

BAY AREA WATER SUPPLY AND CONSERVATION AGENCY
PARTICIPATION AGREEMENT FOR THE WATERSMART CUSTOMER ENGAGEMENT AND
CONSERVATION PROGRAM
FOR JANUARY 1, 2022 THROUGH DECEMBER 31, 2023

The Bay Area Water Supply and Conservation Agency (BAWSCA) administers a Customer Engagement and Conservation Program (Program), under which WaterSmart Software, Inc. (WaterSmart Software) develops and delivers individual customer water use reports (Water Reports) to provide water consumption information, messaging, and water saving recommendations to water users. The Water Reports are based on data analytics and behavioral science techniques and are distributed to residential customers through an interactive mobile and web-based Customer Portal, email and/or paper reports.

The objective of the Program is to motivate customers to improve water use efficiency through changes in behavior or adoption of more water efficient technology by increasing customer awareness of account water usage when compared to peers.

BAWSCA has entered into a professional services agreement with WaterSmart Software, which provides that Participating Agencies will (in accordance with such agreement's terms) be entitled to control of, access to, copies of and unrestricted use of all deliverables, related to their individual Participating Agency, prepared by the vendors.

This Participation Agreement is between the Participating Agency for the WaterSmart Software Program, which utilizes an analytics dashboard, an interactive mobile and web-based portal, and email and paper Water Reports to deliver customized water consumption information, messaging, and water saving recommendations. BAWSCA's 2021 professional services agreement with WaterSmart Software, Inc. (BAWSCA-WaterSmart Agreement) is attached hereto and incorporated herein as Attachment 1.

The respective roles and responsibilities of BAWSCA and each Participating Agency are outlined below:

BAWSCA's Roles and Responsibilities:

- 1) Overall Program management and coordination.
- 2) Develop regional and local messaging content for online and mobile portal and water use reports.
- 3) Maintain database of Program-wide data for billing and reporting purposes.
- 4) Conduct Proposition 84 grant administration, reporting and grant money disbursement.
- 5) Periodically provide data for BAWSCA managed rebate programs for presentment in portal if requested by Participating Agency.
- 6) Protect from disclosure any confidential information, including confidential or private customer information, provided to BAWSCA by Participating Agency or WaterSmart Software.

Participating Agency's Roles and Responsibilities:

- 1) Agree to Program Scope of Work and Software-as-a-Service Provisions (both set forth in Attachment 1).
- 2) Provide customer data to WaterSmart Software for report generation and transmittal in timely manner.

- 3) Respond to program related customer service calls pertaining to the individual Participating Agency.
- 4) Submission of Program data to BAWSCA via online database on a regular, bi-monthly basis, or as needed to support the Proposition 84 grant administration.
- 5) Customize report messaging to Participating Agency's customers (at Participating Agency's discretion).
- 6) Cooperate with BAWSCA in administering the Program.

Participating agencies may be required to pre-pay BAWSCA a deposit of 100% of the maximum program cost on an annual basis as shown in line K of the table on page 4. BAWSCA will determine whether the deposit account will be required upon receipt of the applications and will notify the Participating Agencies of its determination. If a deposit is required, BAWSCA will invoice individual Participating Agencies for the full deposit amount. Participating Agencies can add funds to their deposit account at any time during the Program period. Each Participating Agency's funds will be separately accounted for and the interest tracked individually. The deposit account will be used by BAWSCA to pay WaterSmart Software for the Program implementation costs on a quarterly basis. On a quarterly basis, BAWSCA will invoice each Participating Agency for its Program costs, detailing use of the deposit account, and identifying the remaining budget balance. At the end of the fiscal year, each Participating Agency will have the option of receiving a check for any remaining balance in the deposit account or applying the remaining balance to participation in next year's Program.

Participating Agencies may terminate participation in the Program upon 30 days written notice to BAWSCA. Participating Agencies electing to terminate their participation will be responsible for all costs related to the Participating Agencies' participation in the Program up to the effective date of termination.

1. *NAME OF AGENCY:*

City of San José

3. *PHONE:*

(408) 277-3671

2. *CONTACT PERSON*:*

Jeff Provenzano

4. *E-MAIL:*

Jeffrey.Provenzano@sanjoseca.gov

*Prior to finalizing this Participation Agreement, Agency Representative should contact WaterSmart to review requested program details to ensure program success. Contact WaterSmart at nicholas.trowbridge@vertexone.net.

Participating Agency will be billed according to the Program Cost below. If Participating Agency wishes to revise its Program Parameters it must give 30 days' advance notice.

Program Term: January 1, 2022 / December 31, 2023

Program Item	Unit Cost x Quantity	Year 1 Cost	Year 2 Cost
A. Program Initialization	\$9,000 x 1 Agency	N/A	N/A
B. Annual Software Subscription: Customer Service and Support, Utility Analytics Dashboard, Customer Portal, Alerts and Notifications, Group Messenger & List Builder, Electronic Bill Presentment	\$1.75 x _____ (total # of accounts served by Agency if under 20,000 accounts) \$1.50 x <u>26,169</u> (total # of accounts served by Agency if over 20,000 accounts)	\$39,253.50	\$39,253.50
C. Standard Support	\$5,500 x 1 Agency	\$5,500.00	\$5,500.00
D. Welcome Letter or Customer Letter	\$ 0.98 x <u>2,000</u> (Yr 1) (total # of accounts served by Portal only or Water Reports and Portal program)	\$1,960	\$0
E. Water Reports Setup Fee (first year only) First Year (sent 5 times in the first year) Continuation Years (sent 6 times annually)	\$7,500 x 1 Agency \$ 3.75 x _____ (# of accounts enrolled, must be between 50% and 85% of total # of accounts served by Agency) \$ 4.50 x <u>23,456</u> (# of accounts enrolled, must be between 50% and 85% of total # of accounts served by Agency)	\$105,552	\$105,552
F. Single Sign-On or Click Through Registration with Participating Agency's online payments provider, or Electronic Bill Payment	\$5,500 x 1 Agency	N/A	N/A

Program Item	Unit Cost x Quantity	Year 1 Cost	Year 2 Cost
G. Paperless Billing	\$5,000 flat annual fee if under 20,000 accounts \$10,000 flat annual fee if over 20,000 accounts	N/A	N/A
H. Print Leak Alerts	\$1.50 per print leak alert, billed monthly in arrears; minimum of 300 per year	N/A	N/A
I. BAWSCA Member Discount	(Subtotal * 5%)	(\$7,613.28)	(\$7,515.28)
J. BAWSCA Administration Fee	\$150 for each Program Year	\$150.00	\$150.00
K. Maximum Program Cost	Subtotal – BAWSCA Member Discount + BAWSCA Administration Fee	\$144,802.22	\$142,940.22
Total Agreement Amount		\$287,742.44	

Notes:

- A. Program Setup.** One-time fee for new agencies added to Program.
- B. Annual Software Subscription.** Ongoing annual costs associated with maintenance of agency and customer analytics and data access. Includes access to Utility Analytics Dashboard, Customer Portal (mobile and web), Alerts and Notifications, Group Messenger and List Builder, and Electronic Bill Presentment. Number of accounts should include all agency accounts across customer classes. All accounts will be included in Utility Analytics Dashboard. Agency will work with WaterSmart to choose which accounts to provide portal access for customers.
- C. Standard support is optional,** Participating Agencies should consult with WaterSmart to determine their likelihood of needing Standard Support.
- D. Welcome Letter.** Sent at start of program to welcome residents to the WaterSmart program and orient them to its benefits (branded for utility). Customer Letters can be sent at other times than the start of the program.
- E. Optional: Water Reports** (reports sent bi-monthly - for each term, WaterSmart will deliver Water Reports over the course of a two-year period, by email where valid email address is available). Per account fee for reports sent directly to customers. Exact number of reports sent each cycle will vary based on availability of valid meter data, and number of new or closed accounts in a given period. New Participating Agencies opting into Water Reports

will be assessed a one-time Water Report setup fee to configure this program element.

- F. Optional: Single Sign-On and Click Through Registration require that the Participating Agency's online payment provider is able to meet WaterSmart's specification for these services. Electronic Bill Payment option requires WaterSmart and Participating Agency to partner with a third-party vendor of online payment services.
- G. Optional: Paperless Billing services provide a method for the Participating Agency's account holders to enroll for electronic bill delivery from within the Customer Portal.
- H. Optional: WaterSmart will print and mail leak alerts to customers that cannot (and have not) be contacted by email, text, automated voice, or by staff.
- I. BAWSCA Participating Agencies are able to receive WaterSmart services at a discount.
- J. BAWSCA Administration Fee. Fee BAWSCA uses to recover costs of administering Program.

To memorialize this arrangement, please have the enclosed copy of this Participation Agreement executed by an individual authorized to enter into such agreements and return it to BAWSCA, attention Kyle Ramey, **no later than December 1, 2021** to begin the program on January 1, 2022. Agencies wishing to enroll after July 1 can enroll on an ongoing basis.

By submitting this Participation Agreement, the Participating Agency agrees to pay its share of the Program costs, up to the maximum in line K within thirty (30) days of its receipt of an invoice from BAWSCA. In addition, the Participating Agency represents it has reviewed the BAWSCA - WaterSmart PSA attached hereto as Attachment 1; and the Participating Agency hereby acknowledges and finds acceptable the terms and conditions of the BAWSCA - WaterSmart PSA including all of its exhibits. WaterSmart agrees to provide services to the Participating Agency and perform in accordance with the terms and conditions of the BAWSCA-WaterSmart PSA. **Participating Agency agrees to the Software-as-a-Service Provisions attached hereto as Exhibit C to the BAWSCA-WaterSmart Agreement, and acknowledges that it is responsible for obtaining from its end customers any consents and providing any notices for leak alert and group messenger services, if any are legally required, and that it has reviewed with its legal counsel Section G of the SaaS Provisions as well as the end customer consent requirements of Section F.** The Participating Agency is responsible for working with WaterSmart Software to ensure it remains within the Maximum Program Budget. Participating Agency agrees to hold BAWSCA harmless from any claims or actions arising from WaterSmart Software's performance or any allegation that materials or services provided by WaterSmart Software infringe or violate third party intellectual-property right. The person signing below represents and warrants that they are authorized by the Participating Agency to bind the Participating Agency to this Participation Agreement.

WaterSmart Software, Inc.



keith.foerster@vertexone.net (8/24/2021)
Email: keith.foerster@vertexone.net

Keith Foerster
Chief Financial Officer

City of San José

As to form:



Sarah Zarate (8/25/2021)
Email: sarah.zarate@sanjoseca.gov

Sarah Zarate
Director, Office of the City Manager



Colleen Winchester (8/24/2021)
Email: colleen.winchester@sanjoseca.gov

Colleen Winchester
Senior Deputy City Attorney