

## Sacramento Water-Smart Landscaping Turf Exchange Rebate Program Terms and Conditions

This program is available until funds are exhausted. Rebates are “first come, first served” and must meet all terms and conditions noted. Notwithstanding the foregoing, California American Water reserves the right to terminate this program at any time, for any reason.

The following terms and conditions apply to the Turf Exchange Rebate program. Please read carefully prior to submission of any application.

### **I. Pre-Conversion Eligibility**

- A.** Areas to be converted must receive their water supply from California American Water in the Sacramento service area and be billed on a metered rate. The applicant’s water bill must have a higher usage in the warm and hot season than in the cool season, to show that the lawn is being watered regularly and that the savings will show after the conversion. The applicant’s water bill must be in good standing.
- B.** Areas to be converted must be maintained lawn. A maintained lawn shall consist of, at minimum, 75% turf coverage, a maximum of 20% weed coverage and no more than 5% bare area. Dead lawns will not be eligible for a rebate. Conversions required to comply with any state and/or local law, policy and/or regulation relating to landscape maintenance and/or design standards are ineligible.
- C.** At least three hundred (300) square feet of lawn must be converted. Smaller projects will be considered if they completely eliminate the front or back lawn of a single-family residence.
- D.** Applicant must participate in a pre-conversion site review and a Water Wise House Call (Survey) conducted by a California American Water Conservation Specialist prior to removal of any lawn. At the time of the pre-conversion site review, applicant must provide a site plan to the Conservation Specialist. Conversions that are initiated without California American Water approval are ineligible. A Turf Exchange Rebate Application must be submitted to California American Water prior to post inspection.



**II. Water-Smart Landscaping Requirements for the Converted Area**

**A. Plant Coverage Requirements**

***Front & Back Yard Landscape:***

Upon completion and continuing for the term of this agreement, converted areas must contain enough plants to create at least fifty percent (50%) living plant cover when the plants are fully grown. California American Water can provide a list of low and medium water use plants with the coverage value for each type of plant noted, and these values will be used even if plants are small when the project is completed. Plants outside the converted area are not considered in the calculation even if they are adjacent to, or overhang into, the converted area. If an established tree is located within the converted area, applicant can use one-half (1/2) of the total mature tree canopy towards the living fifty percent (50%) plant coverage requirement.

***Plant Selections:***

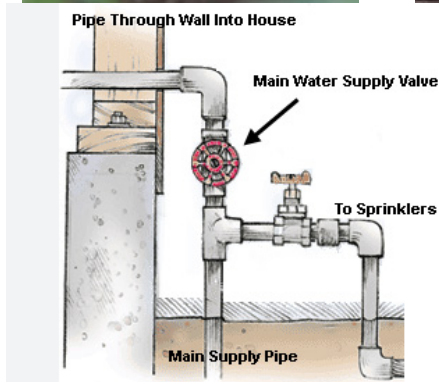
Participants must use drought-tolerant, low and medium water-use plants or native plant species to meet the 50 percent (50%) living plant coverage requirement for the converted area. Invasive and high-water using plants do not meet program requirements. For a list containing some of the most common low and medium water-use plants found in the your region, visit [https://ucanr.edu/sites/WUCOLS/Plant\\_Search/](https://ucanr.edu/sites/WUCOLS/Plant_Search/), <https://www.epa.gov/watersense/what-plant>

- **HIGH PF:** plants need 60-100% of the water needed for grass lawn (PF of 0.6 - 1.0)
- **MODERATE PF:** plants need 30-60% of the water needed for grass lawn (PF of 0.3 - 0.6)
- **LOW PF:** plants need 10-30% of the water needed for grass lawn (PF of 0.1 - 0.3)
- **VERY LOW PF:** plants need 10% or less of the water needed for grass lawn (PF of less than 0.1)



**B. Artificial Turf:** Artificial Turf is **INELIGIBLE** with this program.

**C. Water-Smart Efficient Irrigation:** Watering systems used must be a low volume drip irrigation system equipped with a pressure regulator, filter, emitters, and an independent water shutoff valve. The pressure regulator and filter must be installed either at the valve, or as a spray-to-drip retrofit kit that converts sprinkler heads to drip. The system must be free of leaks and malfunctions. Each drip emitter must be rated at less than two (2.0) gallons per hour (gph). Installation and use of micro-spray systems are not an authorized alternative and do not meet the terms of the program. If part of a lawn is converted, the sprinkler system must be properly modified to provide adequate coverage to the remaining lawn without spraying the converted area (narrow lawn areas often waste water and should be avoided).



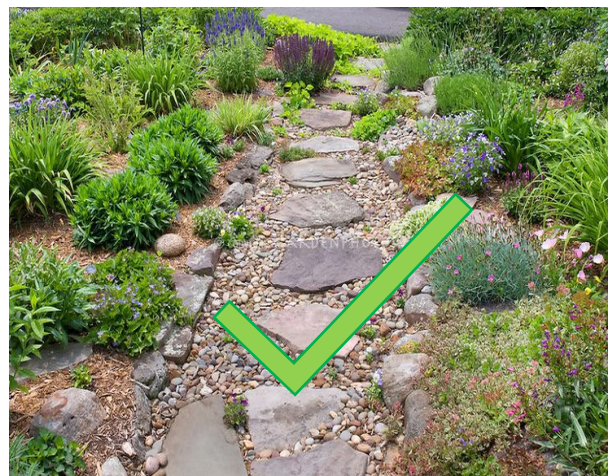
Independent water supply shutoff



Pressure Regulators and filters

- D. Surface Treatments:** The converted area must be completely covered with a 3-to-4-inch layer of mulch that covers the soil and drip tubing. Stabilizing surface treatments shall be used on slopes or base of slope to prevent runoff. Common mulching materials include rock, gravel, shredded mulch, bark, un-grouted flagstone, or pavers using permeable products between the pavers. Impermeable treatments do not qualify.

Living groundcovers qualify as mulch provided the individual plants are installed at sufficient density to assure one hundred percent (100%) plant cover. If a weed barrier is used beneath the mulch, it must be manufactured to be permeable to both air and water but will not be qualified for reimbursement.



### III. Terms of the Rebate

- A. Term:** Conversions must be completed within four (4) months, 120 days following the pre-inspection site visit. Once California American Water receives notice of conversion project completion, any wait time for California American Water final inspection shall not be counted against this four-month period. The converted area must remain in compliance with all program terms and conditions for a period of five (5) years following receipt of the rebate.

An applicant may be required to refund the entire rebate or a portion thereof in California American Water's sole discretion if rebate program terms and conditions are violated. Notwithstanding the foregoing this requirement is void upon transfer of ownership.

- B. Rebate Incentive Amounts and Limits:** The rebate incentive is two-dollar (\$2.00) for every square foot of grass converted, with a four-thousand-dollar (\$4,000) maximum per single family residence, and a maximum of ten thousand dollars (\$10,000) for commercial properties. Rebate will not exceed cost of materials. Only one rebate payment may be received under this agreement. A rebate shall be given for water efficient product material only, no labor included. (Items such as wiring, electrical tape, garden fabrics, pots, etc. are excluded from rebate funding) Plants must be planted into the ground to qualify for rebate.

California American Water may reject or limit applications at any time, for any reason. Rebate payments will be issued only to the property owner of record or to that property owner's legally appointed representative and, assuming program compliance, will be issued within 6-8 weeks following California American Water final inspection.

- C. Final Inspection:** Once California American Water is notified of a conversion project completion, and has received the applicant's complete application form, itemized professional invoice, and or original receipts, California American Water will conduct a post inspection to verify program compliance. If the conversion fails inspection the applicant will be permitted to bring the conversion project into compliance with the program terms and conditions for a period of fourteen (14) days or the remainder of the four-month period, whichever is greater.

- D. Additional Responsibilities of the Applicant:** California American Water enforces only the terms and conditions of this agreement. The applicant is solely responsible for complying with any and all laws, regulations, policies, conditions, covenants, and restrictions that may apply and for any and all liabilities arising out of a conversion project. Applicants are encouraged to consult any applicable covenants, conditions, and restrictions ("CC&Rs") or neighborhood Homeowner's Association ("HOA") regulations that may apply to an anticipated conversion project prior to submitting an application with California American Water. Applicants must also comply with all state and local laws relating to landscape maintenance. The quality, maintenance and appearance of the conversion are the exclusive responsibility of the applicant. **Rebates may be considered taxable income.** Any tax consequences arising out of the receipt of a rebate are the exclusive responsibility of the applicant. Applicants are solely

responsible for understanding the rights and responsibilities of adjacent property owners and the impacts that their anticipated conversion project may have on drainage or discharge of water, boundary lines, fences, encroachments, trees, subjacent and lateral support, and other related items.

#### **V. IRS Taxable Income Requirement**

- A. All customers participating in our rebate program are required to fill out and submit an IRS tax form W-9 with their rebate application.
- B. The IRS considers rebate funds received for water conservation upgrades as miscellaneous income.
- C. Applicants will receive a 1099-MISC form for all rebates of \$600 and above
- D. CalAm's project partner, "Waterwise Consulting", will issue a Form 1099 to the rebate recipient at the end of the year to comply with IRS reporting requirements if the total rebate amount is \$600 or above.
- E. Whether a rebate is taxable or not may depend on applicant's individual tax situation. Applicants should consult with a tax professional for advice.

#### **III. Program Qualifications**

- A. Rebates are available to California American Water customers ONLY.
- B. Applicants must be property owners, or bill-paying tenants with written consent from the property owner.
- C. Rebates and applications are not retroactive.
- D. Water Wise Rebates require a pre-qualification visit and approval from Water Conservation Staff before installation.
- E. All eligible work must be completed within the timeline specified in the rebate terms and conditions.
- F. After installation, Water Conservation staff will visit the site and verify as part of post-inspection.
- G. Once California American Water staff approves the planned conversion, the project must be completed within 120 days and material cost itemized receipt and or professional invoice minus the labor must be submitted.

#### **VI. Additional Water Smart Landscaping Resources**

<https://www.epa.gov/sites/production/files/2017-01/documents/ws-outdoor-water-efficient-landscaping.pdf>  
<https://www.epa.gov/watersense/landscaping-tips#Yourself>  
<https://www.epa.gov/watersense/landscaping-tips#Soil>  
<https://www.epa.gov/watersense/landscaping-tips#plants>  
<https://www.epa.gov/watersense/landscaping-tips#Maintenance>

