

MEMORANDUM

TO: Governing Board Members
FROM: Chip Merriam, Deputy Executive Director, Water Resources Management
DATE: July 8, 2005
SUBJECT: A Resolution of the Governing Board of the South Florida Water Management District to authorize entering into a 1 year agreement with Orange County Utilities (Water Savings Incentive Program applicant) in a total amount not-to-exceed \$36,500 for which Ad valorem funds are budgeted, subject to Governing Board approval of the FY06 budget; providing an effective date. (Contract Number DG060337).

Background: Budget direction from the Governing Board to focus on water conservation implementation rather than demonstration or pilot activities was the basis for the FY06 Water Savings Incentive Program (SIP) projects. A budget item in the FY06 budget requests funding for this program. Twenty-three proposals were received. The District selection committee, composed of three District staff members and two Governing Board appointed members, met on May 4, 2005 and recommends the Governing Board authorize entering into 1 year agreements for fourteen projects. Staff requests Governing Board approval for Water SIP project with Orange County Utilities for Toilet Rebate Project in the amount of \$36,500.

How this helps meet the District's Mission: Implementation of this project will save an estimated 4 million gallons of water per year.

Funding Source: The Water Savings Incentive Program is funded through ad valorem taxes.

This Board item impacts what areas of the District, both resource areas and geography: This Board item is implemented by the Water Supply Department, Implementation Division. The funds are available Districtwide. The recommended project is located in Orange county.

What concerns could this Board item raise? Two proposals were not recommended for funding because the selection committee deemed them to be solely beautification projects. An additional seven proposals were deemed unresponsive because no water savings were listed, the cost of the project was excessive for the savings or the project was an Alternative Water Supply project, in scope.

Why should the Governing Board approve this item? In FY06 the Governing Board may allocate \$500,000 to further water demand conservation. If the proposed project is not approved, the water savings may not occur.

CM/cw