this Item as a program modification for enhanced water conservation programs. At the November 21, 2006 City Council meeting, the Council approved the recommendation of the Committee to adopt the subject water conservation programs and partnership arrangements.

With The City Council's approval of the agreements with the SBCCOG for marketing services, and the West Basin Municipal Water District for implementation services, the enhanced water conservation programs will be initiated beginning in January 2007.

Respectfully submitted,

ROBERT J. BESTE
Public Works Director

CONCUR:


Jack van der Linden
Deputy Public Works Director


By: Charles J. Schaich
Senior Administrative Analyst


Robert J. Beste
Public Works Director


LeRoy J. Jackson
City Manager

Attachments: A. Agreement with SBCCOG
B. Item submitted to Finance and Governmental Operations
Committee on 11-14-2006

CONSULTING SERVICES AGREEMENT

This CONSULTING SERVICES AGREEMENT (“Agreement”) is made and entered into as of December 19, 2006 (the “Effective Date”), by and between the CITY OF TORRANCE, a municipal corporation (“CITY”), and South Bay Cities Council of Governments (SBCCOG), a joint powers authority (“CONSULTANT”).

RECITALS:

- A. CITY wishes to retain the services of an experienced and qualified CONSULTANT to provide marketing and community services for the implementation of institutional,
- B. business and residential conservation programs.
- C. CONSULTANT represents that it is qualified to perform those services.

AGREEMENT:

1. SERVICES TO BE PERFORMED BY CONSULTANT

CONSULTANT will provide the services listed in the Scope of Services attached as Exhibit A. CONSULTANT warrants that all work and services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner.

2. TERM

Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect from the Effective Date through December 31, 2008.

3. COMPENSATION

- A. CONSULTANT’s Fee.

For services rendered pursuant to this Agreement, CONSULTANT will be paid in accordance with the Compensation Schedule attached as Exhibit B, provided, however, that in no event will the total amount of money paid the CONSULTANT, for services initially contemplated by this Agreement, exceed the sum of \$ 20,000 (“Agreement Sum”), unless otherwise first approved in writing by CITY.

- B. Schedule of Payment.

Provided that the CONSULTANT is not in default under the terms of this Agreement, upon presentation of an invoice, CONSULTANT will be paid quarterly the fees described in Paragraph 3.A. above, according to the Compensation Schedule. Payment will be due within 30 days after the date of the monthly invoice.

4. TERMINATION OF AGREEMENT

A. Termination by CITY for Convenience.

1. CITY may, at any time, terminate the Agreement for CITY's convenience and without cause.
2. Upon receipt of written notice from CITY of such termination for CITY's convenience, CONSULTANT will:
 - a. cease operations as directed by CITY in the notice;
 - b. take actions necessary, or that CITY may direct, for the protection and preservation of the work; and
 - c. except for work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.
3. In case of such termination for CITY's convenience, CONSULTANT will be entitled to receive payment for work executed; and costs incurred by reason of such termination, along with reasonable overhead and profit on the work not executed.
4. CONSULTANT may, at any time, and upon thirty (30) days upon written notice to CITY, terminate the Agreement for CONSULTANT'S Convenience and without cause. In the event, CONSULTANT will be entitled to receive payment for work executed and costs incurred prior to the effective date of the termination.

B. Termination for Cause.

1. If either party fails to perform any term, covenant or condition in this Agreement and that failure continues for 15 calendar days after the nondefaulting party gives the defaulting party written notice of the failure to perform, this Agreement may be terminated for cause; provided, however, that if during the notice period the defaulting party has promptly commenced and continues diligent efforts to remedy the default, the defaulting party will have such additional time as is reasonably necessary to remedy the default.
2. In the event this Agreement is terminated for cause by the default of the CONSULTANT, the CITY may, at the expense of the CONSULTANT, complete this Agreement or cause it to be completed. All moneys due the CONSULTANT under the terms of this Agreement will be retained by the CITY, but the retention will not release the CONSULTANT from liability for the default. Under these circumstances, however, the CONSULTANT will be credited with the amount of money retained, toward any amount by

which the cost of completion exceeds the Agreement Sum and any amount authorized for extra services.

3. Termination for cause will not affect or terminate any of the rights of the CITY as against the CONSULTANT then existing, or which may thereafter accrue because of the default; this provision is in addition to all other rights and remedies available to the CITY under law.

C. Termination for Breach of Law.

In the event the CONSULTANT or any of its officers, directors, shareholders, employees, agents, subsidiaries or affiliates is convicted (i) of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of a contract or subcontract; (ii) under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a public consultant or contractor; (iii) under state or federal antitrust statutes arising out of the submission of bids or proposals; or (iv) of violation of Paragraph 19 of this Agreement; or for any other cause the CITY determines to be so serious and compelling as to affect CONSULTANT's responsibility as a public consultant or contractor, including but not limited to, debarment by another governmental agency, then the CITY reserves the unilateral right to terminate this Agreement or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it deems proper. The CITY will not take action until CONSULTANT has been given notice and an opportunity to present evidence in mitigation.

5. **FORCE MAJEURE**

If any party fails to perform its obligations because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental control, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform, then that party's performance shall be excused for a period equal to the period of such cause for failure to perform.

6. **RETENTION OF FUNDS**

CONSULTANT authorizes CITY to deduct from any amount payable to CONSULTANT (whether or not arising out of this Agreement) any amounts the payment of which may be in dispute or that are necessary to compensate CITY for any losses, costs, liabilities, or damages suffered by CITY, and all amounts for which CITY may be liable to third parties, by reason of CONSULTANT's negligent acts or omissions or willful misconduct in performing or failing to perform CONSULTANT's obligations under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by CONSULTANT, or any indebtedness exists that appears to be the basis for a

claim of lien, CITY may withhold from any payment due, without liability for interest because of the withholding, an amount sufficient to cover the claim. The failure of CITY to exercise the right to deduct or to withhold will not, however, affect the obligations of CONSULTANT to insure, indemnify, and protect CITY as elsewhere provided in this Agreement.

7. **CITY REPRESENTATIVE**

Robert Beste, Public Works Director is designated as the “City Representative,” authorized to act in its behalf with respect to the work and services specified in this Agreement and to make all decisions in connection with this Agreement. Whenever approval, directions, or other actions are required by CITY under this Agreement, those actions will be taken by the City Representative, unless otherwise stated. The City Manager has the right to designate another City Representative at any time, by providing notice to CONSULTANT.

8. **CONSULTANT REPRESENTATIVE(S)**

The following principal(s) of CONSULTANT are designated as being the principal(s) and representative(s) of CONSULTANT authorized to act in its behalf with respect to the work specified in this Agreement and make all decisions in connection with this Agreement:

Jacki Bacharach, Executive Director

9. **INDEPENDENT CONTRACTOR**

The CONSULTANT is, and at all times will remain as to CITY, a wholly independent contractor. Neither CITY nor any of its agents will have control over the conduct of the CONSULTANT or any of the CONSULTANT’s employees, except as otherwise set forth in this Agreement. The CONSULTANT may not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY.

10. **BUSINESS LICENSE**

The CONSULTANT must obtain a City business license prior to the start of work under this Agreement, unless CONSULTANT is qualified for an exemption.

11. **OTHER LICENSES AND PERMITS**

CONSULTANT warrants that it has all professional, contracting and other permits and licenses required to undertake the work contemplated by this Agreement.

12. **FAMILIARITY WITH WORK**

By executing this Agreement, CONSULTANT warrants that CONSULTANT (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement.

13. **CONSULTANT'S ACCOUNTING RECORDS; OTHER PROJECT RECORDS**

Records of the CONSULTANT's time pertaining to the project, and records of accounts between CITY and the CONSULTANT, will be kept on a generally recognized accounting basis. CONSULTANT will also maintain all other records, including without limitation specifications, drawings, progress reports and the like, relating to the project. All records will be available to CITY during normal working hours. CONSULTANT will maintain these records for three years after final payment.

14. **INDEMNIFICATION**

CONSULTANT, will indemnify, pay for cost of defense, and hold harmless CITY, the City Council, each member thereof, present and future, its officers, agents and employees from and against any and all liability, expenses including defense costs and legal fees, and claims for damages whatsoever, including , but not limited to, those arising from breach of contract, bodily injury, death, personal injury, property damage, loss of use or property loss. The obligation to indemnify, pay for cost of defense, and hold harmless includes, but is not limited to, any liability or expense , including defense costs and legal fees, arising from the negligent acts or omissions, or willful misconduct of CONSULTANT, its officers, employees, agents, subcontractors or vendors. It is further agreed, CONSULTANT's obligations to indemnify, defend and hold harmless will apply, but only to the extent covered by CONSULTANT's negligence, even in the event of concurrent negligence on the party of CITY, the City Council, each member thereof, present and future, or its officers, agents and employees, except for liability resulting from the negligence or willful misconduct of CITY, its officers, employees or agents. Payment by CITY is not a condition precedent to enforcement to this indemnity.

15. **NON-LIABILITY OF CITY OFFICERS AND EMPLOYEES**

No officer or employee of CITY will be personally liable to CONSULTANT, in the event of any default or breach by the CITY or for any amount that may become due to CONSULTANT.

17. **INSURANCE**

A. CONSULTANT must maintain at its sole expense the following insurance, which will be full coverage not subject to self insurance provisions:

1. Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:
 - a. Primary Bodily Injury with limits of at least \$500,000 per person, \$1,000,000 per occurrence; and
 - b. Primary Property Damage of at least \$250,000 per occurrence; or
 - c. Combined single limits of \$1,000,000 per occurrence.
2. General Liability including coverage for premises, products and completed operations, independent contractors/vendors, personal injury and

contractual obligations with combined single limits of coverage of at least \$1,000,000 per occurrence.

- B. The insurance provided by CONSULTANT will be primary and non-contributory.
- C. CITY, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must be named as additional insured under the automobile and general liability policies.
- D. CONSULTANT must provide certificates of insurance and/or endorsements to the City Clerk of the City of Torrance before the commencement of work.
- E. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without thirty days notice to CITY.

18. SUFFICIENCY OF INSURERS AND SURETIES

Insurance required by this Agreement will be satisfactory only if issued by companies admitted to do business in California, rated "B+" or better in the most recent edition of Best's Key Rating Guide, and only if they are of a financial category Class VII or better, unless these requirements are waived by the Risk Manager of CITY ("Risk Manager") due to unique circumstances. In the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to CITY, the CONSULTANT agrees that the minimum limits of any insurance policies or performance bonds required by this Agreement may be changed accordingly upon receipt of written notice from the Risk Manager; provided that CONSULTANT will have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of CITY within 10 days of receipt of notice from the Risk Manager.

19. CONFLICT OF INTEREST

- A. No officer or employee of the CITY may have any financial interest, direct or indirect, in this Agreement, nor may any officer or employee participate in any decision relating to the Agreement that effects the officer or employee's financial interest or the financial interest of any corporation, partnership or association in which the officer or employee is, directly or indirectly interested, in violation of any law, rule or regulation.
- B. No person may offer, give, or agree to give any officer or employee or former officer or employee, nor may any officer or employee solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any way pertaining to any program requirement, contract or subcontract, or to any solicitation or proposal.

20. **NOTICE**

- A. All notices, requests, demands, or other communications under this Agreement will be in writing. Notice will be sufficiently given for all purposes as follows:
1. Personal delivery. When personally delivered to the recipient: notice is effective on delivery.
 2. First Class mail. When mailed first class to the last address of the recipient known to the party giving notice: notice is effective three mail delivery days after deposit in an United States Postal Service office or mailbox.
 3. Certified mail. When mailed certified mail, return receipt requested: notice is effective on receipt, if delivery is confirmed by a return receipt.
 4. Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account: notice is effective on delivery, if delivery is confirmed by the delivery service.
 5. Facsimile transmission. When sent by fax to the last fax number of the recipient known to the party giving notice: notice is effective on receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.
 6. Addresses for purpose of giving notice are as follows:

CONSULTANT:	South Bay Cities Council of Governments Attn: Jacki Bacharach 3868 Carson Street - Suite 110 Torrance, CA 90503 Fax: (310) 792-5710
CITY:	City Clerk City of Torrance 3031 Torrance Boulevard Torrance, CA 90509-2970 Fax: (310) 618-2931
- B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.
- C. Either party may change its address or fax number by giving the other party notice of the change in any manner permitted by this Agreement.

21. **PROHIBITION AGAINST ASSIGNMENT AND SUBCONTRACTING**

This Agreement and all exhibits are binding on the heirs, successors, and assigns of the parties. The Agreement may not be assigned or subcontracted by either CITY or CONSULTANT without the prior written consent of the other.

22. **INTEGRATION; AMENDMENT**

This Agreement represents the entire understanding of CITY and CONSULTANT as to those matters contained in it. No prior oral or written understanding will be of any force or effect with respect to the terms of this Agreement. The Agreement may not be modified or altered except in writing signed by both parties.

23. **INTERPRETATION**

The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply.

24. **SEVERABILITY**

If any part of this Agreement is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Agreement will remain in full force and effect.

25. **TIME OF ESSENCE**

Time is of the essence in the performance of this Agreement.

26. **GOVERNING LAW; JURISDICTION**

This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the Agreement will be in Los Angeles County, California.

27. **COMPLIANCE WITH STATUTES AND REGULATIONS**

CONSULTANT will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

28. **WAIVER OF BREACH**

No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default will impair the right or remedy or be construed as a waiver. A party's consent or approval of any act by the other party requiring the party's consent or approval will not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and will not be a waiver of any other default concerning the same or any other provision of this Agreement.

29. **ATTORNEY'S FEES**

Except as provided for in Paragraph 15, in any dispute, litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under

this Agreement, the prevailing party will be awarded reasonable attorney's fees, together with any costs and expenses, to resolve the dispute and to enforce any judgment.

30. EXHIBITS

All exhibits identified in this Agreement are incorporated into the Agreement by this reference.

31. CONSULTANT'S AUTHORITY TO EXECUTE

The person(s) executing this Agreement on behalf of the CONSULTANT warrant that (i) the CONSULTANT is duly organized and existing; (ii) they are duly authorized to execute this Agreement on behalf of the CONSULTANT; (iii) by so executing this Agreement, the CONSULTANT is formally bound to the provisions of this Agreement;

and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the CONSULTANT is bound.

CITY OF TORRANCE,
a Municipal Corporation

South Bay Cities Council of Governments
A Joint Powers Authority

Frank Scotto, Mayor

ATTEST:

Sue Herbers
City Clerk

By: _____
Jim Aldinger
Chair

APPROVED AS TO FORM:
JOHN L. FELLOWS III
City Attorney

By: _____

Attachments: Exhibit A Scope of Services
 Exhibit B Compensation Schedule

Revised: 1/30/01

EXHIBIT A**SCOPE OF SERVICES**

The South Bay Cities Council of Governments (SBCCOG) will provide marketing, communication community outreach and promotional support for the development and implementation of various water conservation programs for the City of Torrance. In addition, the SBCCOG will serve as a resource center for various water conservation, rebate and incentive programs offered by the City. Specific water conservation programs include, but are not limited to, the following:

- 1. Public Restroom Retrofit Program for Business and Institutional Customers.**
- 2. Commercial Laundromat Retrofit Program.**
- 3. Landscape Audits and Irrigation Equipment Retrofit Program.**
- 4. Water Efficient Landscape Classes for both Residential and professional Sector.**
- 5. High Efficiency Toilet Direct Install Program for Multi-Family and Senior Complexes.**
- 6. Educational Conservation Programs, such as the Living Wise Program**
- 7. Rebate and Incentive programs for Ultra-Low Flush and High Efficiency Toilet Rebate, distribution and Direct Install programs; High Efficiency Clothes Washer Rebate Programs; Landscape Controller Distribution and Rebate Programs and other Related Programs.**
- 8. Other Existing Water Conservation Programs and those in Development.**

EXHIBIT B
COMPENSATION SCHEDULE

Payment for services will be made to the SBCCOG on a quarterly basis in the amount of \$2,500 per quarter within 30 days of submittal of an invoice from the SBCCOG.

Committee Meeting
November 14, 2006

Honorable Chair and Members
Of the Finance and Governmental Operations Committee
City Hall
Torrance, California

Members of the Committee

SUBJECT: Public Works - Approve implementation of enhanced water conservation programs and entering into agreements with the both the South Bay Council of Governments and West Basin Municipal Water District to provide for program marketing and implementation services

Expenditure: \$ 135,000 over two year period through December 31, 2008

RECOMMENDATION

The Public Works Director recommends that the Finance and Government Operations Committee;

1. Approve entering into an agreement with the South Bay Council of Governments (SBCCOG), to provide marketing services for the implementation of commercial, industrial and residential water conservation programs, in the amount of \$20,000 over a two year period and;
2. Approve entering into an agreement with the West Basin Municipal Water District (WBMWD) to provide implementation services for commercial, industrial and residential water conservation programs in the amount of \$115,000 over a two year period and;
3. Approve an appropriation of \$115,000 from the unencumbered balance in the Water Revenue Enterprise Fund to pay for conservation program implementation services rendered by WBMWD within the City.

Funding

Funding is available in the Water Revenue Enterprise Fund.

BACKGROUND

Several months ago, the Public Works Department met with representatives of both the SBCCOG and the West Basin Municipal Water District (WBMWD) to explore the possibility of forming a partnership arrangement between all three agencies to implement high priority water conservation programs within the South Bay area, primarily targeted to the institutional and business sectors. Both WBMWD and the City of Torrance are direct member agencies of the Metropolitan Water District of Southern California (MWD) and cover the entire South Bay with regard to imported water supplied by MWD.

The SBCCOG is a joint powers authority among South Bay cities, including the City of Torrance. The principal objective of the SBCCOG is to maximize the quality of life and productivity through the cooperative participation of its member cities on various issues of a regional and sub regional nature. Major focus areas of the SBCCOG include energy issues/conservation, homeland security, transportation, legislation, mass transit, planning and other matters of a regional nature.

Approximately one year ago, the SBCCOG was successful in establishing the South Bay Energy Saving Center. The Energy Center is located in Torrance, and its major function is to promote energy conservation within the South Bay community by marketing a wide variety of energy rebate and incentive type programs, providing energy resource materials, direct procurement and distribution of energy saving devices and conducting an extensive outreach program throughout the South Bay area. The SBCCOG has been extremely successful in this venture and has established an extensive network to effectively market energy conservation programs. The target audience for proposed water conservation programs is the same clientele that the SBCCOG is already marketing energy conservation programs to on an ongoing basis.

ANALYSIS

The development and implementation of effective commercial and institutional water conservation programs are incorporated as core measures in both the City of Torrance's and the West Basin Municipal Water District's recently adopted Urban Water Management Plans (UWMP). To date, most water conservation programs in the area have been focused primarily on the residential sector.

West Basin Municipal received grant funding to implement a public restroom retrofit program using low flow devices and the retrofit of commercial Laundromats with high efficiency clothes washers (HECW). In addition, WBMWD, in conjunction with TMW, has applied for funding from the Metropolitan Water District (MWD) to implement a high efficiency toilet (HET) retrofit program for multi-family and senior housing complexes and provide for landscape audits and irrigation equipment retrofits for greenbelt areas. We have been informed the grant for the landscape program will be awarded, but the high efficiency toilet program was not approved during this grant cycle. TMW and West Basin

will jointly be seeking outside funding for this program from other sources. These programs represent innovative high priority water conservation that have not been previously addressed in this area.

The SBCOG will provide an active marketing campaign to promote the implementation of these and other related water conservation programs. In addition, the SBCOG will function as a resource center to link water and energy conservation programs and be a "clearinghouse" for these programs. It is proposed that the City enter into an initial two year agreement with the SBCOG to provide requisite marketing and support services for \$20,000. In addition, a separate two year agreement would be entered into with West Basin Municipal to develop a partnership arrangement for implementation services for these conservation programs within the City of Torrance. WBMWD will retain outside implementation vendors for these type of "direct install" water conservation programs. Torrance Municipal Water would reimburse West Basin Municipal approximately \$115,000 over the two period to cover the cost of implementation services performed solely within the City.

A summary of the proposed two year conservation program and implementation costs is as follows:

Public Restroom Retrofits – This program would retrofit public restrooms in Torrance and the South Bay with ultra high efficiency toilets, water efficient sinks and waterless urinals. Based on participation of 20 sites in the City, the net TMW cost is estimated at \$32,000.

Commercial Laundromat Retrofits – This program would involve the change out of conventional clothes washers with high efficiency (HECW) models and would be implemented in conjunction with the Southern California Gas Company energy conversation programs. The net cost to TMW for participation with 150 HECW retrofits is \$23,000

Landscape Audits and Irrigation Equipment Retrofits - This program would provide for the retrofit of irrigation systems with water efficient systems for selected public or commercial landscapes and provide for water audits and the development of water budgets for these sites. The net cost to TMWW would be \$20,000 for participation of 20 landscaped acres in the program at various sites.

Water Efficient Landscape Classes - MWD currently sponsors these classes and Torrance has been an active participant in these programs. Although there would be no additional cost for program implementation, the SBCCOG would assist in marketing these programs to a wider audience on a more frequent basis.

High Efficiency Toilet (HET) Direct Install Program for Multi-Family and Senior Complexes-This program would not be implemented until supplemental outside funding is secured. Upon obtaining outside funding, the net cost to TMW would be \$40,000 based on a participation level of 800 units.

Existing and Other Water Conservation Programs - The SBCOG would assist in marketing both existing water conservation programs and those in development to reach a broader target market.

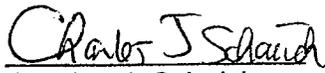
At its regular meeting on August 17, 2006, the Water Commission considered this matter and unanimously supported development of this conservation partnership program with the SBCCOG and the WBMWD

This proposed partnership arrangement between the City, the SBCCOG and West Basin Municipal has a number of near and long term benefits including:

- Implementation of community based innovative water conservation programs in conjunction with both WBMWD and the SBCOG. These programs would be difficult to implement on a stand along basis.
- Maximizes the leveraging of outside funding to implement a series of key conservation programs to meet the City's conservation goals.
- Implementation of high priority conservation programs on a "turnkey" basis that requires only a moderate amount of internal staff support.
- Provides the basis for the development of future beneficial partnerships and a new paradigm for the effective implementation of combined energy and water conservation programs.

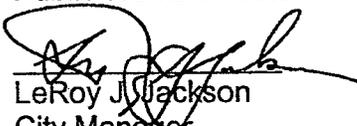
Respectfully submitted,

Robert J. Beste
Public Works Director

By: 
Charles J. Schaich
Senior Administrative Analyst

CONCUR


Robert J. Beste
Public Works Director


LeRoy J. Jackson
City Manager