Otay Water District

Advanced Metering Infrastructure Upgrade Project

Phase 2

Prepared For:

U.S. Department of the Interior - Bureau of Reclamation

WaterSMART Grants:

Water and Energy Efficiency Grant for Fiscal Year 2024/25

Funding Opportunity Number: R24AS00052

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1. Technical Proposal

1.1 Executive Summary

Date: February 22, 2024
Applicant Name: Otay Water District
City, County, State: Spring Valley, San Diego County, California
Project Name: Advanced Metering Infrastructure Upgrade Project – Phase 2
Category Applicant: A (water district)
Funding Group: Group I
Grant Funding Request: $500,000
Non-Federal Matching Funds: $1,599,160
Total Project Costs: $2,099,160
Est. Completion Date: December 2026
Est. Duration from contract award date: Approximately 24 months
Federal Facility Denotation: The Project is not located on a Federal facility.
Estimated Annual Water Savings: 259 Acre Feet per Year (AFY)
Project Partner: None

Project Summary

A one-paragraph project summary that provides the location of the project, a brief description of the work that will be carried out, any partners involved, expected benefits, and how those benefits relate to the water management issues you plan to address.

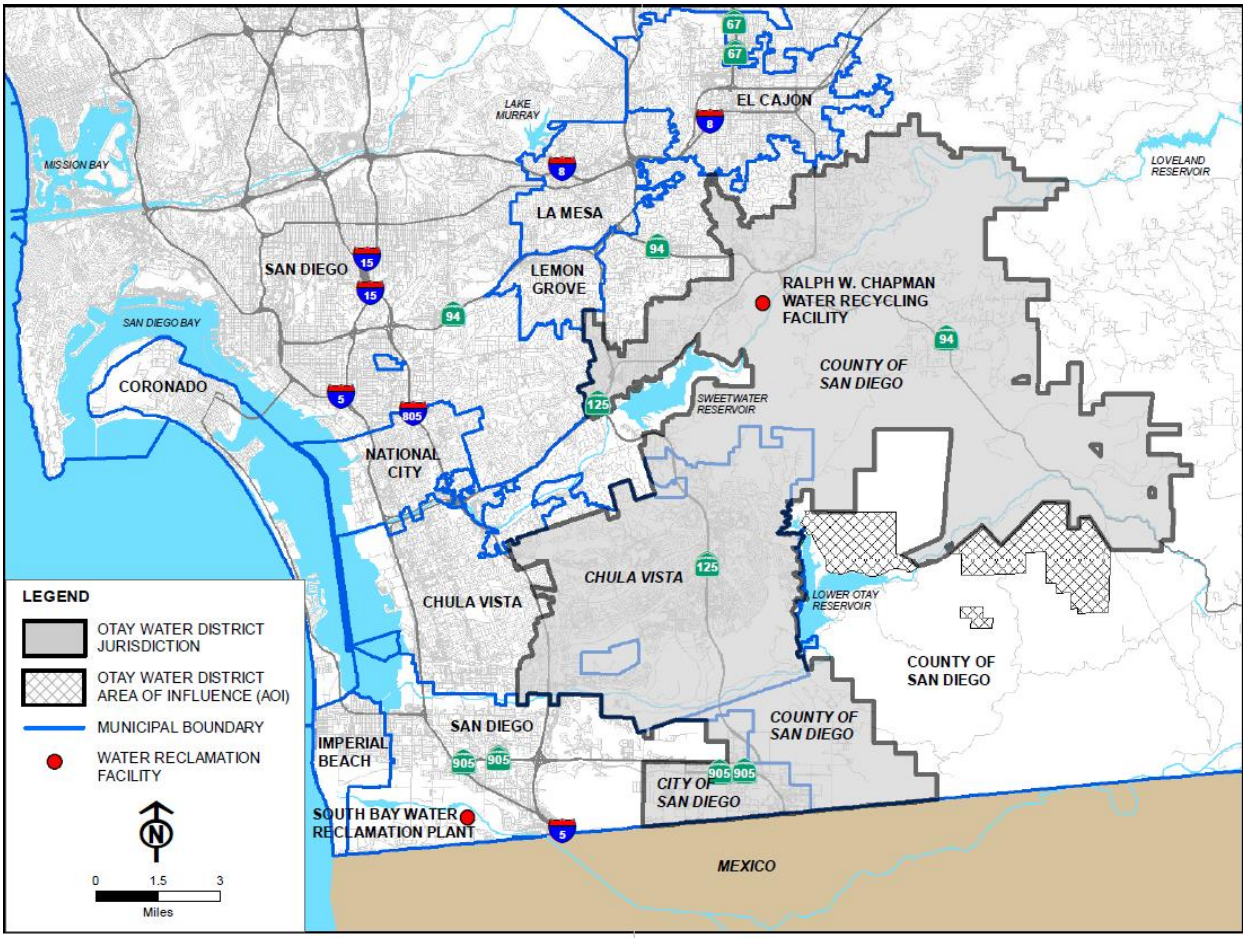
The Otay Water District (Otay, District) is located in arid and drought-prone southern California, just north of the Mexican border and is committed to aggressively pursuing water-use efficiency by embracing proven methods and technologies to achieve that goal. To that end, Otay proposes to continue implementation of its advanced metering infrastructure (AMI) upgrade efforts through this AMI Implementation Project Phase II (Project), proposed herein. The Project is expected to result in annual water savings of 259 acre-feet (AF) and annual energy savings of 603,708 kilowatt hours (kWh), along with associated reductions in greenhouse gas (GHG) emissions. Otay will be upgrading 3,749 existing meters with new AMI-compatible meters. The project will include procurement and installation of new AMI meters and meter lids.

1.2 Project Location

The Otay service area is generally located within the south-central portion of San Diego County and includes approximately 126 square miles. The District is responsible for providing reliable, high-quality water service to a population of nearly 226,000 people through 53,000 metered connections. It also provides a small portion of the service area with recycled and wastewater services. In total, the water system includes approximately 730 miles of water mains, 29 pressure zones, 20 booster pump stations, and 40 storage reservoirs. The topography of the service area is diverse, consisting of a variety of valleys, hills, mountains, and mesas. The area includes both urban and rural development. Otay serves a wide spectrum of cities and communities including a large portion of eastern Chula Vista, a portion of the City of San Diego on Otay Mesa, areas adjacent to the cities of El Cajon and La Mesa, and various unincorporated areas including Rancho San Diego, Jamul, Spring Valley, Bonita, as well as the Sycuan and Jamul bands of the Kumeyaay Nation. The water purveyors that border Otay include Padre Dam Municipal

Water on the north, Helix Water District on the northwest, and the Sweetwater Authority and the City of San Diego on the west. The southern boundary of Otay is the international border with Mexico. There are currently no adjacent water purveyors located to the east of Otay (see Project Location Map). The District is generally located at latitude is {32°43'N} and longitude is {116°58'W}. The meters that will be upgraded and connected to the AMI system as part of the Project are located throughout the Otay service area.

Project Location Map



1.3 Technical Project Description

Provide a more comprehensive description of the technical aspects of your project, including the work to be accomplished and the approach to complete the work. This description should provide detailed information about the project including materials and equipment and the work to be conducted to complete the project. This section provides an opportunity for the applicant to provide a clear description of the technical nature of the project and to address any aspect of the project that reviewers may need additional information to understand.

In 2012, Otay completed a transition from manual meter reading to an Automated Meter Reading (AMR) system which enabled monthly meter reading to be performed via drive-by methods. The District is

committed to implementing technologies that promote water use efficiency. The District changed out all two inch or smaller meters to AMR compatible Master Meter multi-jet meters between 2005 and 2012. From 2017 through 2020 the District replaced 32,000 (60% of the total) AMR or AMI compatible Master Meter Allegro registers. This project continues the District's efforts to expand the AMI system. Phase I of the multi-phased AMI implementation project received WEEG funding for a portion of the AMI network infrastructure and connection of approximately 20,000 existing meters that were already AMI compatible (37% of the total) to the AMI system. Phase 2 (the Project) will install 3,749 AMI compatible meters, whom will be connected to the District's existing customer portal to receive enhanced education and near real time water consumption information. These efforts continue the District's long-term pursuit of best management practices, including improved meter accuracy and reduction in end-user water consumption through early leak detection technology and consumer behavior modification.

PHASE 2 PROJECT ELEMENTS:

1. UPGRADE/REPLACEMENT OF 3,749 METERS AND METER LIDS TO AMI-COMPATIBLE METERS/LIDS TO CONNECT 7.3% OF THE DISTRICT'S METERS TO THE AMI SYSTEM

Prior to initiating the Project, a request for proposals (RFP) will be issued and competitive bid process will be conducted to hire an AMI vendor that will be responsible for providing a turnkey, fully automated, two-way AMI system including all associated equipment and installation.

AMI evaluation studies have shown reduction in water consumption through customers' ability to monitor water use in real time and reinforce the disincentives created by tiered usage pricing rate structures. The District currently collects most consumption data via monthly drive by meter reading. The Project will automate data collection for an additional 7.3% of the District's customer base by replacing old meters that have exceeded their useful lives with new AMI compatible meters that are integrated into the AMI system and provide continuous consumption data. The District will utilize reports with real time information on water use anomalies that point to opportunities for customers to reduce water waste. Customers will also receive real time notifications regarding anomalies in water use – a significant enhancement from the current monthly meter read schedule.

The newly installed AMI meters will connect to the District's data sharing system and to a web-based portal that will give customers direct access to usage data and additional comparative analytics on water consumption. The AMI portal allows customers to enable leak alerts and high-usage alerts to support conservation efforts.

REAL TIME CONSUMPTION DATA & ANALYTICS THROUGH AMI

Rather than the traditional, delayed data feedback loop that relies upon infrequent drive-by water meter reads, AMI automates the delivery of real-time data to customers and the District (via alarms, alerts, reports, and email notifications), enabling early detection of leaks and abnormally high-water consumption, thus reducing lag times to address and correct water waste.

1.4 Evaluation Criteria

1.4.1 Evaluation Criteria A – Quantifiable Water Savings (25 points)

1) Describe the amount of estimated water savings. For projects that conserve water, please state the estimated amount of water expected to be conserved (in acre-feet per year) as a direct result of this project. Include a specific quantifiable water savings estimate; do not include a range of potential water savings.

Water savings to be garnered by the project is estimated at 259 AFY as a result of early leak/break detection and faster response to repairs made possible by AMI water use anomaly alerts that are dispatched electronically in real time, paired with social norming influences on customers who access comparative water use data via the District's web-based data analytics portal. Detailed information regarding the rationale behind these anticipated water savings is included below.

2) Describe current losses. Please explain where the water that will be conserved is currently going and how it is being used. Explain where current losses are going (e.g., back to the stream, spilled at the end of the ditch, seeping into the ground)? If known, please explain how current losses are being used. For example, are current losses returning to the system for use by others? Are current losses entering an impaired groundwater table becoming unsuitable for future use? Are there any known benefits associated with where the current losses are going? For example, is seepage water providing additional habitat for fish or animal species?

Otay performs an audit of water losses in the potable water distribution system on an annual basis using the American Water Works Association (AWWA) Water Audit Software. From July 2022 to June 2023 Otay supplied 26,869 AF of potable water and 1,152 AF (4.2%) of that water was "lost" from the system. 2023 Water Audit reported that water losses were the result of customer metering inaccuracies (194 AF), unauthorized consumption (62.1 AF) and systematic data handling errors (64.2 AF). The largest water loss category, customer metering inaccuracies, are losses from such actions as over irrigation or customer side leaks. These uses are not properly accounted for, resulting in a loss of both vital water financial and resources for the District.

Additional losses are incurred when water loss from leaks and breaks seeps into the ground, runs off into storm drains, or enters the wastewater system, and is not returned to the system for future use. Due to geology, the semi-arid hydrological conditions of the region, and salinity issues, Otay currently does not utilize groundwater. While it does have the capacity to recycle 1.3 million gallons per day (MGD) of wastewater in the service area, it cannot recycle all available wastewater due to the limited capacity of its reclamation plant. Excess wastewater produced in its service area is treated by the City of San Diego's wastewater treatment system. This project will help detect leaks, improve metering accuracies, and modify customer behaviors, thereby reducing overall water use.

3) Describe the support/documentation of estimated water savings. Please provide sufficient detail supporting how the estimate was determined, including all supporting calculations.

Note: Projects that do not provide sufficient supporting detail/calculations may not receive credit under this section. Please be sure to consider the questions associated with your project type (listed below) when determining the estimated water savings, along with the necessary support needed for a full review of your proposal.

In addition, note: The use of visual observations alone to calculate water savings, without additional documentation/data, are not sufficient to receive credit under this section. Further, the water savings must be the result of reducing or eliminating a current, ongoing loss, not the result of an expected future loss.

Water savings from the Project will be achieved by replacing 3,749 aging meters with new AMI compatible meters. New capabilities to continuously monitor water consumption real time and respond to anomalies in water use patterns will lead to better management of water resources. Recent studies link quantifiable water savings to the use of AMI, the availability of real-time water consumption data, and the behavioral impacts derived from comparative water consumption analytics. Rather than the traditional delayed data feedback loop that relies upon infrequent physical collection of water meter reads, AMI technology will automate meter reads and deliver continuous data to customers and Otay via reports, alarms, alerts, email notifications, and "anytime" website access. The early detection of leaks and abnormally high-water consumption reduces lag times in correcting water waste when compared to occasional meter-reads and bills that are sent to customers infrequently. Currently, customers receive consumption data monthly via email or the US postal service.

Given the region's ongoing struggles with drought conditions, many San Diegans have developed an awareness that water is a valuable and sometimes scarce resource. With the roll out of the Project, an additional 7.3% of Otay customers will gain access to a user-friendly web-based application that employs a social norms marketing theory, commonly used in efficiency programs to encourage positive behavioral change. The portal will provide information to customers about their current water use and provide graphic information that compares against their own past consumption and the consumption patterns of similar households/businesses. These data points offer customers motivation to perform "better" by stepping up conservation efforts or to continue to perform well by comparison. Customization of thresholds that determine when notifications are sent can be established by the District and the customer. For example, notification can be sent as soon as an account's consumption levels approach a higher-rate tier to encourage additional conservation-minded behavior.

Based upon results of recent studies, the District can expect a **6.5%** reduction in water use with the implementation of a real time customer-side leak/break detection notification system that enables quick action to repair the leaks. Furthermore, customers engaged in the social norming web portal will reduce consumption by an additional **6.6%**. In total the Project will reduce water consumption by **13.1%** annually, or 259 AFY. The following tables provide detailed water savings calculations, and the studies upon which these assumptions are based are referenced in the following sections.

Table 1: Water Savings Assumptions	
Total # of AMR meters to be upgraded/replaced with AMI meters	3,749
Number of meters as a % of total meters in Otay (3,749/51,126 meters)	7.3%
Total estimated water supplied to project area (Otay supplied 26,869 AF of water in FY 2022/23. 26,869 x 7.3%=1,970).	1,970 AFY
Percent water savings derived from expeditious repair of customer-side leaks, breaks, water waste due to AMI real-time consumption reporting	6.5%
Percent water savings derived from connection to a customer engagement portal	6.6%

Note: Water savings are assumed to occur at an equal rate for each meter that connects to the AMI system.

A review of AMI studies was conducted with a focus on those that addressed social norming and household leak detection. Results from the Irvine Ranch Water District (leaks) and IBM Research (social norms model of behavior modification via customer engagement portal) were used to determine the Project's water savings assumptions (see Table 2) which support the water savings analysis of the Project.

The Irvine Ranch Water District's "California Single-Family Water Use Efficiency Study." California Department of Water Resources (2011) documents an average leakage rate of 30.7 gallons per household per day (0.0344 AFY) – leading to wasted water that typically soaks into the ground, stormwater, and wastewater collection systems. Based on the study, it is expected that through AMI technology, the availability of real-time consumption and enhanced notification of irregular consumption will enable prompt correction of leaks and other abnormal water consumption patterns, leading to an estimated water savings of 129 AFY (6.5%) for the AMI meters installed through this project.

A case study performed by IBM Research and published by Hanes, D., "Every Drop Counts: How Water Utilities Are Putting Water Efficiency First" (2013) found that informed, engaged, and incentivized citizens, using a customer portal, conserved an average of 6.6% more water than those without access to a portal. Given the current water demand of 1,970 AFY associated with Phase 2 efforts, it is estimated that water savings derived from customer interaction with a customer portal is 130 AFY (6.6%).

Table 2: Water Savings Calculations				
Project Element	**Documented Water Savings**	**Savings Calculation**	**% WATER SAVINGS**	**AFY Savings**
AMI Installation Early leak detection and correction	Irvine Ranch Water District, 2011	3,749 meters x 0.0344 = AFY Savings	6.5	129
Customer Engagement Portal Behavior driven water conservation	IBM, 2013	3,749 meters x 0.066 = AFY Savings	6.6	130
TOTAL WATER SAVINGS:			**13.1**	**259**

The following favorable research studies and references provide comparable water savings results from AMI implementation and add additional support to the previously mentioned studies that this grant proposal utilizes:

- East Bay Municipal Utility District (EBMUD) AMI Pilot Study demonstrated that AMI implementation, coupled with online water use software, provides an average account savings of 15%, with some individual account savings up to 50%.

- Eastern Municipal Water District's (EMWD) demonstration project installed AMI units for a subset of its customer base, included daily water use information on customer water bills, and made flow data available to customers on the EMWD website. The project realized an average annual savings of 0.027 AFY/meter across all meters. According to EMWD's website their AMI system (FlexNet), assisted the District in contacting 2,600 customers regarding continuous usage at their residence, and 2,300 of them no longer show signs of leaks.

- According to EPA WaterSense, leaks in an average household can account for nearly 10,000 gallons of water wasted every year. 10% of homes have leaks that waste 90 gallons or more per day.

- The City of Santa Ana's 2020 WaterSMART WEEG application for its AMI Installation Project included an analysis that a targeted group of relatively high-water-user accounts in the service area that reduced consumption by 10% annually after receiving early warning notifications that they were approaching the highest rate water tier.

4) Please address the following questions according to the type of infrastructure improvement you are proposing for funding. *See Appendix A: Benefit Quantification and Performance Measure Guidance for additional guidance on quantifying water savings.*

(2) **Municipal Metering:** Municipal metering projects can provide water savings when individual user meters are installed where none exist to allow for unit or tiered pricing and when existing individual user

meters are replaced with advanced metering infrastructure (AMI) meters. To receive credit for water savings for a municipal metering project, an applicant must provide a detailed description of the method used to estimate savings, including references to documented savings from similar previously implemented projects. Applicants proposing municipal metering projects should address the following:

a. How has the estimated average annual water savings that will result from the project been determined? Please provide all relevant calculations, assumptions, and supporting data.

Please refer to the previous section for a thorough discussion of water savings assumptions, calculations and supporting data. To reiterate, annual water savings for the Project are calculated by including anticipated water savings from the 3,749 AMI meter installed through Phase 2 and estimated water savings influenced by the customer portal. The methodology to develop water savings is based upon recent studies, including Irvine Ranch Water District's "California Single-Family Water Use Efficiency Study"; A case study performed by IBM Research and published by Hanes, D., "Every Drop Counts: How Water Utilities Are Putting Water Efficiency First" (2013); East Bay Municipal Utility District (EBMUD) AMI Pilot Study, Eastern Municipal Water District's (EMWD) demonstration project; and statistics published on the EPA WaterSense website.

b. How have current system losses and/or the potential for reductions in water use by individual users been determined?

Otay prepares an AWWA Water Audit on an annual basis, which provides the District with specific information on system losses. The data provided in the 2023 Water Audit provided updated information on current District system losses. Potential additional reductions in water use are linked to reputable case studies and industry standards provided by the EPA. Referencing Irvine Ranch Water District's "California Single-Family Water Use Efficiency Study" (2011), utilities with AMI networks realized an average water savings of 6.5% annually due to expeditious repair of customer-side leaks, breaks, and water waste. The case study performed by IBM Research and published by Hanes, D., "Every Drop Counts: How Water Utilities Are Putting Water Efficiency First" (2013) found average water savings of 6.6% per year when customers were connected to a customer engagement portal. These water savings values provide the basis for the Project's water savings assumptions. The potential reductions in water use for the 3,749 meters (and customer connections) determines the estimated 259 AFY in water savings (see Table 2 for calculations).

c. For installing end-user water service meters, e.g., for a residential or commercial building unit, refer to studies in the region or in the applicant's service area that are relevant to water use patterns and the potential for reducing such use. In the absence of such studies, please explain in detail how expected water use reductions have been estimated and the basis for the estimations.

Studies performed by water agencies in Southern and Northern California were used to extrapolate potential water savings for the Project. Studies were also reviewed for qualitative and quantitative detail pertaining to customer engagement and social norms-based models. The referenced studies include:

- Irvine Ranch Water District's "California Single-Family Water Use Efficiency Study." California Department of Water Resources (2011)
- A case study performed by IBM Research and published by Hanes, D., "Every Drop Counts: How Water Utilities Are Putting Water Efficiency First" (2013)

- East Bay Municipal Utility District (EBMUD) AMI Pilot Study
- Eastern Municipal Water District's (EMWD) demonstration project
- The City of Santa Ana's 2020 WaterSMART WEEG application for its AMI Installation Project

d. What types (manufacturer and model) of devices will be installed and what quantity of each?

Currently the District has Multi-Jet Meters for 2-inch meters and smaller and Sensus Omni or Master Meter Octave for 3-inch meters and larger. The District will solicit a competitive bid process to hire the AMI vendor responsible for providing a turnkey, fully automated, two-way AMI system including all associated equipment and installation required to implement Phase 2. It is estimated that the AMI manufacturer and model will be chosen by the District by June 2024.

e. How will actual water savings be verified upon completion of the project?

Actual water savings may be verified by comparing historical water consumption data from a sample size of the accounts with newly installed AMI meters against consumption data after project implementation. Pre- and post-project consumption data sets should be a comparable time period (one year, or same season, for example) to allow for a meaningful comparison and may require weather normalization.

1.4.2 Evaluation Criteria B – Renewable Energy (20 points)

1.4.2.1 Subcriterion B.1 – Implementing Renewable Energy Projects Related to Water Management and Delivery

Sub Criterion B.1 is not relevant to the proposed project.

1.4.2.2 – Subcriterion B.2 – Increasing Energy Efficiency in Water Management

Describe any energy efficiencies that are expected to result from implementation of the water conservation or water efficiency project (e.g., reduced pumping).

- If quantifiable energy savings is expected to result from the project, please provide sufficient details and supporting calculations. If quantifying energy savings, please state the estimated amount in kilowatt hours per year.

The Project is anticipated to result in quantifiable annual energy savings of 603,708 kilowatt hours (kWh)/AFY. The embedded energy in the water distributed by Otay includes energy to convey, treat and distribute water. Otay relies on imported water to meet 100% of its potable water demands. The San Diego region imports water from northern California over 400 miles via the California State Water Project (SWP) and from the Colorado River (Reclamation) over 200 miles via the Colorado River Aqueduct (CRA). Water conveyed from these distant sources requires significant energy. By reducing demand for water, the Project will reduce embedded energy associated with imported water. Energy savings associated with reduced imported water originate from the point of diversion at Metropolitan Water District of Southern California (MWD). Net utility energy intensity data was gathered from respective Urban Water Management Plans for MWD, San Diego County Water Authority (SDCWA), and Otay to calculate quantifiable energy savings. A value for kWh/AF was established by combining the net utility energy intensities multiplied by estimated water savings from the Project to determine avoidance of embedded energy resulting from reduced reliance on water imports, as shown in Table 3 below.

Table 3: Embedded Energy Avoidance Resulting from Water Savings				
Agency	Water Management Process (kWh/AF)			Net Utility Energy Intensity
	Conveyance	Treatment	Distribution	
MWD	1,919.9	69.7	-152.6	1,863
SDCWA	-32.6	112.1	7.7	87.2
Otay	381	N/A	Included in conveyance	381
			kWh/AF Saved:	2,331
			TOTAL kWh avoidance (2,331 kWh/AF x 259 AFY)	**603,708**

- How will the energy efficiency improvement combat/offset the impacts of climate change, including an expected reduction in greenhouse gas emissions.

The Project will allow for prompt leak detection, an increased awareness in water waste and water use efficiency by the end user/consumer, and overall better water management on behalf of the District. This benefit will result in a reduction in demand for imported water while still meeting customer demands. The District's water system's energy intensity is 381 kWh/AF of water treated and delivered, as shown in Table 3. Otay relies on imported water to supply all of its potable water, so a reduction in demand translates to a reduction in energy consumption which ultimately reduces demand for fossil fuels and reduced production of climate warming gasses entering the Earth's atmosphere. The estimated reduction in GHG from CO_2 is 519 Metric Tons (603,708 kWh x .86/1,000 Kg [US Energy Information Administration]).

- If the project will result in reduced pumping, please describe the current pumping requirements and the types of pumps (e.g., size) currently being used. How would the proposed project impact the current pumping requirements and energy usage?

Otay purchases 100% of its potable water from SDCWA, the San Diego region's water wholesaler. SDCWA purchases most of the region's water from the SWP and the Colorado River (CRA) via MWD. Both water sources require extensive infrastructure to pump and convey water to the southernmost part of the state. The estimated embedded energy associated with imported water is detailed in Table 3. Through this Project Otay will ultimately reduce its demand for imported water by 259 AF per year. With this reduction, SDCWA can reduce the amount of water it imports to the region and further reduce the pumping that occurs within the SWP and CRA systems.

- Please indicate whether your energy savings estimate originates from the point of diversion, or whether the estimate is based upon an alternate site of origin.

Table 3 delineates estimated energy requirements with imported water by three water agency involved with conveyance and distribution. Energy savings associated with reduced imported water originate from the point of diversion at MWD.

- Does the calculation include any energy required to treat the water, if applicable?

Yes, the District purchases 100% of its potable water as treated water from SDCWA. The treatment of potable water is used in the energy calculations for MWD and SDCWA as shown in Table 3.

- Will the project result in reduced vehicle miles driven, in turn reducing greenhouse gas emissions? Please provide supporting details and calculations.

Otay currently conducts monthly drive by readings for the 3,749 meters included in the project scope, as required by the AMR system. With implementation of the Project, the upgraded AMI meters will be read electronically, eliminating the need for drive by readings. However, because the District is prioritizing replacement of its oldest (and likely its least accurate) meters, the 3,749 meters are not grouped by cycle (geographic proximity). Rather, the location of the meters span across several meter read cycles. The District is not certain that there would be a reduction in total miles driven with the implementation of this project phase and therefore has not included an estimate of reduced miles driven and associated GHG reductions. Once all phases of the project are implemented the District will likely see a measurable reduction in miles driven and in turn GHG emissions.

- Describe any renewable energy components that will result in minimal energy savings/production (e.g., installing small-scale solar as part of a SCADA system).

There are no renewable energy components to this project.

1.4.3 Evaluation Criterion C – Other Project Benefits (15 points)

Resilience and Sustainability Benefits. Will the project address a specific water and/or energy sustainability concern? Please address the following:

- Explain and provide detail of the specific issue(s) in the area that is impacting water resilience and sustainability. Consider the following:

Describe recent, existing, or potential drought or water scarcity conditions in the project area.

Otay is in arid and drought-prone southern California and imports 100% of its water from the SWP and Colorado River. The District is committed to aggressively pursuing water-use efficiency to reduce strain and demand on these unstable water resources. Evidence of climate change can be found in the droughts and severe storms California has experienced in recent years. In 2022, California entered its third consecutive year of severe drought with January, February, and March registering as the driest months in over 100 years. The winter of 2023 put California in another extreme situation with intense warm storms and little snowpack (storage). Most of the scientific research and recent weather patterns indicate that frequency, intensity, and duration of extreme weather, including droughts, will continue. Additionally, the Colorado River, which originates in the Colorado Rocky Mountains, has seen prolonged 23 year warming and drying trend which pushed one of the nations' largest water supplies to a record low. This resulted in the federal government declaring a first-ever Tier 1 water shortage on the Colorado River in August 2021. In April 2022, the Colorado River was ranked the most endangered waterway in the nation due to the impacts of climate change and overuse.

Introducing AMI projects will ensure that water coming from both the SWP and Colorado River is used efficiently and minimally. Through upgraded meter replacement, the District will be addressing the largest percentage of water loss throughout its distribution system (as provided by the 2023 Water Audit) as well as providing customers with increased ability to quickly respond to leaks and abnormal water usage. These paired water savings opportunities will provide increased resiliency when faced with droughts in the future.

Is the project in an area that is experiencing, or recently experienced, drought or water scarcity?

Yes, the Project is in an area that has recently experienced drought and water scarcity. Droughts have persisted chronically since the early 2000's. California's droughts have grown in duration, intensity and frequency making it evident that water agencies like Otay must implement water savings actions to mitigate risk in the future. Ongoing shortages on the Colorado River have led to a recent agreement amongst the lower Basin states (Arizona, California, Nevada) to cut water use by at least three million AFY through the end of 2026. Development of drought resilience strategies like AMI are crucial for all California water purveyors to ensure there is adequate water supply to meet current and future demands in the face of climate change.

Describe any projected increases to the severity or duration of drought or water scarcity in the project area. Provide support for your response (e.g., reference a recent climate informed analysis, if available).

According to the U.S. Drought Monitor, the Northern Rocky Mountain region has recently experienced higher than normal temperatures, leading to a limited snowpack. This is a big concern for the nation's largest source of water - the Colorado River. Additionally, portions of Southern California are experiencing intense storms, resulting in significant flooding with little storage capture. These current weather conditions may be representative of how climate change has fundamentally altered California's hydrologic system by intensifying serve weather as the state swings from extreme dry to extreme wet. At the time this application was prepared, California is at 32% of average snowpack according to the California Department of Water Resources *California Water Watch*. Snowpack in the Sierras and Rockies are natural reservoirs, melting during warm times of the year when demand surges. The snowpack plays a large role in determining drought in both the Colorado River CRA and California SWP systems. With the implementation of this project, reduced demand from Otay will reduce demand for imported water from Northern California and the Colorado River, where water scarcity is a central concern.

- Explain and provide detail of the specific issue(s) in the area that is impacting energy sustainability, such as reliance on fossil fuels, pollution, or interruptions in service.

Climate change has induced many hazardous situations in California including droughts, extreme annual wildfires, and flooding. Both wildfire and flooding cause a strain on the environment and energy providers, such as San Diego Gas and Electric (SDG&E). Both wildfires and intense storms can bring high powered winds resulting in downed power lines or SDG&E implementing public safety power shutoffs. These interruptions in power can impact Otay especially as it relates to wildfire and the ability to provide potable water to customers during extreme weather conditions.

- Please describe how the project will directly address the concern(s) stated above.

The Project is estimated to conserve 259 AF of water through the installation of 3,749 AMI water meters throughout the Otay service area. Through implementation of AMI, system leaks on the "customer side" of the meter will be quickly identified and resolved. Additionally, customers will have access to near-real time water consumption data which will encourage more conscious water use and ultimately result in a reduction of daily use. With the implementation of this project and associated water reductions, demand will decrease for imported water from the SWP and the Colorado River. In the face of persistent and frequent droughts, implementation of water use efficiency projects such as this one are amongst the most cost effective ways to minimize need for imported water from vulnerable, distant sources. It also avoids the need to utilize draconian reduction targets that are likely to negatively impact the environment, community, and economy.

- Will the project directly result in more efficient management of the water supply? For example, will the project provide greater flexibility to water managers, resulting in a more efficient use of water supplies?

Yes, the Project will result in an estimated savings of 259 AFY. Through the installation of the 3,749 AMI meters Otay will be able to improve utility operations and give the District continuous and high-resolution information on water consumption which can be shared with customers in real time. The District can utilize AMI data to generate customized reports, promptly detect leaks, and assist customers more effectively by sharing usage data that become the basis of customized conservation strategies. This enhances water management on behalf of the end customer and the District, which is critical in the District's efforts to prepare for future droughts and restricted water supply. The AMI system also gives the District the tools to consider implementing customized water budget rate structures that can only work if customers are able to monitor consumption throughout a billing cycle, rather than once per month, and therefore the ability to curb water use "real time" to remain within consumption targets. Should the region ever be harnessed with consumption targets due to severe water shortages, AMI will immediately become a valuable tool that the District and customers alike will rely upon heavily.

- Please address where any conserved water as a result of the project will go and how it will be used, including whether the conserved water will be used to offset groundwater pumping, used to reduce diversions, used to address shortages that impact diversions or reduce deliveries, made available for transfer, left in the river system, or used to meet another intended use.

Otay relies 100% on water supply from SDCWA, which originates from the SWP and Colorado River. The 259 AFY of water conserved through the implementation of this Project will directly offset the amount of water that SDCWA needs to import from MWD through either SWP or CRA. As a result of the water saved through this project, water can remain in the California Bay Delta or Colorado River, thus reducing diversions. Both water bodies include environmentally sensitive ecosystems, which require water for the survival of living organisms. Conserved water will not offset local groundwater pumping as Otay does not use groundwater. Water conserved from this project will be left in stream in both the SWP and Colorado River systems, remaining available for other purposes including transfers, diversions, or another intended uses.

- Indicate the quantity of conserved water that will be used for the intended purpose(s).

All of the water saved from this project, 259 AFY, will remain within the water bodies and available for the survival of these resources.

- Provide a description of the mechanism that will be used, if necessary, to put the conserved water to the intended use.

There is no mechanism required to conserve water through this project. The conserved water is from reduced system leaks and improved infrastructure. The Project will reduce demand for imported water, therefore no additional action is required to have water remain in stream in the SWP and Colorado River.

- Will the project assist States and water users in complying with interstate compacts?

A portion of the water Otay receives comes from the Colorado River which is part of the Colorado River Agreement. The Colorado River is an over-drafted water body which provides water to more than 40 million people in the West. In the past several years there have been efforts to reduce water usage in California, Nevada, and Arizona to alleviate the strain on this resource. The implementation of this project and associated 259 AFY of water savings puts California one step closer to reaching the requirement to reduce overall demand on the Colorado River.

- Will the project help to prevent a water-related crisis or conflict? Is there frequently tension or litigation over water in the basin?

Both the SWP and CRA have been impacted by the increased frequency of drought and resulting strain on water resources within both systems. Ongoing shortages on the Colorado River have led to a recent agreement amongst the lower Basin states to cut water use by three million AFY or more through the end of 2026. Lake Mead's water level remains chronically low and currently sits at less than 40% of capacity. Federal officials indicate that Colorado River is chronically over drafted and water use must be cut by about 15% to 30% per year to maintain its sustainability. New rules for reservoir management to protect the water source for 40 million people and tribes will be set by Reclamation and the Department of the Interior in 2026. These conditions have bred frequent tension and litigation between the seven states, Mexico and the tribes that rely upon the river. Development of drought resilience strategies like this AMI project are crucial to ensure there is adequate water supply mitigate water related conflicts.

Ecological Benefits. In addition to the separate WaterSMART Environmental Water Resources Projects NOFO, this NOFO places a priority on projects that that result in ecological benefits, through this section and other sections above, consistent with the SECURE Water Act. Please provide information regarding how the project will provide ecosystem benefits, including the following:

Will the project benefit species (e.g., federally threatened or endangered, a federally recognized candidate species, a state listed species, or a species of particular recreational, or economic importance)? Please describe the relationship of the species to the water supply, and whether the species is adversely affected by a Reclamation project or is subject to a recovery plan or conservation plan under the Endangered Species Act (ESA).

Otay purchases 100% of its water from the SDCWA, who in turn purchases water from MWD. SDCWA receives water from MWD that is comprised of water from the SWP and Colorado River. The SWP transports water that originates in the Sierra Nevada Mountains and flows through a network of rivers to be stored in lakes and reservoirs which then flows down into the California Bay Delta. The Delta is a complex system of various channels that joins the Sacramento and San Joaquin Rivers and is the focal point for water distribution throughout the state but is also an ecologically sensitive habitat. The Delta is home to a variety of species listed under the Federal and State Endangered Species Acts including the Delta Smelt which is only found in the Delta. The Delta Smelt was listed in the Endangered Species Act (ESA) and the California Endangered Species Act (CESA) in 1993, with one of the major impacts to its survival identified as a reduction in freshwater outflows. Diversions must be limited to the greatest extent possible to protect the Delta Smelts' unique habitat. Replacing existing AMR meters with new AMI-capable meters will allow Otay to promptly detect and address system leaks and allow customers to make more informed decisions regarding their water usage. Through the implementation of the Project and associated 259 AFY in water savings, Otay will reduce the amount of water purchased from SDCWA. As the project directly offsets the demand of 259 AFY from the imported sources, this water will remain within the Delta to support the Delta Smelt and other endangered and threatened species and habitat.

The Lower Colorado River Multi-Species Conservation Program (LCRMCP) identified 17 species in 2004 that could become listed in the future should flows within the Colorado River reduce. The LCRMCP estimated that if the flow reductions reached 1,574,000 AFY by 2051, which would put those species at risk. Sufficient water supply is a fundamental factor contributing to the health of the Colorado River and the survival of the non-listed species. With the support of this project, Otay would be reducing the amount of water taken from the Colorado River assisting in the livelihood of these species.

- Will water remain in the system for longer periods of time? If so, provide details on current/future durations and any expected resulting benefits (e.g., maintaining water temperatures or water levels, recreational benefits, etc.).

Through the implementation of the Project Otay will be saving 259 AFY of potable water. This is water that would have been purchased from SDCWA which and diverted from the SWP and or CRA. The Project will allow water to remain instream to the benefit of these environmentally sensitive ecosystems that are home to species that rely on the water within these ecosystems to survive.

- Will the proposed project reduce the likelihood of a species listing or otherwise improve the species status?

As Otay reduces imported water through the implementation of the Project, more water will be able to remain within the Colorado River and the Delta, thus improving ecosystem conditions for vulnerable species. This may result in an improvement in the status of those species.

- Please describe any other ecosystem benefits as a direct result of the project.

Otay purchases 100% of its potable water supply from the SDCWA, of which water is supplied from the SWP and CRA. The District's reliance on imported water that originates hundreds of miles away, combined with projected population growth in the service area and the region's susceptibility to drought puts

chronic pressure on supply reliability. The Project is expected to lead to a reduction in water demands by an estimated 259 AFY. Through the Project, Otay will be able to reduce its purchases of water from the SDCWA, thereby reducing demands on imported supplies supplied through SWP and CRA. This will provide several ecosystem benefits including preserving environmentally sensitive ecosystems (through maintenance of in stream flows, reservoir levels, water quality, etc.), increased resiliency to drought, and increased water availability during wildfires.

Climate Change: E.O. 14008 emphasizes the need to prioritize and take robust actions to reduce climate pollution; increase resilience to the impacts of climate change; protect public health; and conserve our lands, waters, oceans, and biodiversity.

- Describe how the project addresses climate change and increases resiliency. For example, does the project help communities adapt to bolster drought resilience?

The Otay service area has a hot and dry climate. The District imports its potable water supply from distant watersheds. The District is committed to aggressively pursuing water-use efficiency, to reduce strain and demand on these resources by ensuring that water is managed efficiently. In recent years, the impacts of progressively intense climate change induced droughts and severe storms.

The Project will allow for prompt leak detection, increased awareness in conservation, and overall better water management to ensure that imported water coming from both the SWP and CRA is used efficiently. Through upgraded meter replacement, Otay will be addressing the largest percentage of water loss throughout their distribution system (as provided by the 2023 Water Audit) as well as providing customers with increased ability to quickly respond to leaks and abnormal water usage. These paired water savings opportunities will provide increased resiliency to future droughts.

- Does the project seek to improve ecological resiliency to climate change?

Otay imports its water from the Colorado River and Bay Delta watersheds. Over the past twenty years these two distant watersheds have experienced severe and repeated drought conditions due to climate change and variable weather patterns. Diverting water from the Colorado River and Bay Delta affects the ecosystems upon which vulnerable fish and wildlife depend. By implementing the Project and reducing its demand for imported water, less water will be diverted from these watersheds, allowing both ecosystems to have ecological resiliency to climate change.

- Does the proposed project seek to reduce or mitigate climate pollution such as air or water pollution?

By reducing demand for imported water, the Project will reduce the embedded energy associated with moving water great distances, the treatment process, and distribution to the end user. The Project is anticipated to result in quantifiable energy savings of 603,708 kWh/AF. The resulting reduction in energy consumption ultimately reduces the use of fossil fuels and production of climate-altering gases entering the Earth's atmosphere.

- Does the proposed project include green or sustainable infrastructure to improve community climate resilience?

Otay will upgrade 3,749 existing AMR meters with new AMI-compatible meters. By reducing the need to import water, this sustainable infrastructure will help the District conserve water, which will make the regional water system more resilient to climate change.

- Does the proposed project contribute to climate change resiliency in other ways not described above?

The Project includes an outreach campaign to provide training and education to the 3,749 customers that will gain access to the District's web-based customer portable. Customers will learn how to view interval consumption data and find associated analytics for them to maximize water-use efficiency. The Project will educate the District's customers, allow them to enhance their understanding of how much water they use, and begin to benchmark consumption to improve efficiency. This awareness will in turn help customers reduce consumption and increase the community's overall resiliency to a drying climate.

1.4.4 Evaluation Criteria D – DAC, Insular Areas, and Tribal Benefits (15 points)

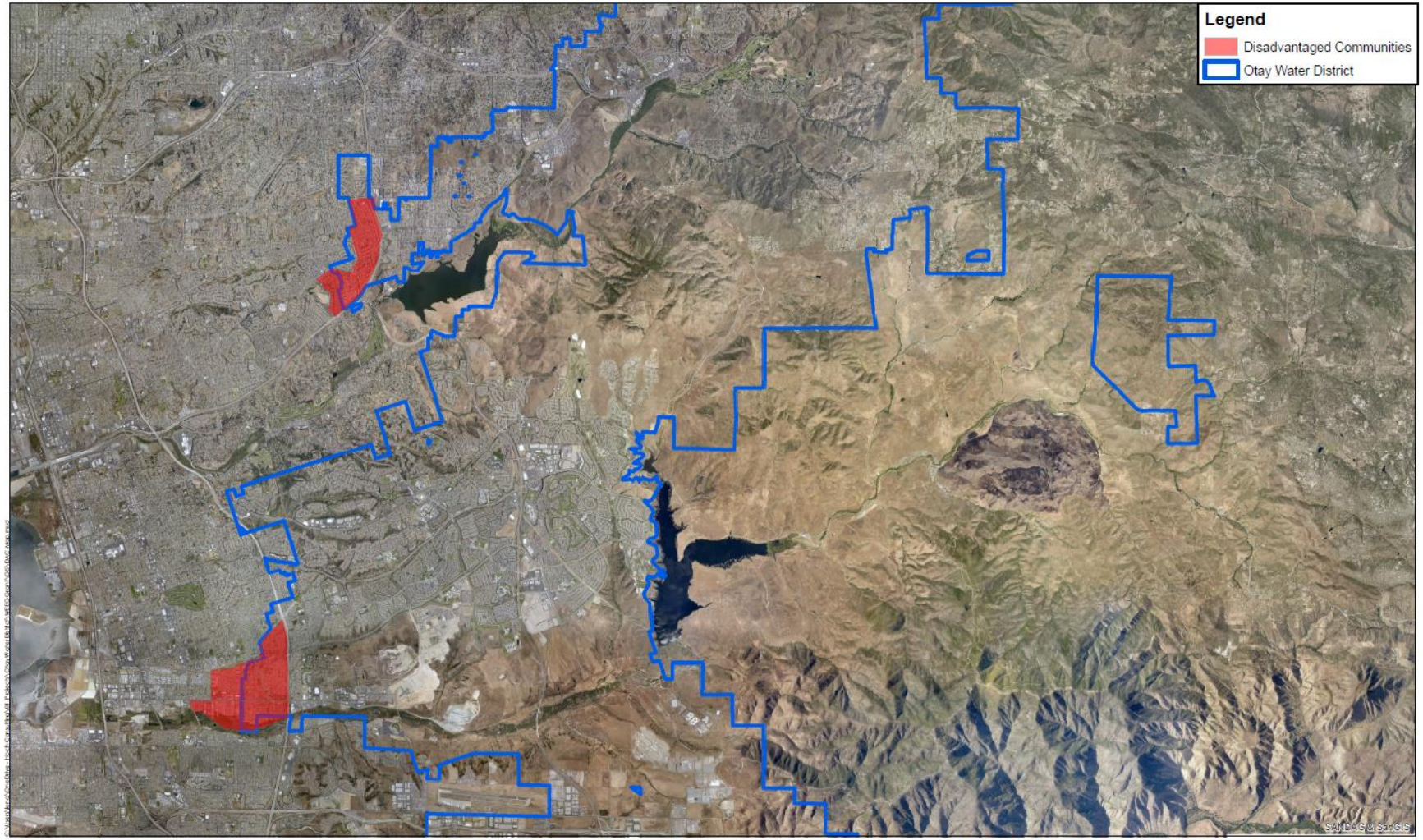
1.4.4.1 Subcriterion D.1 DAC (disadvantaged communities)

E.O. 14008 affirms the advancement of environmental justice for all through the development and funding of programs to invest in disadvantaged communities. This criterion, which is used to identify projects that advance the Justice 40 Initiative, includes all Federally recognized Tribes and Tribal entities, and any disadvantaged communities in insular areas (American Samoa, Guam, the Northern Mariana Islands, or the Virgin Islands) identified pursuant to the following criteria.

• Please use the White House Council on Environmental Quality's interactive Climate and Economic Justice Screening Tool (CEJST), available online at Explore the map Climate & Economic Justice Screening Tool (screeningtool.geoplatform.gov/ en/#17.59/36.63278/-105.181329) to identify any disadvantaged communities that will benefit from your project. The CEJST developed by the White House Council on Environmental Quality is a geospatial mapping tool that utilizes publicly available, nationally consistent data sets related to climate change, the environment, health, and economic opportunity to identify disadvantaged communities. In addition to identifying specific census tracts that are disadvantaged, the CEJST includes the lands of Federally recognized Tribes as disadvantaged communities. In addition, regardless of whether a Federally recognized Tribe has land, all Federally recognized Tribal entities are considered disadvantaged communities for the purposes of the Justice40 Initiative.[2]

The Project will benefit residents in disadvantaged communities. The Disadvantaged Communities Map, shown below, highlights tracts within the District's service area that are qualified as disadvantaged communities according to the White House Council on Environmental Quality's interactive Climate and Economic Justice Screening Tool.

Otay Water District Disadvantaged Communities Map



If applicable, describe how the proposed project will serve or benefit a disadvantaged community, identified using the tool. For example, will the project improve public health and safety by addressing water quality, add new water supplies, provide economic growth opportunities, or provide other benefits in a disadvantaged community?

Small tracts of the District include disadvantaged communities east of Interstate 805 in Chula Vista (north of the Otay River, east of Date Street, south of Melrose Avenue/Spruce Street), and northwest of CA State Route 54 in Spring Valley (neighborhoods along Paradise Valley Road, and Elkelton Boulevard between Bluffview Road and Jamacha Road). The residents and businesses in these disadvantages communities that receive new AMI-compatible meters will benefit from the Project by giving them the tools to promptly detect and address leaks and making more informed decisions regarding their water usage. The ability to use water more efficiently and eliminate leaks and breaks quickly will decrease the water bill and have a positive impact on already constrained finances.

On a regional scale, this project will conserve more water that can be made available to other parts of the state and western region, including tribes, rural communities, and disadvantaged communities through a reduction in the amount of imported water the District requires. According to the US Census (V2023), 10.7% of San Diego County's population is classified as "persons in poverty." Neighboring service areas with significant disadvantaged communities include National City, Chula Vista, San Diego, and City of El Cajon. Otay also provides water to Sycuan and Jamul bands of the Kumeyaay Nation tribe, which are both federally recognized and categorized as disadvantaged.

1.4.4.2 Subcriterion D.2 – Tribal Benefits

The Department is committed to strengthening tribal sovereignty and the fulfillment of Federal Tribal trust responsibilities. The President's memorandum, *Tribal Consultation and Strengthening Nation-to-Nation Relationships*, asserts the importance of honoring the Federal Government's commitments to Tribal nations. Address the following, if applicable:

- Does the proposed project directly serve and/or benefit a Tribe? Will the project increase water supply sustainability for an Indian Tribe? Will the project provide renewable energy for an Indian Tribe?

The Otay service area borders the Sycuan Reservation and Jamul Indian Village and provides potable water service to these bands of the Kumeyaay Nation. Each band has a resort casino located on their land, and Sycuan also is home to a golf course reliant on potable water to irrigate. The Project reduces the burden on the imported water system, thus helping to ensure the supply of potable water for the tribes remains sustainable. There are plans to develop other tribal properties in the future, including housing. Future phases of AMI implementation will connect Jamul and Sycuan tribal lands with real-time meter data.

- Does the proposed project support Tribal led conservation and restoration priorities, and/or incorporate or benefit indigenous traditional knowledge and practices?

This Project does not support Tribal led conservation and restoration priorities, and/or incorporate or benefit indigenous traditional knowledge and practices.

- Does the proposed project directly support tribal resilience to climate change and drought impacts or provide other Tribal benefits such as improved public health and safety through water quality improvements, new water supplies, increased renewable energy, or economic growth opportunities?

Does the proposed project support Reclamation's Tribal trust responsibilities or a Reclamation activity with a Tribe?

As described above, the Project will reduce demand for water which reduces the burden on the imported water system, making more water available to the Sycuan and Jamul bands. This in turn will increase the tribal population's resiliency in the face of climate change, including during drought conditions which are increasing in length and severity.

1.4.5 Evaluation Criterion E – Complementing On-Farm Irrigation Improvements (8 points)

The Otay service area does not have a significant agricultural sector or agricultural customer class. As such this evaluation criterium is not relevant.

1.4.6 Evaluation Criterion F – Readiness to Proceed (8 points)

Identify and provide a summary description of the major tasks necessary to complete the project. Note: Do not repeat the more detailed technical project description provided in *Section D.2.2.2 Application Content*. This section should focus on a summary of the major tasks to be accomplished as part of the project.

With support of a specialized AMI advisory consultant, the District will release a RFP to procure a vendor to evaluate the need to expand the AMI network and install compatible meters across the service area. The selection of an AMI system is expected to be complete by June 2024. Once the District receives the grant award and notice to proceed, the Project will include the following major tasks:

- Procurement of equipment to upgrade existing 3,749 AMR meters including new AMI meters and meter box lids
- Installation of the new AMI meters and associated network infrastructure
- Integration of the new AMI meters to the online customer portal

Describe any permits that will be required, along with the process for obtaining such permits.

The Project marks the first phase of a District-wide meter replacement effort. (Note, Phase I upgraded existing meters with AMI compatible components). It is anticipated that a CEQA Notice of Exemption will be required to achieve environmental permitting approval. No other permitting is anticipated.

Identify and describe any engineering or design work performed specifically in support of the proposed project.

Otay engineering staff will be involved in overall planning and implementation of the Project, including the competitive procurement process and oversight of the District-wide meter upgrade effort. This procurement process includes the evaluation, analysis, and selection of proposed AMI vendors.

Describe any new policies or administrative actions required to implement the project.

The District's Board of Directors has already approved implementation of the AMI project. The Board will need to approve the contract with the vendor selected to implement the Project. No additional policies or administrative actions are required.

Describe the current design status of the project. If additional design work is required prior to construction, describe the planned process and timeline for completing the design work.

Otay has retained a consultant to assist with the development of the RFP for the continued expansion of the District's AMI system. The consultant will assist the District with the evaluation of proposed AMI vendors. Additional design may be required, depending on if network expansion is required such as network retrofitting or placement of additional antennas.

Include an estimated project schedule that shows the stages and duration of the proposed work, including major tasks, milestones, and dates. Milestones may include, but are not limited to, the following: complete environmental and cultural compliance; mobilization; begin construction/installation; construction/installation (50% complete); and construction/installation (100% complete). Was the expected timeline for environmental and cultural compliance discussed with the local Reclamation regional or area office?

Table 4: Estimated Project Schedule

	Phase Start	Phase Finish
Notice of Award		Dec-24
Equipment Order and Delivery	Jul-24	Dec-24
Project Implementation (installation of 3,748 AMI meters)	Jan-25	Jun-26
Project at 50% implementation (begin remaining meter installations)	Jun-26	Oct-27
Project and Grant Closeout	Oct-27	Dec-27

1.4.7 Evaluation Criterion G – Collaboration (5 points)

Up to **5 points** may be awarded for projects that promote and encourage collaboration among parties in a way that helps increase the sustainability of the water supply.

Please describe how the project promotes and encourages collaboration. Consider the following:

- Is there widespread support for the project? Please provide specific details regarding any support and/or partners involved in the project. What is the extent of their involvement in the process?

While Otay does not have any project partners, support for the project has been expressed by the Board of Directors as well as those entities providing letters of support included as Appendix B of this grant. Additionally, Otay has a strong water conservation campaign which includes education and incentive programs for all customer classes. Customers throughout the service area actively participate in the District's conservation programs. The implementation of AMI paired with the customer engagement portal will provide customers with expanded and convenient access to the conservation programming available to them and can enrich their own understanding of water consumption.

- What is the significance of the collaboration/support?

Southern California will continue to face periods of drought, and while there has been improvements through water conservation, these efforts alone will not be enough to ensure future water security and stability for the region. The District encourages its customers to actively participate in water use efficiency and improves water management to help ensure that this precious resource is not wasted. The District will continue to enable water management practices through the implementation of AMI and the customer portal. Customers will be able to quickly curb water waste by addressing leaks and breaks quickly, rather than waiting to discover surges in water waste upon review of a monthly bill. Collaboration and support from the entire service area is critical for Otay to ensure this project is effective.

- Will this project increase the possibility/likelihood of future water conservation improvements by other water users?

As customers are connected to the AMI system as part of the Project, they will also be connected to the web-based portal. This will provide them with current and accurate information about their business or household's water consumption, historic water use data, and data that allow comparisons with like properties/households. Metrics and comparative data are powerful motivators, helping to encourage maintenance or improvement in water efficient behaviors. The web-based portal also acts as a destination for information on customer-facing conservation programs, including rebates on turf removal and device upgrades such as toilets, water heaters, sprinklers, etc. Additionally, with the implementation of this project other water agencies can use the Project as a successful example that encourages the pursuit of their own AMI projects.

- Will the project benefit multiple sectors and/or users (e.g., agriculture, municipal and industrial, environmental, recreation, or others)?

Yes, this project will benefit all customer classes within the Otay service area. The 3,749 meters that will be upgraded to AMI meters include all meter sizes within the District and represent a variety of customer classes including residential, municipal, industrial, and commercial. These entities will now be able to better monitor and manage their water usage, resulting in increased water savings. These water savings benefit the environment both within the service area and beyond as Otay purchases water that originates in the California Bay Delta and Colorado River. The resulting water savings from this project will allow water to remain in these environmentally sensitive ecosystems, acting to improve natural habitat as well as recreational opportunities such as swimming, fishing, skiing and boating.

- Please attach any relevant supporting documents (e.g., letters of support or memorandum of understanding).

Please see Appendix B for Project Letters of Support.

1.4.8 Evaluation Criterion H – Nexus to Reclamation (4 points)

Up to 4 points may be awarded if the proposed project is connected to a Reclamation project or Reclamation activity. No points will be awarded for proposals without connection to a Reclamation project or Reclamation activity.

Describe the nexus between the proposed project and a Reclamation project or Reclamation activity. Please consider:

- Does the applicant have a water service, repayment, or operations and maintenance (O&M) contract with Reclamation?

Otay purchases water from its wholesalers, SDCWA via MWD. MWD maintains a contract with Reclamation. Reclamation operates the infrastructure including Lake Mead and Hoover Dam which control flows into the MWD-owned CRA. MWD receives substantial water from the Colorado River via Reclamations facilities, which is conveyed to the San Diego region. Furthermore, SDCWA maintains an agreement to purchase water directly from the Imperial Irrigation District, which is comprised of water from the CRA system. Additionally, Reclamation operates the Central Valley Project in California, which shares conveyance facilities with the SWP. As mentioned, Otay receives imported water from both the SWP and CRA systems. Because Otay relies 100% on purchased water from SDCWA, the District is heavily reliant on these Reclamation projects.

- If the applicant is not a Reclamation contractor, does the applicant receive Reclamation water through a Reclamation contractor or by any other contractual means?

Yes, Otay purchases water through the SDCWA. SDCWA receives most of its water through MWD. MWD is a contractor with Reclamation.

- Will the proposed work benefit a Reclamation project area or activity?

Otay purchases 100% of its water through SDCWA who in turn purchases most of its supply from MWD. MWD receives most of its supplies from the California Bay Delta (SWP) and the Colorado River (CRA). While neither the SWP or CRA are directly owned by Reclamation, both rely heavily on successful management of Reclamation projects to ensure that water flows through them. Two major Reclamation projects along the CRA are the Hoover Dam and Parker Dam, both of which serve as major points in the conveyance system. Parker Dam is where MWD diverts and delivers Colorado River water from Lake Havasu to its customers in California. With the implementation of the Project, Otay will be capable of conserving more water, resulting in the need to divert less water from Lake Havasu, thereby providing more operational flexibility for both Hoover Dam and Parker Dam.

Additionally, MWD receives water from the SWP which includes the California Bay Delta. Reclamation has several projects within the Delta to preserve its health and water management including the CVP. Through the implementation of the Project, water will b remain within the Delta, adding to future stability and resiliency of that system.

- Is the applicant a Tribe?

No, the applicant is not a Tribe.

2. Performance Measures

Provide a brief summary describing the performance measure that will be used to quantify actual benefits upon completion of the project (e.g., water saved or better managed, energy generated or saved). For more information calculating performance measure, see NOFO *Appendix A: Benefit Quantification and Performance Measure Guidance. Include a description of both pre-and post-project rate structuring. Quantifying savings associated with meter installation and/or replacement requires analysis of pre-and post-installation measurements from existing meters at strategic locations within the system. If installing meters will result in conserved water, please provide support for this determination (e.g., studies, previous projects, etc.). A logical scheme should be developed that compares pre-and post-installation flow quantities and that accounts for leakage and other considerations. The site-specific water savings verification plan should be as detailed as possible and clearly state all assumptions and the relative level of accuracy expected. In addition, please provide details underlying any assumptions being made in support of water savings estimates (e.g., residential users will reduce use once a more advanced billing structure is imposed).*

Actual water savings will be verified upon completion of the Project by comparing historical water consumption data. A final project implementation report will be submitted to Reclamation to verify post-Project benefits and include information regarding the below performance measures:

Performance Measure 1: Quantifiable Water Savings

259 AFY is projected to be saved annually through the implementation of the Project. This estimate will be reviewed by reporting on actual water use by the 3,749 customers (or a sample set of the group) that receive new AMI meters. Historical consumption will be compared against consumption after AMI meters are installed. It is recommended that post-project consumption data be taken after a year of the AMI installation date. It is expected that some of these current water customers have water leaks that were not detected by the old meter. In these instances, an increase in measured consumption would be likely once the new AMI meter is installed. As customers review their usage and address leaks, the District expects to see the resulting savings from the new meter implementation. Allowing the post consumption data set to include water consumption for at least a one-year period will allow these patterns to become evident.

Performance Measure 2: Improved Water Management

A portion of the final report will discuss the ways in which the District was able to improve water management through the AMI system. This may include reports on the number and specifications of system alerts, maintenance or system improvements, and operational efficiencies because of increased understanding throughout the system. It may also report on additional customer contacts and interactions the District achieved because of such automated alerts.

3. Project Budget

Otay will provide the non-Reclamation share of the Project costs through its capital improvement project budget. The cost breakdown is shown in Table 5 and 6 below. No additional funding commitments have been pursued for the scope of this project at this time.

Table 5: Project Cost Breakdown by Source		
FUNDING SOURCE	**% OF PROJECT COST**	**FUNDING AMOUNT**
Non-Federal Entities		
Otay Water District	76%	1,599,440
Federal Entities		
Reclamation Funding Request	24%	$500,000
TOTAL PROJECT FUNDING:	**100%**	**$2,099,440**

Table 6: Proposed Budget Breakdown	
SOURCE	**AMOUNT**
Costs to be reimbursed with the requested Federal funding*	$500,000
Costs to be paid by the applicant	$1,599,440
Value of third-party contributions	$0
TOTAL PROJECT COST	**$2,099,440**

Details for the proposed budget are provided in Table 7 below with associated budget narratives to follow.

Table 7: Budget Proposal				
BUDGET ITEM DESCRIPTION	COMPUTATION		Quantity Type	TOTAL COST
	$/Unit	Quantity		
Salaries and wages				**$**
N/A				$
Fringe benefits by $ or %				**$**
N/A				$
Travel				**$**
N/A				$
Equipment				**$**
N/A				$
Materials and Supplies				**$**
N/A				$
Contractual/Construction				**$2,099,440**
Procurement &Installation of AMI meters, lids	$560	3,749	Units	$2,099,440
Other Direct Costs				**$**
Indirect Charges				**$**
TOTAL ESTIMATED PROJECT COSTS				**$2,099,440**

Budget Narrative Details

Salaries and Wages: The Project is not requesting funds for salaries and wages.
Fringe Benefits: The Project is not requesting funds for fringe benefits.
Travel: The Project is not requesting funds for travel.
Equipment: The Project is not requesting funds for equipment.
Materials and Supplies: The Project is not requesting funds for materials and supplies.

Contractual/Construction:

The Project accounts for installation of new AMI meters and associated meter lids for approximately 7.3% of the total meters in the Otay service area. The budget request includes procurement and installation of the new AMI meters and associated infrastructure needs including meter lids. The new AMI will allow an additional 7.3% of customers access to the web-based engagement portal. Otay will administer a completive selection process to procure an AMI vendor and applicable services for the Project.

The total of all these items combined is a total of $2,099,440 for construction and contractual costs for the Project budget which can be seen in Appendix C. The total cost is included in construction costs (tab 6g) as a contractor is not currently selected.

Third-Party In-Kind Contributions: The Project is not requesting third-party in-kind contributions.

Environmental and Regulatory Compliance Costs: The Project is not requesting funds for environmental and regulatory compliance costs.

Other Expenses: The Project is not requesting funds for other expenses.

Indirect Costs: The Project is not requesting funds for indirect costs.

Total Costs

The total cost of the proposed project is **$2,099,440**. Funding sources for the Project are the Otay Water District and the requested funds from Reclamation. Otay is requesting **$500,000** from Reclamation to fund the Project. This request represents 24% of the total project cost. No other Federal funding has been requested or received for the Project.

4. Permits and Approvals

State in the application whether any permits or approvals are necessary and explain the plan for obtaining such permits or approvals.

Otay anticipates the need to file a CEQA Notice of Exemption to achieve environmental permitting approval. No other permitting is anticipated. Funding is not being requested for permitting and environmental tasks.

5. Overlap or Duplication of Effort Statement

Applicants should provide a statement that addresses if there is any overlap between the proposed project and any other active or anticipated proposals or projects in terms of activities, costs, or commitment of key personnel. If any overlap exists, applicants must provide a description of the overlap in their application for review.

Applicants should also state if the proposal submitted for consideration under this program does or does not in any way duplicate any proposal or project that has been or will be submitted for funding consideration to any other potential funding source—whether it be Federal or non-Federal. If such a circumstance exists, applicants must detail when the other duplicative proposal(s) were submitted, to whom (Agency name and Financial Assistance Program), and when funding decisions are expected to be announced. If at any time a proposal is awarded funds that would be duplicative of the funding requested from Reclamation, applicants must notify the NOFO point of contact or the Program Coordinator immediately.

Otay certifies that there is no overlap between Phase 1 and Phase 2 of this District's AMI implementation project or any other active or anticipated proposals or projects. This includes activities, costs, and benefits as provided in the grant proposal. Otay also certifies that this proposal does not duplicate any proposal or project that has been submitted for funding consideration for other funding sources.

5. Conflict of Interest Disclosure

State in the application if any actual or potential conflict of interest exists at the time of submission. Submission of a conflict-of-interest disclosure or certification statement is mandatory prior to issue of an award.

No actual or potential conflicts of interest associated with this Project were identified at the time of submission.

6. Environmental and Cultural Resources Compliance

- Will the proposed project impact the surrounding environment (e.g., soil [dust], air, water [quality and quantity], animal habitat)? Please briefly describe all earth-disturbing work and any work that will affect the air, water, or animal habitat in the project area. Please also explain the impacts of such work on the surrounding environment and any steps that could be taken to minimize the impacts.

The Project will consist of replacing non-AMI compatible existing water service meters with AMI compatible meters to provide real-time meter readings and leak detection notifications. Earth-disturbing work will be minimal as it includes replacing existing water meters. The meter replacement is not considered a "project" under CEQA/NEPA regulations and Otay will be filing an exemption.

- Are you aware of any species listed or proposed to be listed as a Federal threatened or endangered species, or designated critical habitat in the project area? If so, would they be affected by any activities associated with the proposed project?

The Project area is located within a Multiple Species Conservation Program (MSCP) area and within proximity to U.S. Fish and Wildlife Service (USFWS) Species Critical Habitats for Least Bell's Vireo, Southwestern Willow Flycatcher, Coastal California Gnatcatcher, and Quino checkerspot butterfly. Although these species may be located within the project area, they are unlikely to be located within AMI meter replacement sites (customer meter boxes). Places in which any network infrastructure might be installed will be areas that are previously disturbed. Given the small-scale and temporary nature of work activities associated with the Project, listed species or designated critical habitat is not expected to be adversely affected.

- Are there wetlands or other surface waters inside the project boundaries that potentially fall under CWA jurisdiction as "Waters of the United States"? If so, please describe and estimate any impacts the proposed project may have.

There are several surface waters and wetlands inside the Otay boundary that would fall under CWA jurisdiction as "Waters of the United States". These include several lakes, rivers, streams, and marshes. However, none of the surface waters or wetlands areas would be impacted by the Project. All work will occur within sites which have previously been disturbed.

- When was the water delivery system constructed?

The Otay Water District was established in 1956 to serve as a public water utility. The potable water system has developed and expanded over time to meet the requirements of new development.

- Will the proposed project result in any modification of or effects to, individual features of an irrigation system (e.g., headgates, canals, or flumes)? If so, state when those features were constructed and describe the nature and timing of any extensive alterations or modifications to those features completed previously.

The Project will not modify or affect individual features of an irrigation system. The Project is centered around water meter replacement and minimal network infrastructure installation and will not involve irrigation systems.

- Are any buildings, structures, or features in the irrigation district listed or eligible for listing on the National Register of Historic Places? A cultural resources specialist at your local Reclamation office or the State Historic Preservation Office can assist in answering this question.

The Project will not modify or affect any buildings, structures, or features. Therefore, cultural resources will not be affected because of program implementation.

- Are there any known archeological sites in the proposed project area?

There are no known archeological sites in the proposed AMI network infrastructure installation sites (existing Otay-owned facilities). The Project will not result in significant ground-disturbing activity that would pose a significant threat to archaeological sites.

- Will the proposed project have a disproportionate and adverse effect on any communities with environmental justice concerns?

The Project will occur throughout the Otay service area which includes low-income and minority populations, with no disproportionate impacts or benefits from program implementation anticipated to those populations. AMI offers real-time information on water consumption which may be of benefit to communities with environmental justice concerns due to an anticipated increase in early leak detections (and prompt response) thus potentially lowering water consumption and therefore water bills for low-income and minority populations.

- Will the proposed project limit access to, and ceremonial use of, Indian sacred sites or result in other impacts on Tribal lands?

It is not anticipated that this project will limit access to and ceremonial use of Indian sacred sites or have negative impacts on tribal lands.

- Will the proposed project contribute to the introduction, continued existence, or spread of noxious weeds or non-native invasive species known to occur in the area?

The Project does not include any habitat alteration components and would not contribute to the introduction, continue the existence of, or spread noxious weeds or non-native invasive species.

California State Senate

SENATE MINORITY LEADER BRIAN W. JONES

FORTIETH SENATE DISTRICT

February 13, 2024

The Honorable Camille Touton
Commissioner
Bureau of Reclamation
1849 C Street NW
Washington DC 20240-0001

Dear Commissioner Touton:

I am writing to express my support for the Otay Water District's (District) grant application to the U.S. Department of the Interior (DOI) under the Fiscal Year 2024 and 2025 WaterSMART: Water and Energy Efficiency Grant (WEEG) Funding Opportunity Announcement [FOA] #R24AS000052. This vital funding would support the deployment of the District's Advanced Metering Infrastructure (AMI) project.

The District's AMI project includes replacing traditional water meters with AMI meters. The AMI system will allow for remote reading while also allowing customers with access to real-time water consumption through the District's customer portal. Customers will gain the ability to proactively monitor and then manage their water consumption at any time, rather than just upon receipt of their monthly bill.

As you are aware, Southern California faces many water supply challenges and climate change impacts due to drought, population growth, and environmental constraints. For this reason, it is imperative that agencies such as the Otay Water District implement programs that ensure that water supplies are being used efficiently as well as reduce our impact on the planet.

As the Senator for California's 40th District, I recognize the valuable role that this project plays in using water wisely. Further, I am dedicated to giving ratepayers the tools they need to be able to save their hard earned money and the water they pay for.

Please accept our recommendation for full and fair consideration, as permitted under law, of the Otay Water District's application for WaterSmart WEEG funding. If you have any questions regarding my support, please do not hesitate to call my office at 858-547-3818.

Sincerely,

Brian W. Jones
Senator 40th District

CHULA VISTA CHAMBER OF COMMERCE

February 13, 2024

The Honorable Camille Touton
Commissioner
Bureau of Reclamation
1849 C Street NW
Washington DC 20240-0001

Dear Commissioner Touton:

I am writing this letter on behalf of the Chula Vista Chamber of Commerce to express support for the Otay Water District's (District) grant application to the U.S. Department of the Interior (DOI) under the Fiscal Year 2024 and 2025 WaterSMART: Water and Energy Efficiency Grant (WEEG) Funding Opportunity Announcement [FOA] #R24AS000052. This vital funding would support the deployment of the District's Advanced Metering Infrastructure (AMI) project.

The District's AMI project includes replacing traditional water meters with AMI meters. The AMI system will allow for remote reading while also allowing customers with access to real-time water consumption through the District's customer portal. Customers will gain the ability to proactively monitor and then manage their water consumption at any time, rather than just upon receipt of their monthly bill.

As you are aware, Southern California faces many water supply challenges and climate change impacts due to drought, population growth, and environmental constraints. For this reason, it is imperative that agencies such as the Otay Water District implement programs that ensure that water supplies are being used efficiently as well as reduce our impact on the planet.

The Chula Vista Chamber of Commerce recognizes the valuable role that this project plays in using water wisely. We support the project because the initiatives proposed by the Otay Water District will directly benefit our business members and the broader regional community.

Please accept our recommendation for full and fair consideration, as permitted under law, of the Otay Water District's application for WaterSmart WEEG funding.

Sincerely,

Marcy Weaver

Marcy Weaver
CEO
Chula Vista Chamber of Commerce

STATE CAPITOL
P.O. BOX 942849
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FAX (916) 319-2180

DISTRICT OFFICE
276 CHURCH AVENUE, SUITE D
CHULA VISTA, CA 91910
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FAX (619) 498-8508

Assembly
California Legislature

DAVID A. ALVAREZ
ASSEMBLYMEMBER, EIGHTIETH DISTRICT

COMMITTEES
CHAIR: BUDGET SUBCOMMITTEE NO. 3 ON EDUCATION FINANCE
BUDGET
EDUCATION
INSURANCE
MILITARY AND VETERANS AFFAIRS
WATER, PARKS, AND WILDLIFE

February 14, 2024

The Honorable Camille Touton
Commissioner
Bureau of Reclamation
1849 C Street NW
Washington DC 20240-0001

Dear Commissioner Touton:

I am writing to express support for the Otay Water District's (District) grant application to the U.S. Department of the Interior (DOI) under the Fiscal Year 2024 and 2025 WaterSMART: Water and Energy Efficiency Grant (WEEG) Funding Opportunity Announcement [FOA] #R24AS000052. This vital funding would support the deployment of the District's Advanced Metering Infrastructure (AMI) project.

The District's AMI project includes replacing traditional water meters with AMI meters. The AMI system will allow for remote reading while also allowing customers with access to real-time water consumption through the District's customer portal. This is a valuable tool for consumers as they can proactively monitor and manage their water consumption at any time which could result in cost savings to the customer.

Our region faces many water supply challenges and climate change impacts and it is imperative that agencies such as the Otay Water District implement programs that ensure that water supplies are being used efficiently as well as reduce environmental impact.

Thank you in advance for consideration of this request.

Sincerely,

David Alvarez
Assemblymember, 80th District

THE CHAMBER
San Diego · East County

February 9, 2024

The Honorable Camille Touton
Commissioner
Bureau of Reclamation
1849 C Street NW
Washington DC 20240-0001

Dear Commissioner Touton:

The San Diego Regional East County Chamber of Commerce is writing to express support for the Otay Water District's (District) grant application to the U.S. Department of the Interior (DOI) under the Fiscal Year 2024 and 2025 WaterSMART: Water and Energy Efficiency Grant (WEEG) Funding Opportunity Announcement [FOA] #R24AS000052. This vital funding would support the deployment of the District's Advanced Metering Infrastructure (AMI) project.

The District's AMI project includes replacing traditional water meters with AMI meters. The AMI system will allow for remote reading while also allowing customers with access to real-time water consumption through the District's customer portal. Customers will gain the ability to proactively monitor and then manage their water consumption at any time, rather than just upon receipt of their monthly bill.

As you are aware, Southern California faces many water supply challenges and climate change impacts due to drought, population growth, and environmental constraints. For this reason, it is imperative that agencies such as the Otay Water District implement programs that ensure that water supplies are being used efficiently as well as reduce our impact on the planet.

The San Diego Regional East County Chamber of Commerce recognizes the valuable role that this project plays in using water wisely. The San Diego Regional East County Chamber of Commerce supports the project because we want everyone in our community to have up to date technology, especially regarding infrastructure.

Please accept our recommendation for full and fair consideration, as permitted under law, of the Otay Water District's application for WaterSmart WEEG funding.

Sincerely,

Rick Wilson
President & CEO

201 South Magnolia Avenue, El Cajon, California 92020-4520 * Tel: (619) 440-6161 * Fax (619) 440-6164
www.eastcountychamber.org

MAYOR JOHN McCANN

February 14, 2024

The Honorable Camille Touton
Commissioner
Bureau of Reclamation
1849 C Street NW
Washington DC 20240-0001

Dear Commissioner Touton:

I write to express support for the Otay Water District's (District) grant application to the U.S. Department of the Interior (DOI) under the Fiscal Year 2024 and 2025 WaterSMART: Water and Energy Efficiency Grant (WEEG) Funding Opportunity Announcement [FOA] #R24AS000052. This vital funding would support the deployment of the District's Advanced Metering Infrastructure (AMI) project.

The District's AMI project includes replacing traditional water meters with AMI meters. The AMI system will allow for remote reading while also allowing customers with access to real-time water consumption through the District's customer portal. Customers will gain the ability to proactively monitor and then manage their water consumption at any time, rather than just upon receipt of their monthly bill.

As you are aware, Southern California faces many water supply challenges and climate change impacts due to drought, population growth, and environmental constraints. For this reason, it is imperative that agencies such as the Otay Water District implement programs that ensure that water supplies are being used efficiently as well as reduce our impact on the planet.

As Mayor, I recognize the valuable role that this project plays in using water wisely. The implementation of this project furthers the goals of the City of Chula Vista's Water Stewardship program to achieve more equitable and sustainable access to water for our community and will enhance our strategies to increase water use efficiency and conservation.

Please accept our recommendation for full and fair consideration, as permitted under law, of the Otay Water District's application for WaterSmart WEEG funding.

Yours in service,

John McCann
Mayor of Chula Vista

Chula Vista City Hall ▪ 276 4th Avenue ▪ Chula Vista ▪ CA 91910 ▪ jmccann@chulavistaca.gov

SCEDC
South County Economic Development Council

February 12, 2024

The Honorable Camille Touton
Commissioner
Bureau of Reclamation
1849 C Street NW
Washington DC 20240-0001

Dear Commissioner Touton:

The South County Economic Development Council is writing to express support for the Otay Water District's (District) grant application to the U.S. Department of the Interior (DOI) under the Fiscal Year 2024 and 2025 WaterSMART: Water and Energy Efficiency Grant (WEEG) Funding Opportunity Announcement [FOA] #R24AS000052. This vital funding would support the deployment of the District's Advanced Metering Infrastructure (AMI) project.

The District's AMI project includes replacing traditional water meters with AMI meters. The AMI system will allow for remote reading while also allowing customers with access to real-time water consumption through the District's customer portal. Customers will gain the ability to proactively monitor and then manage their water consumption at any time, rather than just upon receipt of their monthly bill.

As you are aware, Southern California faces many water supply challenges and climate change impacts due to drought, population growth, and environmental constraints. For this reason, it is imperative that agencies such as the Otay Water District implement programs that ensure that water supplies are being used efficiently as well as reduce our impact on the planet.

The South County EDC recognizes the valuable role that this project plays in using water wisely. The SCEDC supports the project as it assists in ensuring our region has viable water resources into the future. As one of the fastest growing regions in San Diego County we understand the value of preparing our communities for the needs of an increased and vibrant population.

Please accept our recommendation for full and fair consideration, as permitted under law, of the Otay Water District's application for WaterSmart WEEG funding.

Sincerely,

James O'Callaghan
President and CEO
South County Economic Development Council

OTAY MESA
·CHAMBER OF COMMERCE·

February 12, 2024

The Honorable Camille Touton
Commissioner
Bureau of Reclamation
1849 C Street NW
Washington DC 20240-0001

Dear Commissioner Touton:

On behalf of the Otay Mesa Chamber of Commerce I am writing to express support for the Otay Water District's (District) grant application to the U.S. Department of the Interior (DOI) under the Fiscal Year 2024 and 2025 WaterSMART: Water and Energy Efficiency Grant (WEEG) Funding Opportunity Announcement [FOA] #R24AS000052. This vital funding would support the deployment of the District's Advanced Metering Infrastructure (AMI) project.

The District's AMI project includes replacing traditional water meters with AMI meters. The AMI system will allow for remote reading while also allowing customers with access to real-time water consumption through the District's customer portal. Customers will gain the ability to proactively monitor and then manage their water consumption at any time, rather than just upon receipt of their monthly bill.

As you are aware, Southern California faces many water supply challenges and climate change impacts due to drought, population growth, and environmental constraints. For this reason, it is imperative that agencies such as the Otay Water District implement programs that ensure that water supplies are being used efficiently as well as reduce our impact on the planet.

The Otay Mesa Chamber of Commerce recognizes the valuable role that this project plays in using water wisely. Please accept our recommendation for full and fair consideration, as permitted under law, of the Otay Water District's application for WaterSmart WEEG funding.

Sincerely,

Alejandra Mier y Teran
Executive Director

8100 Gigantic Street, Office #4106 * San Diego, CA 92154
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www.otaymesa.org

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Serving the tribal governments of:
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Campo
Capitan Grande
Ewiiaapaayp
Inaja-Cosmit
Jamul Indian Village
La Posta
Manzanita
Sycuan
Viejas

JOEL ANDERSON

February 15, 2024

Ms. Camille Touton
Commissioner
Bureau of Reclamation
1849 C Street, NW
Washington, DC 20240-0001

Dear Commissioner Touton,

I am writing to express my support for the Otay Water District's (District) grant application to the U.S. Department of the Interior (DOI) under the Fiscal Year 2024 and 2025 WaterSMART: Water and Energy Efficiency Grant (WEEG) Funding Opportunity Announcement [FOA] #R24AS000052. This vital funding would support the deployment of the District's Advanced Metering Infrastructure (AMI) project.

The District's AMI project includes replacing traditional water meters with AMI meters which will allow for remote reading while also providing customers with access to real-time water consumption through the District's customer portal. Customers will gain the ability to proactively monitor and then manage their water consumption at any time, rather than just upon receipt of their monthly bill.

Despite the recent rain events, Southern California continues to face significant water supply challenges and impacts due to drought, population growth, and environmental constraints. For this reason, it is imperative that agencies such as the Otay Water District implement programs to ensure that water supplies are being used in an efficient manner.

Again, in recognizing the valuable role that the AMI system will play in using water wisely in our region, I encourage you to give full consideration to funding the Otay Water District's application for WaterSMART: WEEG funding.

Sincerely,

Joel Anderson
Supervisor, Second District

SAN DIEGO COUNTY BOARD OF SUPERVISORS, SECOND DISTRICT
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CHULA VISTA, CA 91910
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EL CENTRO DISTRICT OFFICE
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California State Senate

SENATOR
STEPHEN C. PADILLA
EIGHTEENTH SENATE DISTRICT

COMMITTEES
BUDGET SUBCOMMITTEE #4 ON STATE ADMINISTRATION AND GENERAL GOVERNMENT
CHAIR

MEMBER
AGRICULTURE
BUDGET
GOVERNMENTAL ORGANIZATION
HOUSING
NATURAL RESOURCES AND WATER

February 16, 2024

The Honorable Camille Touton
Commissioner
Bureau of Reclamation
1849 C Street NW
Washington DC 20240-0001

Dear Commissioner Touton:

As the California State Senator representing South San Diego County, I am writing to express strong support for the Otay Water District's (District) grant application to the U.S. Department of the Interior (DOI) under the Fiscal Year 2024 and 2025 WaterSMART: Water and Energy Efficiency Grant (WEEG) Funding Opportunity Announcement (FOA) #R24AS000052. This vital funding would support the deployment of the District's Advanced Metering Infrastructure (AMI) project.

The District's AMI project includes replacing traditional water meters with AMI meters. The AMI system will allow for remote reading while also allowing customers with access to real-time water consumption through the District's customer portal. Customers will gain the ability to proactively monitor and then manage their water consumption at any time, rather than just upon receipt of their monthly bill.

As you are aware, Southern California faces many water supply challenges and climate change impacts due to drought, population growth, and environmental constraints. For this reason, it is imperative that agencies such as the Otay Water District implement programs that ensure that water supplies are being used efficiently and reduce our impact on the planet.

I recognize the valuable role that this project plays in using water wisely by utilizing technology to advance environmental progress and mitigate climate change challenges. Hence, I am fully supporting and recommending the District's project as their vision aligns with my priorities of efficient water consumption and environmental equity. With Otay Water District serving some of my constituency in South San Diego County, I believe that this proposal will help advance our shared goals.

Please accept my recommendation for full and fair consideration, as permitted under law, of the Otay Water District's application for WaterSmart WEEG funding.

Sincerely,

Stephen C. Padilla

Senator Stephen C. Padilla
18th Senate District

United States Congress

Washington DC, 20510

February 15, 2024

The Honorable Camille Touton
Commissioner
Bureau of Reclamation
1849 C Street NW
Washington DC 20240-0001

Dear Commissioner Touton:

We are writing this letter to introduce you to the Otay Water District (District), as they submit their application to the U.S. Department of the Interior (DOI) under the Fiscal Year 2024 and 2025 WaterSMART: Water and Energy Efficiency Grant (WEEG) Funding Opportunity Announcement [FOA] # R24AS000052.

We understand that the project proposal submitted by the District would replace traditional water meters with Advanced Metering Infrastructure (AMI) meters. The AMI system provides remote, real-time water meter reading capabilities, while also allowing customers access to real-time water consumption through the District's customer-facing internet portal. We have been told with this new system, customers will gain the ability to proactively monitor and then manage their water consumption at any time, rather than just upon receipt of their monthly bill. If selected and awarded, it is our understanding that the AMI project will help facilitate better, more efficient use of water.

Southern California already faces many water supply challenges and climate change impacts due to drought, population growth, and environmental constraints. Both the 51st and 52nd Congressional Districts lie at the end of the water supply chain. For these reasons, we are interested in innovative ways, like the deployment of a new AMI system, to ensure that water supplies are being used efficiently and thereby reducing the impact on such limited natural resources.

Thank you for your time and consideration. Please give the Otay Water District's application full and fair consideration based on its merits and within all applicable rules, regulations and laws set forth. If you have any questions, please feel free to contact our staff.

Sincerely,

JUAN VARGAS
Member of Congress (CA-52)

SARA JACOBS
Member of Congress (CA-51)

CHAIRWOMAN
San Diego County Board of Supervisors

February 21, 2024

The Honorable Camille Touton
Commissioner
Bureau of Reclamation
1849 C Street NW
Washington DC 20240-0001

Dear Commissioner Touton:

As Chairwoman of the San Diego County Board of Supervisors, I am writing to express my support for the Otay Water District's (District) grant application to the U.S. Department of the Interior (DOI) under the Fiscal Year 2024 and 2025 WaterSMART: Water and Energy Efficiency Grant (WEEG) Funding Opportunity Announcement [FOA] #R24AS000052. This vital funding would support the deployment of the District's Advanced Metering Infrastructure (AMI) project.

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As you are aware, Southern California faces many water supply challenges and climate change impacts due to drought, population growth, and environmental constraints. For this reason, it is imperative that agencies such as the Otay Water District implement programs that ensure that water supplies are being used efficiently as well as reduce our impact on the planet.

As the Supervisor for District 1 and a lifelong resident, the short-term, as well as strategic value that this project will play in using water wisely is essential and deserving of investment. I am confident the Otay Water District's project will deliver on our investment. Therefore, please accept our recommendation for full and fair consideration, as permitted under law, of the Otay Water District's application for WaterSmart WEEG funding.

Sincerely,

Nora E. Vargas
Chair, San Diego County Board of Supervisors
Supervisor, First District

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