Legislation Text

File #: 19-835, **Version:** 1

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability

AGENDA DATE: January 8, 2020

COUNCIL DISTRICT(S): All

DEPARTMENT: Water Utilities Department

EXECUTIVE: Majed Al-Ghafry

SUBJECT

Authorize **(1)** approval of Industrial, Commercial, Institutional rebate applications from Texas Instruments Incorporated in the amount of $71,326.49, S2 Tierra, LLC in the amount of $87,185.98, NXRTBH Versailles, LLC in the amount of $52,484.90, and NXRTBH Dana Point, LLC in the amount of $32,632.98; and **(2)** an increase in appropriations in an amount not to exceed $243,630.35 in the Water Conservation Program Fund - Total not to exceed $243,630.35 - Financing: Water Conservation Program Fund

BACKGROUND

Water Conservation remains an essential element of Dallas' long-range water supply strategy. The water conservation program is currently guided by the Water Conservation Five-Year Work Plan, adopted by Dallas City Council on June 15, 2016, by Resolution No. 16-0997. The plan includes a range of efforts classed as water system improvements, ordinance changes, or continued customer engagement. Through these conservation efforts, the City has saved an estimated 487 billion gallons of water since October 2001.

The Industrial, Commercial, Institutional (ICI) Rebate Program serves to complement and enhance the ICI Audit Initiative. The audits are provided to the City's ICI customers to help them identify potential water savings throughout their facilities. ICI water consumption audits were included as a water conservation strategy in the City's 2010 Five-Year Strategic Plan and in the 2016 Water Conservation Five-Year Work Plan Update.

Participating ICI rebate customers are required to have an ICI audit performed by the City of Dallas prior to requesting a rebate. They must also sign an agreement with the City that specifies the rebate amount, installation deadline, and other conditions to ensure that the expected water savings are achieved and maintained after the rebate has been paid. The rebate for each project shall be based on the lesser of half the installed cost of the equipment or $0.96 per thousand gallons saved over the life of the project. The installed cost is defined as the cost of the equipment plus the cost of external contracted labor. Internal labor costs are not eligible for consideration. Proposals in excess of $25,000.00 require City Council approval.

Texas Instruments Incorporated has undertaken a water reclamation project. These water sources include items such as condensation, spent manufacturing process water, and water from monitoring/sampling equipment. This project involved routing various spent water streams in the South Building, to a central location for it to be captured. After these sources were routed to a central location, the water was then pumped to the TI North Campus Central Utility Plant, where this water is reused in a cooling tower application. The projected water savings from this water reclamation project is 7,880,000 gallons per year. This rebate in the amount of $71,326.49 represents 7,880,000 gallons in annual savings. Based on expenditures of $142,652.98 by the customer, this rebate represents 50% of the installed cost.

S2 Tierra, LLC has undertaken an aggressive water conservation project at The Muse Apartments. This 804-unit multifamily residential property located at 3035 West Pentagon Parkway, Dallas, Texas retrofitted all existing toilets and showerheads with new high efficiency fixtures. This will result in annual savings of 11,858,618 gallons. Based on expenditures of $174,371.96 by the customer, this rebate represents 50% of the installed cost.

NXRTBH Versailles, LLC has undertaken an aggressive water conservation project at The Versailles Apartments. This 388-unit multifamily residential property located at 4900 Pear Ridge Drive, Dallas, Texas retrofitted all existing toilets, showerheads and aerators with new high efficiency fixtures. This will result in annual savings of 11,698,990 gallons. Based on expenditures of $138,480.00 by the customer, this rebate represents 38% of the installed cost.

NXRTBH Dana Point, LLC has undertaken an aggressive water conservation project at The Ashlar Apartments. This 312-unit multifamily residential property located at 18800 Lina Street, Dallas, Texas retrofitted all existing toilets, showerheads and aerators with new high efficiency fixtures. This will result in annual savings of 7,512,284 gallons. Based on expenditures of $95,086.00 by the customer, this rebate represents 34% of the installed cost.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 9, 2010, City Council authorized adoption of the Water Conservation Five-Year Strategic Plan; and the 2010 Water Conservation Plan for the City of Dallas which was submitted to the Texas Commission on Environmental Quality by Resolution No. 10-1509.

On February 13, 2012, the Transportation and Environment Committee was briefed on the details of the industrial, commercial and institutional audit initiative and guidelines for the ICI rebate program.

On February 22, 2012, City Council authorized a five-year service contract for water consumption audits for industrial, commercial and institutional facilities with Alan Plummer and Associates, Inc. by Resolution No. 12-0529.

On February 22, 2012, City Council authorized implementation and guidelines for a rebate program for industrial, commercial and institutional water utilities customers by Resolution No. 12-0530.

On April 20, 2016, City Council was briefed on the 2016 Water Conservation Five-Year Work Plan.

On June 15, 2016, City Council authorized adoption of the 2016 Water Conservation Five-Year Work Plan by Resolution No. 16-0997.

FISCAL INFORMATION

Water Conservation Program Fund - $243,630.35