



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** April 22, 2025

**TO:** Mayor and Councilmembers

**FROM:** Public Works Department

**SUBJECT:** Award of Contract for Development of a Water Loss Control Strategic Plan [Agreement]

### **RECOMMENDATION:**

That Council authorize the Public Works Director to execute a contract with E Source Companies LLC in the amount of \$159,360 for the development of a Water Loss Control Strategic Plan and authorize expenditures of up to \$15,936 for extra services that may result from necessary changes in the scope of work.

### **DISCUSSION:**

#### Background

The difference between the amount of water the City produces versus the amount of water consumed is known as water loss. Water can be lost from the water distribution system via leaks or water main breaks (referred to as “real losses”) or as a result of accounting or data issues such as water meter under-registration and data handling errors (referred to as “apparent losses”).

Water suppliers in California must abide by water loss regulations and reporting requirements established by state legislation SB 555. The City currently tracks water losses through state-mandated annual water loss audits submitted to the California Department of Water Resources. By January 2028 the City must be in compliance with its volumetric water loss standard assigned by the State Water Resources Control Board. A water loss standard is an upper limit on the volume of water loss a water supplier can have.

#### Water Loss Control Strategic Plan

The City does not currently have an overarching water loss strategy in place to help guide the City in future water loss control efforts. Staff recommends developing and implementing a Water Loss Control Strategic Plan (WLCSP) that addresses both real and apparent water losses to increase the City’s confidence in its water loss calculations, help ensure legislative targets are met, and direct cost-effective water loss control efforts. The

primary goal of the plan is to develop a menu of recommended water loss control interventions to develop a comprehensive water loss program for the City based on cost effectiveness. The cost effectiveness metric developed for the plan will be the same metric used in the upcoming update to the Water Conservation Strategic Plan, so water loss control interventions can be weighed against the City's other water efficiency measures.

Staff conducted a competitive Request for Proposals (RFP) process for development of a WLCSP. Staff is recommending that Council authorize the Public Works Director to execute a contract with E Source Companies LLC for development of the plan.

The primary tasks in the scope of work are:

- 1. Assess existing water loss audit practices and data quality.*  
Examine the City's water audit methodology and input data quality. Provide recommendations on how to improve water loss audit inputs, data quality, and overall confidence in water loss audit results. The results of this task will assist with Task 2.
- 2. Develop a cost-effective Water Loss Control Strategic Plan.*  
Develop a "menu" of water loss interventions the City may choose to implement, and assign a cost effectiveness metric for each intervention. The cost effectiveness metric used to score the interventions should allow for a simple comparison to water conservation measures from the City's Water Conservation Strategic Plan.
- 3. Develop retail meter testing and replacement programs.*  
Develop a meter testing and replacement program for both the City's small (1" and below) and large (1.5" and above) customer retail meters.

#### **BUDGET/FINANCIAL INFORMATION:**

There are sufficient expenditure appropriations in the Water Operating Fund budget in Fiscal Year 2025 to cover the cost of the contract.

#### **SUSTAINABILITY IMPACT:**

Water loss control is an important initiative to further enhance the City's water efficiency. This strategic plan will allow the City to be a better manager of its existing water resources by increasing the City's confidence in its water loss calculations and directing cost-effective water loss control efforts.

#### **ENVIRONMENTAL REVIEW:**

The Contract for Development of a Water Loss Control Strategic Plan falls outside of the definition of a "Project" under California Environmental Quality Act (CEQA) Guidelines

section 15378 (b)(5) as administrative activities of governments that will not result in direct physical changes in the environment are not subject to CEQA environmental review. All future projects that result in physical changes in the environment as a result of the Water Loss Control Strategic Plan will be subject to CEQA environmental review.

**WATER COMMISSION RECOMMENDATION:**

This item was presented to the Water Commission at its meeting on March 20, 2025, and the Commission voted **X-X-X** in support of staff's recommendation.

A copy of the contract may be requested from the Public Works Department for public review by contacting [PWInfo@SantaBarbaraCA.gov](mailto:PWInfo@SantaBarbaraCA.gov).

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**APPROVED BY:** Kelly McAdoo, City Administrator