



Interoffice Memorandum

January 27, 2017

TO: Mayor Teresa Jacobs
and the Board of County Commissioners

FROM: Carrie Woodell, Manager, Procurement Division

CONTACT: Jacqueline Torbert, Manager, Water Division
407-254-9830

SUBJECT: Approval of Contract Y17-1012-MG, Watersmart Customer Conserve Program

ACTION REQUESTED:

Approval of Contract Y17-1012-MG, Watersmart Customer Conserve Program with Watersmart Software, Inc., in the total amount of \$162,875 for the initial 1-year term. Further request authorization for the Procurement Division to renew the contract for two additional 1-year terms.

PROCUREMENT:

Orange County entered into a cost-share agreement with the South Florida Water Management District effective October 1, 2016 to pilot test the Watersmart Customer Conserve Program, approved by the Board on January 10, 2017. The program includes software which combines customer consumption data and water conservation techniques and incentives in a comprehensive customer engagement approach to achieve an average 5% reduction in participant water use within one year of implementation. The software will transform the Utilities Department's consumption data into an effective water-use efficiency and customer engagement program, which when implemented, will demonstrate the effectiveness of water conservation on a sub-set of 24,283 customers located within the jurisdiction of the South Florida Water Management District.

FUNDING

Funding is available in account 4420-038-1322-3194.

APPROVALS:

The Water Division concurs with this recommendation.

REMARKS:

The cost-share funding awarded to Orange County is predicated on the implementation of the Watersmart Customer Conserve Program within Orange County. The cost of implementing this program is \$162,875, of which \$50,990 (31%) will be reimbursed by the South Florida Water Management District upon task completion.

One of the top challenges the Central Florida region faces today is the long-term sustainability of the water resources for its communities. Water is a precious resource and is absolutely vital to the long-term prosperity, quality of life, and sustainability in our community. A key element of water resources sustainability is water conservation.

Orange County Utilities is working with state, district and regional agencies through the Central Florida Water Initiative to ensure a sustainable water supply for our citizens with the fair and equitable development of innovative projects designed to achieve water conservation.

The Water Management Districts, in an effort to encourage innovations and sustainable conservation projects, have developed a cost-share program to support these type projects. Orange County has been awarded funding from both Water Management Districts to implement an interactive program that produces analytical data for our customers to actively participate in conserving water in their home or business. It provides instant access to current programs to reduce water use through an on-line customer portal, which provides the Utility with real time analytics, thus resulting in comprehensive customer engagement designed to reduce water use by up to 5%.

In an initial response to the St. Johns River Water Management District's desire to pilot this type of program in Central Florida, the County proposed to implement this WaterSmart Program to targeted customers of Orange County Utilities located within the jurisdiction of the St. Johns River Water Management District. This pilot phase targeted customers who participating in water savings programs such as Smart Irrigations technologies, toilet replacements, nozzle and rain sensor replacement and other water savings efforts.

Since the Orange County Utilities Service Area is divided between two Water Management Districts, only customers in the St. Johns River Water Management District were afforded the program initially.

Today's request allows for the expansion of the program to customers in the South Florida Water Management District with cost-sharing dollars being contributed by the SFWMD.

The cost of implementing this program is \$162,875, of which \$50,990 will be reimbursed by the SFWMD upon task completion.

Anticipated Outcomes:

- The program combines customer consumption data and water conservation techniques and incentives in a comprehensive customer engagement approach to achieve an average 5% reduction in participant water use within one year of implementation.
- The software will transform Orange County Utilities water consumption data into effective water-use efficiency and customer engagement program, which when implemented, will demonstrate the effectiveness of water conservation on a sub-set of 24,283 customers located within the jurisdiction of the SFWMD.

Sole Source Considerations:

- WaterSmart Software, Inc. was determined by the St. Johns River Water Management District (SJRWMD) to be a Sole Source provider for Water Utility-based SAAS products.
- This was a competitive process that complied with SJRWMD Procurement policies and procedures.
 - SJRWMD advertised a Notice of Intent to Sole Source the WaterSmart Software on DemandStar.
 - There were no responses from qualified companies.
 - As a result, SJRWMD approved funding for the WaterSmart Software pilot project in Ocala, Florida.
- The cost-share funding awarded to Orange County is predicated on the implementation of the WaterSmart SAAS Product.
- The SFWMD recognized SJRWMD's Sole Source determination.

Central Florida Water Initiative (CFWI) Considerations:

- Orange County Utilities has a robust water conservation program that complies with all requirements of its Consumptive Use Permits and is consistent with the goal of the CFWI to sustainably manage water resources.
- The water supply in Orange County is a shared, regional resource.
- As a partner in the CFWI, Orange County Utilities is committed to implementing solutions that ensure a sustainable water supply to a growing customer base.

- Optimal solutions are ones that meet regulatory requirements, achieve conservation goals and engender consistency across a customer base that spans two water management districts.
- The WaterSmart SAAS tool is a technological solution that allows Orange County Utilities to meet these criteria.

Value to Orange County Utilities

- Innovative strategies for water conservation that combine technology and customer engagement demonstrate Orange County Utilities' leadership in the region and within CFWI.
- Since 2014, Orange County Utilities has successfully applied for and received 8 cost-share grants from SJRWMD and SFWMD.
- Both SFWMD and SJRWMD have endorsed the WaterSmart SAAS tool with funding.
 - SJRWMD – Orange County Utilities, City of Ocala
 - SFWMD – Orange County Utilities