

## **5.02: Overview of Framework for Water Efficiency Grant Program**

City Planner Anderson presented the staff report. He stated that the City of Ramsey has been awarded \$28,000 in grant funds through the Metropolitan Council's 2019-2022 Water Efficiency Grant Program for use in a rebate program. As the name of the program implies, the purpose of the grant is to implement water efficient technologies to reduce the demand on water supply.

City Planner Anderson stated that there are two primary financial requirements of the program. First, the municipality must contribute 25 percent of the grant award, which equates to \$9,340. Second, that rebate recipients must also have a financial contribution. Other important eligibility requirements include the rebate recipient being a municipal water customer, only applicable to replacement devices, and the rebate is only applicable for the cost of the device and its installation, excluding any owner labor costs.

Councilmember Musgrove asked if there would be a provision in the application that would require a 30-day waiting period once opened to the public. She stated that in searching smart sense devices, there is a wide range of pricing available. She stated that requiring residents to only pay tax is not a big commitment and asked if it would make more sense to require residents to pay an additional amount (such as \$20 or \$25) to ensure that they are being smart with their purchases, rather than the resident choosing higher priced items simply because this program is paying the cost.

Chairperson Valentine stated that it an interesting question as there is a science to figuring out how big the rebate should be in order to attract participants. He stated that his concern would be that if the rebate is not enough, residents may not choose to participate.

Board Member Hiatt stated that he thought he read that there is a maximum rebate per device, which is \$200.

City Planner Anderson agreed that there is a wide range of prices and staff attempted to make the program as attractive as possible but also creating the opportunity for as many residents to participate as possible. He used the example of toilets, noting that there is a wide variety available for \$200 or less, while there is a wide variety available above \$200. He stated that there would be a device maximum of \$200, with a household maximum of \$500. He stated that this could also be used as a pilot for the City to implement its own program in the future, if desired.

Board Member Hiatt stated that this money will greatly help with the cost for the devices, but the homeowner would also be responsible for labor costs to install the new devices. He commented that the \$500 maximum per household would help to serve the intent desired by Councilmember Musgrove. He noted that half of the City would not be eligible for the program as they are not connected to municipal water services. He hoped that the City could also investigate options for those residents that are not connected to City services in the future.

Board Member Fetterley stated that she would suspect that the majority of devices purchased will be irrigation upgrades, which will cost significantly more than \$200. She stated that this information will all be distributed to the public and did not see the purpose of a waiting period as

it will already take time for residents to complete research and find the appropriate devices and contractors.

Councilmember Musgrove stated that Councilmembers, Commissioners, Board Members, and City staff have a head start on the availability of grant funds from the program, which would put them at advantage so to speak. She explained that her thinking was perhaps to provide the same amount of notice to residents.

City Planner Anderson stated that as the structure of the rebate program is finalized there will be a number of public promotions completed to notify the public. He stated that staff could incorporate a start date for applications if desired.

Chairperson Valentine agreed that it would be fair to have public notice. He noted that there would also be a seasonal concern with irrigation uses.

Board Member Covart asked if a public notice stating that the grants funds would be available in 30 days from the publication would suffice the intent of Councilmember Musgrove. She referenced audit services, which would not be covered under this grant, but noted that service would be available to those on private wells as well and is something the City could look at for a future program.

Motion by Board Member Hiatt and seconded by Board Member Bernard to recommend that the City Council adopt Resolution #20-018 to enter into the Clean Water Fund Grant Agreement with the Metropolitan Council and to accept the \$28,000 grant to implement a water efficiency rebate program.

Motion carried. Voting Yes: Chairperson Valentine, Board Member Hiatt, Bernard, Covart, Fetterley, and Moore. Voting No: None. Absent: None.