

Agenda Item: ID#18-0585 (3-A)

Date: 5/17/18

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FRESNO CITY CLERK

FRESNO CITY COUNCIL



Supplemental Information Packet

Agenda Related Item(s) – ID#18-0585 (3-A)

**Contents of Supplement: UPDATED Water Conservation Pilot Program Slides
Item(s)**

Actions related to a Pilot Program for Automated Enforcement of Outdoor Watering Restrictions with University of Chicago:

1. Authorize a Pilot Program for Automated Enforcement of Outdoor Watering Restrictions with the University of Chicago Urban Labs (UChicago) to optimize water usage and conservation data, including modified enforcement of the outdoor watering schedule from July 1, 2018 through September 30, 2018.
2. ***RESOLUTION – 544th Amendment to the Master Fee Resolution (MFS) No. 80-420 to adjust the conditions of service work related to water conservation fines language to reflect an upper limit rather than a single fine amount (Subject to Mayor's Veto)

Supplemental Information:

Any agenda related public documents received and distributed to a majority of the City Council after the Agenda Packet is printed are included in Supplemental Packets. Supplemental Packets are produced as needed. The Supplemental Packet is available for public inspection in the City Clerk's Office, 2600 Fresno Street, during normal business hours (main location pursuant to the Brown Act, G.C. 54957.5(2)). In addition, Supplemental Packets are available for public review at the City Council meeting in the City Council Chambers, 2600 Fresno Street. Supplemental Packets are also available on-line on the City Clerk's website.

Americans with Disabilities Act (ADA):

The meeting room is accessible to the physically disabled, and the services of a translator can be made available. Requests for additional accommodations for the disabled, sign language interpreters, assistive listening devices, or translators should be made one week prior to the meeting. Please call City Clerk's Office at 621-7650. Please keep the doorways, aisles and wheelchair seating areas open and accessible. If you need assistance with seating because of a disability, please see Security.



Automated Enforcement of Outdoor Watering Restrictions

May 17th, 2018

New Enforcement & Fines approved in 2017

Pre-2017, Fresno used conservation reps. to conduct visual inspections.

- This process is labor-intensive and cannot detect all violations

In 2017 City Council authorized:

1. The use of AMI technology for water conservation enforcement, establishing an “excessive use” threshold of 300 gal/hr during non-watering days and times
2. An updated fine schedule for violators of restrictions:

Incident	Fine
First incident	Notice Only
Second incident	\$50.00
Third incident	\$100.00
Fourth & every incident thereafter	\$200.00

New Technology

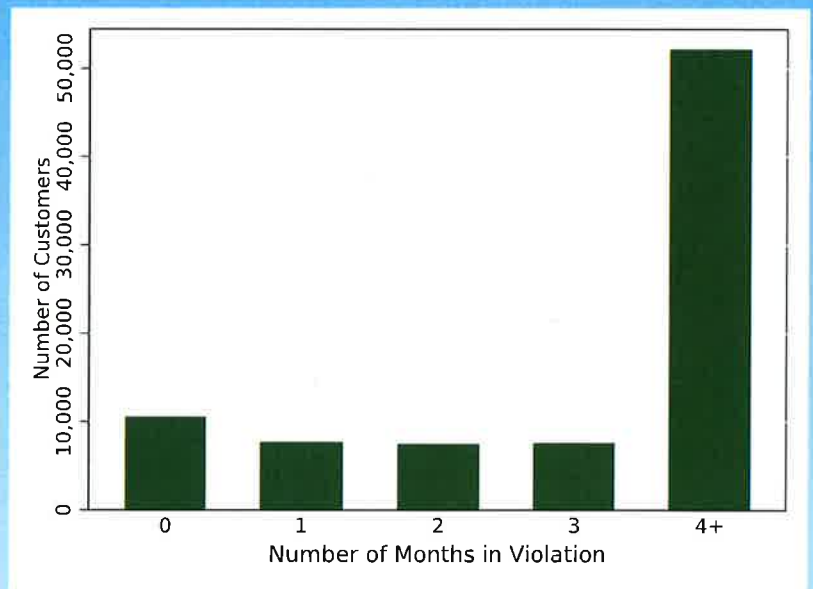
Before fully implementing new regulations, DPU wanted to provide customers with real time water use information

- This will be available with new EyeOnWater App by June 1, 2018



Without behavioral change, automated enforcement could impose **high costs to customers violating the watering restrictions**

Based on historic data, **almost 80% of customers** would have received a notice or fine in 2016 under the current enforcement ordinance



Proposal: A One-Summer Pilot (July 1 – Sep 30)

- To ease transition and fine-tune new conservation policy, the City of Fresno and UChicago have partnered to develop a pilot program that seeks to **identify the best method of enforcement.**
- Purpose of the pilot project:

To utilize the technology available to determine which enforcement strategy will result in the greatest level of achievement with respect to the City of Fresno's conservation goals, while minimizing the customer fine burden.

Benefits to City

- **Improved policy during and after pilot implementation:**
 - Ease transition into new enforcement policy
 - Increased compliance with regulations and improvement in water conservation
- **Valuable data and analysis for future policy making:**
 - Novel insights about customer behavior and water use
 - Evaluation of different conservation strategies
- **Capacity building during and after pilot implementation :**
 - Improvements to utility systems
 - Full utilization of technology

Proposal: Overview

Goal of the pilot: Examine effectiveness of various strategies to conserve water while minimizing the impact to customers.

Does “automated enforcement” increase conservation compared to the current method of enforcement?

1. Method of Enforcement

- A. Status Quo: visual inspection
- B. Automated enforcement, based on meter data

Can lower fines still be effective at promoting conservation?

2. Varying Fines

- A. Status Quo: keeping fine schedule as is
- B. Lowering fines? (By 50%? By 75%)

Varying enforcement thresholds

Is 300 gal/hr “excessive use” threshold too stringent? Can a higher “excessive use” threshold also meet conservation goals while decreasing fines?



In the pilot, some customers will enjoy more lenient “excessive use” thresholds:*

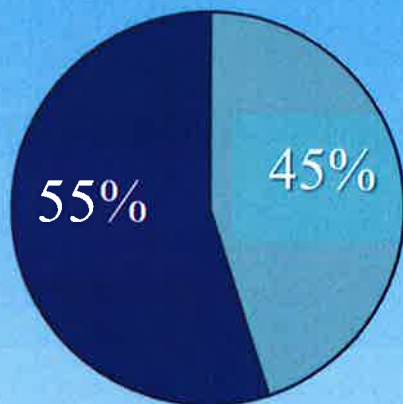
- a) 300 gal/hr threshold (Status Quo)
- b) 500 gal/hr threshold (Reduced Enforcement 1)
- c) 700 gal/hr threshold (Reduced Enforcement 2)

For reference: A large bathtub holds 100 gallons of water.

*Outside of permitted outdoor watering hours

Customer Lottery for Pilot

Customer allocation across groups



- No change in enforcement method or fines
- Automatic enforcement and/or receive fine discounts and more forgiving thresholds.

- The pilot will cover all single-family residential customers
- Selection of customers for the benefits will be done by lottery, and will be equitable
 - No preference or discrimination
 - Each council district will have equal share of households in each group
- **No impact on customers who are already in compliance with outdoor watering schedule**

Lottery of customers: groups

NO customers will receive higher fine schedules or more stringent “excessive use” thresholds than is currently defined in the Fresno Municipal Code.

SOME customers will receive lower fines and/or more forgiving “excessive use” thresholds.

Lottery group allocation: discounts to fines and higher thresholds

Fine	Enforcement & Thresholds	Status Quo: Visual Inspection	Newly Approved Method: Automated Enforcement + varying thresholds		
		300 Gal	300 Gal	500 Gal	700 Gal
Status Quo Fine (\$50, \$100, \$200)		45% (45,000 homes)	5% (5,000 homes)	5% (5,000 homes)	5% (5,000 homes)
50% Fine Discount (\$25, \$50, \$100)		5% (5,000 homes)	5% (5,000 homes)	5% (5,000 homes)	5% (5,000 homes)
75% Fine Discount (\$12.50, \$25, \$50)		5% (5,000 homes)	5% (5,000 homes)	5% (5,000 homes)	5% (5,000 homes)

Implementation: Communication Strategy

DPU will integrate messaging about the pilot program into its communications strategy for Summer 2018 through several channels:

Mailers

- June 1
 - Information mailers sent to customers about pilot
- June 29
 - Reminder mailers sent announcing pilot start

City website

- Customers can enter their address to look up info about their fine discount (if any) and other pilot details
- To include FAQ and contact information

Implementation: Customer Feedback

- DPU and UChicago will continually monitor the pilot and regularly update their systems to ensure smooth pilot implementation
- Increased staffing support to handle customer service calls
- Customers who prefer to opt out of the pilot will be free to do so via multiple channels (i.e., email, website, or phone)
- City will have the option to pause the pilot in case of any unexpected events

Summing Up:

Low Costs

City Resources:

- Printing and mailing
- Staff time: to handle increased notices and fines
- Outreach

UChicago Resources (pro-bono):

- Programming and systems development
- Telephone system
- Staff support (in Fresno) for analysis and implementation

High Benefits

Valuable data and analysis

Improved policy:

- Ease transition into new enforcement policy
- Increased compliance and improved water conservation

Capacity building

- Improved systems
- Full utilization of technology