



Water Resources and Watershed Committee
September 8, 2021

Agenda Item No. 3 - Attachments

ATTACHMENT A

SCV WATER LAWN REPLACEMENT PROGRAM EVALUATION



SCV WATER LAWN REPLACEMENT PROGRAM EVALUATION

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Executive Summary

The Santa Clarita Valley contains hundreds of millions of square feet of irrigated turf, and on average, landscape irrigation makes up more than half of all water use. Since lawns are the thirstiest plantings of all, significant and sustained water savings can be achieved by replacing existing lawns with well-designed, low water use landscapes.

Santa Clarita Valley Water Agency (SCV Water) launched an assessment of its Lawn Replacement Program (LRP) in 2020. Water use efficiency consultant Maureen Erbeznik & Associates (MEA) was selected to analyze: 1) the SCV Water Lawn Replacement Program, 2) smart practices of similar successful programs run by other water agencies, and 3) the current landscape marketplace.

The short-term aim for SCV Water is to increase customer participation and reduce water use to comply with SCV Water's strategic goals and imminent legislative mandates. The long-term goal is to help SCV Water meet its mission of ensuring reliable, high-quality water supplies at a reasonable cost to the Santa Clarita Valley (see Appendix 6: LRP Logic Model). Ultimately, the vision is to achieve a cultural and industry shift where water efficient landscapes are the norm, with no financial incentives required.



Objectives of the Assessment

SCV Water tasked MEA to take a fresh look at its Lawn Replacement Program to determine what's working well and identify opportunities for improvement. MEA has undertaken a three-phased assessment approach, focusing first on comparing successful lawn replacement programs and second on an evaluation of the landscape industry and community barriers. A third, future phase will focus on new program design and testing.

Research Process

Comparison of Successful Programs

MEA identified ten well-designed and successful lawn replacement programs operated by water agencies in the Western U.S. and interviewed agency representatives and vendors. The assessment includes documentation of each program's features, strengths, limitations, and suggestions for adaptation by SCV Water.

Evaluation of the Landscape Marketplace

MEA surveyed stakeholders from three primary groups to obtain a well-rounded view of the barriers to the success of lawn replacement programs. The groups were *customers, nursery and irrigation suppliers, and landscape contractors*:

- MEA surveyed customers, both past LRP participants and non-participants, to understand their motivations, obstacles, and entry points.
- The team interviewed local nurseries via phone and site visits. Each was asked about native and climate-appropriate plant availability, pricing and labeling, their willingness to partner with SCV Water, and how SCV Water might help promote these plants to customers.
- Landscape contractors were interviewed to learn about their product offerings, customer interests, and support they need to sell and implement lawn replacement projects.

Findings

Comparison of Successful Programs

MEA's evaluation of successful lawn replacement programs revealed seven critical factors for success. These success factors and the overall assessment against the SCV Water LRP are listed below. Additional details of the assessment can be found on pages 15-20 in the full SCV Water Lawn Replacement Program Evaluation document.

Success Factors	Assessment of SCV Water LRP
#1. Balance program requirements in order to deliver high quality projects without creating burdensome project execution, therefore maintaining healthy customer activity levels.	<ul style="list-style-type: none">• SCV Water requirements, as currently designed, are not overly burdensome, but limits options.• SCV Water could potentially provide an additional incentive for water retention features and native plants.
#2. Provide personalized service and support to navigate customers through the complex lawn replacement process.	<ul style="list-style-type: none">• SCV Water has less proactive interaction with customers than Best-In-Class programs.• SCV Water should consider providing an upfront consultation as well as consistent communication with customers as they move through the lawn replacement process.
#3. Integrate supply chain partners to leverage their customer connection and ensure quality outcomes.	<ul style="list-style-type: none">• SCV Water works with several HOAs and a select number of local contractors and has a list of designers that customer can use and receive a \$150 rebate.• SCV Water would benefit from more fully integrating and leveraging contractors and nurseries in the program.



Success Factors	Assessment of SCV Water LRP
<p>#4. Target market high probability customers with the right messaging through their preferred communication channels to better engage and motivate customers.</p>	<ul style="list-style-type: none">• SCV Water should consider expanded outreach to customers with large areas of turf and customers likely to replace their turf. The outreach should be consistent and appealing as well as provide educational components to address customer reluctance for change.
<p>#5. Make the process easy with ready access to resources; resulting in higher customer response and project completion rates.</p>	<ul style="list-style-type: none">• SCV Water is in the process of implementing a new, streamlined application system. The new process will remove the upfront questionnaire and provide direct access to resources (such as the plant list) to help customers as they move through the process
<p>#6. Offer choices and allow options for customer participation.</p>	<ul style="list-style-type: none">• SCV Water has an online library of sample gardens – this should be expanded.• SCV Water should consider implementing a garden tour.• A full array of landscape types should be used in all promotional materials.• SCV Water does not have a required plant list. SCV Water is updating the plant list to be more comprehensive and informative, specifically highlighting plants native to the Santa Clarita Valley region.
<p>#7. Motivate by incentivizing the right activities and the right people including customers, nurseries, designers and contractors.</p>	<ul style="list-style-type: none">• SCV Water LRP offers:<ol style="list-style-type: none">1. \$2.00 per square foot for lawn replacement2. \$0.50 per square foot for drip irrigation3. \$150 landscape design assistance• SCV Water should consider increasing the base incentive and potentially providing an additional incentive for water retention features and native plants



Evaluation of the Landscape Marketplace

What Customers Think

The SCV Water customer surveys showed that customers care predominantly about maintaining a beautiful and usable outdoor space. When considering program participation, they want personalized service and access to quality support. There are seven key highlights from the surveys:

1. Non-participants rank landscape beauty as the most crucial factor.
2. Sixty percent of customers think water-efficient landscaping means cactus.
3. Awareness of the LRP is low among non-participants, with only 24% of the approximate 1,539 respondents stating they had heard of the program.
4. Cost is a predominant concern for people as they consider participating.
5. Among those who were interested in the program, project expenses kept them from moving forward.
6. 71% of respondents said they would need help with some aspect of turf replacement, underscoring the need for help from SCV Water staff or contractors along the way.
7. Customers want choices when designing their new landscape, whether that means how much turf to replace and if they wish to replace front or back yard grass.
8. Satisfaction is high among program participants, 95% of whom found the investment worthwhile.

What Nurseries Think

The Santa Clarita Valley-area nurseries interviewed during this assessment all carried native and climate-appropriate plants and were familiar with the Lawn Replacement Program. They also stated that they had experience helping customers with their lawn replacement projects. MEA urges SCV Water staff to collaborate with five nurseries that are interested in partnering on the LRP: ISI Landscapes, Theodore Payne Foundation, Green Landscape, Green Thumb, and Maclay Rancho Nurseries.



What Contractors Think

Seventy-two licensed contractors serving the Santa Clarita Valley area were contacted for this assessment, and only nine agreed to be interviewed. All the contractors interviewed noted positive experiences and successful use of water efficiency measures such as smart controllers and drip irrigation. The contractors said they could use clear and effective promotional materials, access to customer water data to provide return-on-investment calculations, and incentives paid directly to the contractor to help them sell the services more easily to customers.

Recommendations

Based on the assessment findings, MEA makes the following recommendations for improvements to the LRP.

Recommendation 1: Rebrand program to emphasize landscape utility and quality

- Rebrand LRP to focus on beauty and landscape as an outdoor living space.
- Target customers with personalized outreach.
- Increase customer engagement.
- Develop robust social media content through demonstration gardens, garden tours and customer testimonials.

Recommendation 2: Enhance rebates to motivate customers and landscape contractors better

- Increase base-level incentive within \$2 to \$4 per square foot, and/or
- Provide bonus incentives for additional features.
- Offer direct incentives to contractors.

Recommendation 3: Provide customers with knowledge and resources

- Create and launch a new customer website.
- Provide design assistance.



Recommendation 4: Better partner with supply chain to increase awareness and activity

- Help nurseries promote appropriate plants and educate customers about LRP.
 - Recruit landscape designers to support customer needs, provide design assistance and increase the incentive for professional design services.
 - Integrate contractors into LRP who will then sell program directly to customers.
 - Implement training and certification program.
 - Publish and share list of qualified contractors.
 - Provide resources to contractors to help them sell services such as ROI calculator.
-

Conclusion and Next Steps

The assessment is designed as a guidance document for SCV Water to improve program performance, increase water savings and water supply reliability, and meet conservation mandates. While some recommended changes can be made simply, others may require significant effort, additional training or resources, or more advanced planning.

The first step to be taken is to form a task force of SCV Water representatives, community members, and supply chain actors. The taskforce would represent all the stakeholders necessary for program success. The objective for the group would be to identify the top recommendations for SCV Water to pilot test and evaluate. Based upon the results, SCV Water will implement selected program upgrades.

Implementing these program modifications will be done as a gradual process, aligned with SCV Water priorities and available funding and staffing resources.

Introduction

Changing climate conditions-- with warmer temperatures, lesser snowpack levels, and increased cycles of drought—have made stewardship of Southern California's water resources all the more important.

Over the past decade, Santa Clarita Valley Water Agency (SCV Water, SCVWA) has worked strategically to ensure water sustainability for the region.

With a focused eye on the future, SCV Water has delineated two critical objectives:

- Reduce per capita water use with a heavy emphasis on the lawn replacement program; a high water savings program.
- Fully comply with the imminent legislative mandates put forth in State Framework Legislation SB 606 and AB 1668. The new framework requirements establish strict water use standards beginning in 2024. This necessitates aggressive action on the part of SCV Water to meet the upcoming requisites.





Why Lawn Replacement Programs?

On average, over 50% of household water is used for landscape irrigation, with lawns consuming the greatest majority of outdoor watering. Replacing existing lawns with well-designed low water landscapes, that incorporate native and climate-appropriate plants, has many benefits. The major advantage being significant and sustained water savings for the homeowner and community.

At present, most home and business owners are unaware of the amount of water they use to irrigate their lawns and simply don't understand the benefits of a water efficient landscape. There is low program participation, and most customers are unaware that water agencies even have programs and incentives to help them transform their yards.

Despite the current situation, water agencies are starting to make positive inroads. There is a beginning awareness of landscape water efficiency and a small percentage of customers have participated in a lawn replacement program. Moving into the future, water agency sponsored programs, including those at Santa Clarita Valley Water, will play the lead role in educating and motivating customers to transition to low water use yards.

There are hundreds of millions of square feet of irrigated turf in the Santa Clarita Valley. With today's low market penetration, lawn replacement has an enormous water savings potential within the SCV Water service area.

Key facts about turf grass and water efficient landscaping

Turf grass

- Has an average crop coefficient of 0.70, requiring a tremendous amount of water. The [Environmental Protection Agency](#) estimates that **about a third of all public water is used to water grass**. In the US, lawns consume nearly 9 billion gallons of water a day AND our mowers consume 200 million gallons of gas.
- Is challenging to water lawns without run-off.
- Fertilizers wash off of lawns, into storm sewers, and eventually into our rivers and oceans.
- Turf requires mowing and therefore produces additional waste materials.
- Monoculture reduces nitrogen and nutrients in the soil with increased susceptibility for plant disease.

Water efficient landscaping

- Has crop coefficient of 0.30, requiring 40-60% less water.
- Decreases water run-off.
- Creates water quality benefits.
- Provides more biodiversity due to plant variety vs. turf monocrop.



SCV Water's Long Term Water Efficiency Goals

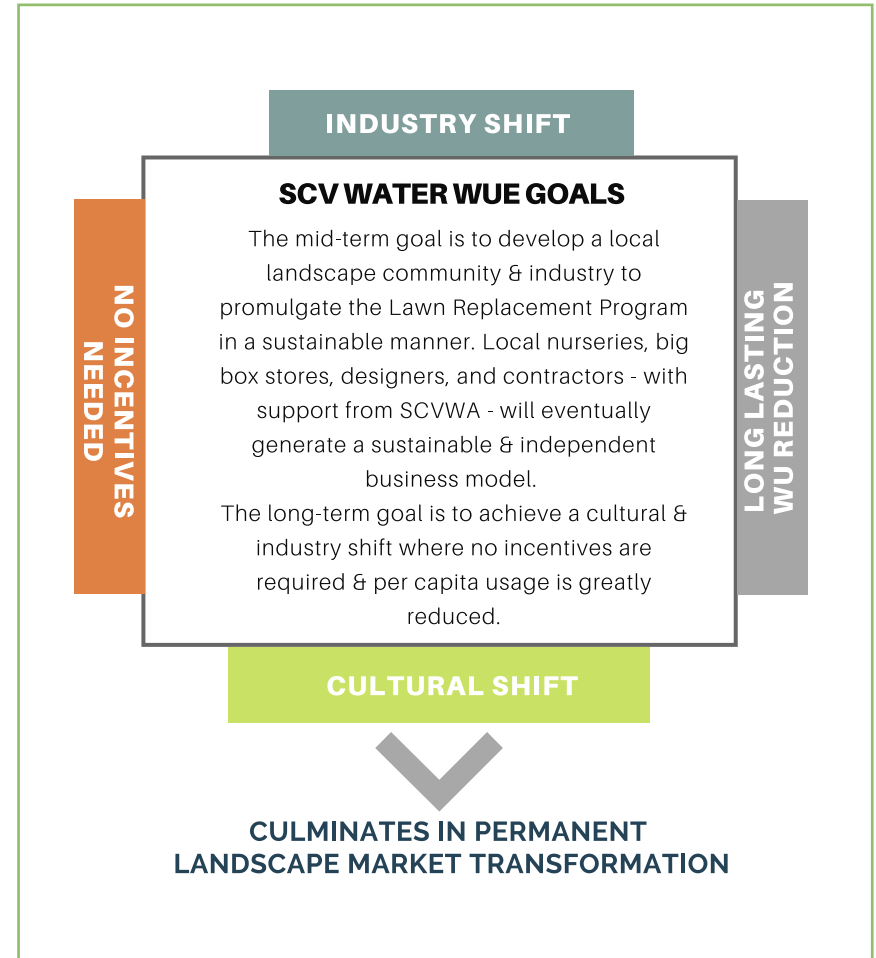
In the short term, Santa Clarita Valley Water will utilize programs and incentives to gain customer participation and reduce water usage.

The eventual goal for SCV Water, however, is to drive a transition and permanent market shift to sustainable water use without the need for incentives and programs. When this market state occurs, customers will understand water use efficiency and desire this for their homes and businesses.

As the market shift gradually moves along the path to a full transformation, SCV Water will secure observable, resilient and significant water savings.

When this customer shift in attitude occurs, plant nurseries will offer low water using plants and products as the predominant portion of their inventory. Designers and architects will be fully versed in efficient landscape designs and provide those services as the norm. Contractors, in turn, will create customer-preferred water efficient landscapes.

When this synergy takes place, the landscape market will have completed the full spectrum of market transition and operate solely in a water efficient manner, with no programs and incentives required.



SCV Water's Lawn Replacement Program Snapshot

In 2014 Castaic Lake Water Agency developed the Lawn Replacement Program. In 2018, Castaic Lake Water Agency, Newhall County Water District, Santa Clarita Water Division, and the Valencia Water Company merged. The program remained operational through these years and as is still active today. Currently, there are three LRP incentives available to SCV Water customers:

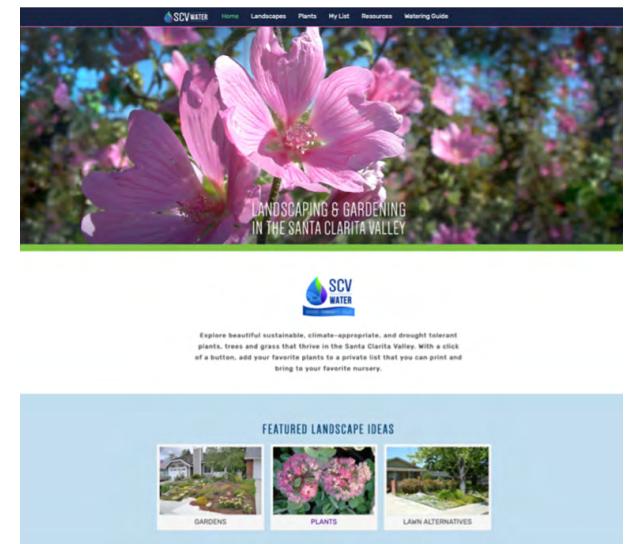
1. \$2.00 per square foot to convert high water using turf to low water use plants (max \$5,000)
1. \$0.50 per square foot to convert overhead spray with drip irrigation (max \$750)
1. \$150 for assistance with landscape design through local approved designers

The program requirements are as follows:

- Only front yard conversions.
- Must be living grass.
- No artificial turf allowed.
- New landscapes must have a 50% plant coverage at maturity.
- Properties must be pre-inspected to verify existence of living grass and confirm the square footage.
- New landscapes must be post-inspected to verify the amount of grass removed and installation of the required plant coverage and drip irrigation.

The program provides customers with the following support materials:

- Hottest 30 Plant Guide
- Gardening classes
- WaterSmart workshop
- Santaclaritagardens.com with featured landscapes and gardening tips



Santa Clarita Valley Water's Lawn Replacement Program Participation

SCV Water's Lawn Replacement Program has experienced years of both high and low activity. LRP activity was high during the 2013-2016 drought emergency. The drought, coupled with intense news coverage, compelled customers to participate in water efficiency programs, including SCV Water's LRP.

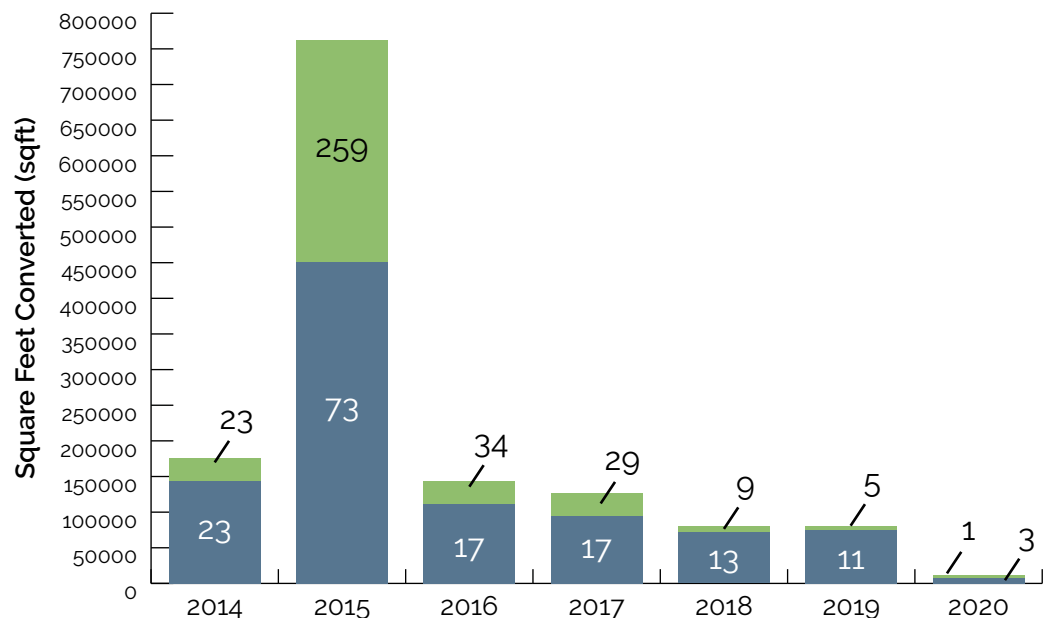
The graph to the right shows Lawn Replacement Program participation by year, square feet of lawn converted, and the number of residential projects (light green) and non-residential projects (dark green).

Over the LRP program duration, 362 residential and 155 commercial/large landscape customers completed their projects, totaling 517 program participants. This resulted in 423,350 residential square feet and 955,142 commercial/large landscape square feet converted, totaling 1,378,492 square feet.

Of the 517 projects completed, 96% were completed 2014-2018, or 83% during the drought from 2014 to 2016; a timeframe with momentum benefiting from the drought, which did not officially end until March 2019. It should be noted that many people may have been seeking information and not actually customers who were actively interested in replacing their lawn, thus the low completion rate.

As the numbers show, the community stepped up during the drought. However, since the drought ended, participation in the program has dropped significantly. This is a similar trend for most water agencies.

Residential and Non-Residential LRP Participation



Peak of Drought

Research and Assessment Components

Reason for Assessment

With the imposing goal to achieve a true landscape efficiency market transformation, SCV Water is aiming to accomplish this feat by focusing on outdoor water efficiency and the Lawn Replacement Program.

To proactively create this change, it is necessary to first acquire a firm understanding of the current realities of the program—the strengths, opportunities, customer attitudes and emotional drivers that influence a customer's decision to give up all or part of their lawn.

An assessment provides a comprehensive reality check about the program's current ability to motivate and support customers throughout the lawn replacement process. Included in the assessment are the nurseries, contractors, and other supply chain actors that play critically important support roles.

SCV Water will use the knowledge gained from the assessment to inform program adjustments and modifications to boost customer response and better engage the supply chain.

The program changes are intended to 1) produce substantial water savings and water supply reliability, and 2) meet the imminent legislative mandates put forth in State Framework Legislation SB606 and AB1668.

SCV Water engaged the services of Maureen Erbeznik & Associates (MEA) to conduct the multi-phase assessment of the current LRP.

Assessment Scope

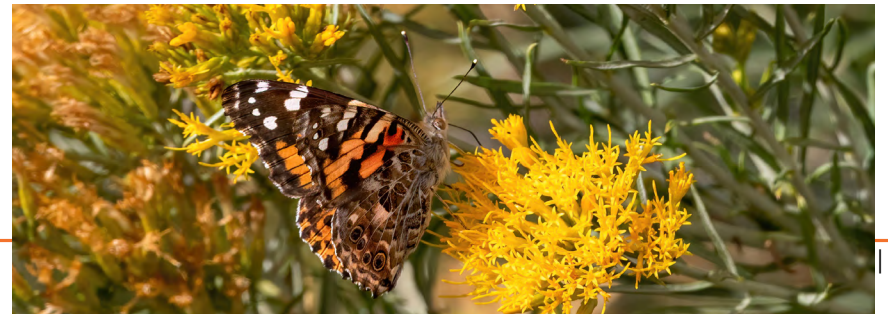
The scope of work included the following:

PHASE 1: Comparison of Successful Programs. The objective for Phase 1 is to identify existing lawn replacement programs with the highest level of success and substantiate the reasons for their topmost performance.

PHASE 2: Evaluation of the Landscape Industry and Assessment of Community Barriers. The goals of Phase 2 are to identify the market and customer barriers that are impeding success of Lawn Replacement Programs.

PHASE 3: New Program Design and Outreach Testing. The goals of Phase 3 are to utilize gained knowledge from Phase 1 and 2 in order to create and test new program design and outreach methods. (Future phase)

This report covers work performed and reported for Phase 1 and Phase 2. The documented findings and recommendations from Phase 1 and Phase 2 will be used to complete Phase 3 of the contract.



External Environmental Scan for Best-in-class Lawn Replacement Programs

In Phase 1, MEA was tasked to 1) Research the various water agency Lawn Replacement Programs, 2) Identify the programs deemed top performing, and 3) document each program's features, strengths, limitations, and possible consideration for SCV Water.

The MEA team began by researching and selecting the following well-designed and successful water agency programs:

1. Albuquerque Bernalillo County Water Utility Authority
2. Bay Area Water Supply & Conservation Agency
3. Desert Water Agency
4. Long Beach Water Department
5. Metropolitan Water District
6. Moulton Niguel Water District
7. Municipal Water District of Orange County
8. San Diego County Water Authority
9. Santa Margarita Water District
10. Southern Nevada Water Authority

program vendors. Information gathered included:

- Program delivery format
- Application process
- Websites
- Program requirements
- Incentive levels
- Verification protocol
- Support resources
- Marketing and outreach activities
- Participation levels
- Payment timeframe
- Customer satisfaction
- Program duration and modifications over time
- Costs and funding sources
- Water savings

Next, SCV Water's program was assessed against each of the Best-In-Class programs to determine which elements, if any, might provide an improvement to SCV Water's program.



Evaluation of the Industry and Assessment of Customer Barriers

The goals of Phase 2 were to identify industry and program barriers impeding success of Lawn Replacement Programs. With an understanding of the obstacles, SCV Water can then consider making program modifications including procedural changes, adding resources, and making changes to the incentive structure.

The following three major categories of program stakeholders were surveyed:

- **Customers:** previous turf replacement program participants, and non-participants
- **Supply chain:** nurseries, big box stores, and irrigation equipment suppliers
- **Landscape contractors:** contractors active in lawn replacement and water management services as well as ones not active.

Below were the key questions for each of the three customer groups that needed to be answered:

Non-Participants

1. *What motivates people to change their landscape and irrigation practices?*
2. *What do they want from their yard and landscape?*
3. *What are the reasons and rationale for their landscape choices?*
4. *Do they even know about the program?*
5. *What are the barriers holding them back from participating in LRP?*
6. *What support do they need from the LRP?*

LRP Participants

1. *How did participants learn about the program?*
2. *What motivated their participation?*
3. *What was the most challenging aspect of program participation and replacing their lawn?*
4. *What are customers views on achieved water savings, improved landscapes, and areas for program improvement?*

Interested Customers

1. *How did interested customers learn about the program?*
2. *What motivated them to research the program?*
3. *Why did they choose not to move forward with the program/ their project?*
4. *What incentives or support services do they need to replace their lawn?*

MEA then analyzed and documented the customer feedback. In the following section, findings from the surveys are overviewed.



Supply Chain Research Process

Nursery Site Visits and Interviews

MEA researched and generated a database of the local nurseries, home improvement stores, and irrigation suppliers in the Santa Clarita Valley and North San Fernando Valley. Fifteen nurseries were identified as prime candidates for interviews. The full list of nurseries as well as the survey responses are provided as an appendix.

Phone calls and site visits were made to each nursery by Water Wise Consulting. The survey included questions about the following topics:

- *Nursery's availability, pricing, and labeling of 34 climate appropriate plants.*
- *Interviewee's opinion of the viability of these plants to thrive in the SCV Water service area.*
- *Willingness to collaborate with SCV Water to feature or promote these plant species in their nursery.*
- *Interviewee's opinion of customer receptivity to native and climate appropriate plants. What are the barriers? Potential solutions?*
- *Previous nursery promotions for native or climate appropriate plants. What did they do? What were the results?*
- *The type of point of purchase media that works best at their nursery: i.e., Plant tags, counter displays, standing signs, end caps, banners?*
- *The type of advertising that works best for their nursery: Newsletter ads, coupons, email?*
- *Interest in receiving training/information on Santa Clarita Valley Water District's new Lawn Replacement Program.*



Supply Chain Research Process

Contractor Interviews

MEA researched and generated a database of 72 landscape contractors servicing the Santa Clarita Valley and northern Los Angeles County areas. The full database is provided as an appendix along with interview responses.

Nine contractors were interviewed. Questions included:

1. *What services does your company provide?*
2. *Who do you target in the sales process?*
3. *Why does/doesn't your company sell water efficiency upgrades?*
4. *Does your company offer water management, lawn replacement, or water efficiency products and services?*
5. *What percent of your company's revenue does water efficiency products and services represent?*
6. *How many lawn replacement projects has your company done?*
7. *Are you, or your employees trained/certified in water management?*
8. *What specific skills does your company need to successfully sell/ implement water efficiency upgrades?*
9. *What tools would be helpful to your company in selling water efficiency upgrades?*
10. *Are your customers interested in water efficiency upgrades?*
11. *Would direct incentives to your company help you sell water efficiency upgrades?*

Findings from both Phase 1 and Phase 2 are provided in the following section.



Findings

Best-in-Class Program Findings

Review of the ten selected water agency lawn replacement programs clearly illustrated that every agency territory is unique -- climate profiles, customer environmental attitudes, water supply and dry weather runoff issues, and more. These characteristics affect the designs of the various programs and the level of incentives and services provided. There is no one-size-fits-all program. There is also no single program that has the perfect design. Each of the evaluated programs showed a balance of strengths and weaknesses. SCV Water will need to consider which features of the Best-in-Class programs match the conditions of the Santa Clarita area as the program design is finalized.

Most agencies struggle to find equilibrium between incentive levels, services, and program requirement stringency. Some water agencies may be extremely small, with limited staff and budget dollars. Others may have customers with modest income levels who cannot afford the upfront cost of landscape replacement. Still others may have limited numbers of plant nurseries and contractors. Agency boards and upper management are highly diverse, as well. There are a number of water agencies that require highly stringent program rules while others choose to forego rigorous requirements in favor of a simplified and more streamlined process.

While each program is distinctly unique, it is also true that these same programs evolve and advance over time. Progressive water agencies are constantly looking for program advancements; recognizing that continual improvement yields a stronger program with higher achievement levels.

Research clearly showed that the most successful programs had staff that was regularly assessing and upgrading their programs.



Program Success Factors

In the course of the research process, it was evident that particular program design elements contribute significantly to the positive results of customer projects and the overall program. Success factors are when programs:

#1. Balance program requirements in order to deliver high quality projects without creating burdensome project execution, therefore maintaining healthy customer activity levels.

#2. Provide personalized service and support to navigate customers through the complex lawn replacement process.

#3. Integrate supply chain partners to leverage their customer connection and ensure quality outcomes.

#4. Target market high probability customers with the right messaging through their preferred communication channels to better engage and motivate customers.

#5. Make the process easy with ready access to resources; resulting in higher customer response and project completion rates.

#6. Offer choices, and don't rigidly dictate plants/requirements as this limits customer participation.

#7. Motivate by incentivizing the right activities and the right people including customers, nurseries, designers and contractors.





Comparisons of Program Success Factors to SCV Water Lawn Replacement Program

The seven program success factors overviewed in the previous section provide a framework with which to make comparisons between other water agency programs as well as Santa Clarita Valley Water's LRP.

Starting with the program success factor, Balance Program Requirements, the chart below (left column) highlights the programs that have demonstrated strength in this particular aspect of their program. The right-hand column compares SCV Water's LRP to the other programs for this success factor.

#1. Balance program requirements - Finding the optimal balance between delivering high quality projects without overburdening the customer.

Program Examples with Varied Balance of Requirements	LRP Assessment
<p>SDCWA has strict requirements however, they provide extensive customer support. Program has resulted in only 1.3 M square feet of turf replaced through program duration.</p> <p>SNWA has a limited number of requirements. This program has seen the highest volume retrofitted at 188 M square feet of turf replaced.</p>	<p>SCV Water requirements, as currently designed, are not overly burdensome. These requirements are important factors in producing landscapes that are both environmentally responsible and attractive.</p> <p>Neighbors and drive-by customers view the newly landscaped properties, most likely increasing program awareness and possibly participation, as well.</p> <p>To further expand customer response SCV Water should consider allowing turf replacement for any portion of the existing yard, not just front.</p> <p>SCV Water could potentially add additional incentive for water retention feature and native plants.</p>

#2. Provide personalized service and support - to help customers to navigate the complex lawn replacement process and minimize program drop-outs along the way.

Program Examples of Strong Personalized Support	LRP Assessment
<p>Long Beach has strict requirements however, they provide extensive customer support. Program has resulted in only 1.3 M square feet of turf replaced through program duration.</p> <p>SDCWA makes a face-to-face connection through their in-person classes.</p> <p>SDCWA also provides extensive education about the program process and requirements up front so customers are more likely to have realistic expectations, less frustration, and a more successful project.</p> <p>MWDOC conducts an up-front survey where they ask the customer how they desire to use their yard and what landscape styles are most appealing to them.</p> <p>Albuquerque has aligned their staff roles and titles to create a stronger and more accessible relationship with each customer. They renamed positions to sound less authoritarian and more consultative. This helps staff better connect with customers.</p> <p>Albuquerque also reviews designs and site water budgets to help customers ensure that their project meets programs and achieves estimated water savings.</p> <p>MNWD utilized an HOA specialist during a pilot, focusing on three HOAs. The contractor worked with the HOA Landscapes Committees, Boards and the Landscape Contractors to assess the site meter-by-meter, determine and prioritize the projects, conduct financial analysis, and ultimately develop an implementation plan. All three of the HOAs ended up implementing the recommendations.</p> <p>Additionally, MNWD follows up with customer participants 6 months after project completion. This has helped customers to discuss and remedy plant or equipment issues that they may be experiencing (i.e., overwatering natives).</p>	<p>SCV Water provides limited direct customer support.</p> <p>SCV Water does conduct pre- and post-inspections (prior to COVID).</p> <p>SCV Water has less proactive interaction with customers than Best-In-Class programs (i.e., one-on-one consultant regarding customer's goals and program requirements support).</p>

#3. Integrate supply chain partners - Leverage their customer connections and utilize their services to create better quality outcomes.

Successful Program Example	LRP Assessment
<p>Albuquerque provides contractors with media kits, links to contractor websites from program website, and a Return of Investment tool to assist customers in making the decision to replace their lawn.</p> <p>Albuquerque staff helps contractors with bids and generating ROI calculations. With approval from the customer, Albuquerque will share consumption data with contractor to conduct full water savings and ROI assessment.</p> <p>Albuquerque customers are urged to utilize contractors. Because it is known that Albuquerque “works with the industry”, they are seen as a source of information.</p> <p>Albuquerque works closely with garden centers to make sure the right trees and shrubs are readily available. Garden centers are provided with program posters and marketing for the top 20 trees and shrubs.</p> <p>Long Beach provides list of designers and significantly subsidizes the cost of the design.</p> <p>MNWD works with local nurseries to carry and promote plants. Nurseries are given free marketing materials: banners, stand signs and stickers co-branded with native plant images. The goal is to build the brand. MNWD is now developing relationships with corporate nurseries (Home Depot, Armstrong).</p> <p>MNWD is also working with Plant California Alliance, a trade association of growers and nurseries to get native plant education as continued education credit.</p> <p>SDWCA implemented the Qualified Water Efficiency Landscape Contractor training and certification and has largest number of QWEL certified individuals. A list of these contractors is available for customers.</p>	<p>SCV Water works with several HOAs and a select number of local contractors.</p> <p>SCV Water has a list of designers that customer can use and receive a \$150 rebate.</p> <p>SCV Water needs to more fully integrate and leverage contractors in the program.</p> <p>This could include:</p> <ul style="list-style-type: none">• Establishing relationships with quality local contractors• Providing contractor training on program and selling• Providing contractors with sales tools and outreach materials.

#3. Integrate supply chain partners, continued

Successful Program Example	LRP Assessment
<p>SNWA has enrolled 80 companies as Water Smart Contractors.</p> <ul style="list-style-type: none">Contractors go through 8-hour training (basics). Upon completion contractors thoroughly understand program requirements and know that they will be removed if they don't follow rules.SmartStart program - 50 of these contractors received supplemental training to become certified as SmartStart contractors. This allows them to do pre-inspections. <p>SNWA also has a Green Industry Contractor Program providing branded business cards and signage for trucks.</p>	<p>SCV Water LRP can benefit by closer ties with the local nurseries, working with them to carry and promote native and climate appropriate plants. With the appropriate knowledge, nurseries can better support customers in purchasing appropriate products and provide them with some guidance on the program.</p>

#4. Target market high probability customers - Craft the messaging that resonates for distinct categories of high probability targets and utilized their preferred communication channels to better engage and motivate customers.

Successful Program Example	LRP Assessment
<p>Most agencies do not have robust marketing and outreach, and many realize more needs to be done.</p> <p>Albuquerque, MNWD and SNWA all target large turf properties, commercial and HOAs.</p> <p>Southern Nevada is unique, allocating 10% for marketing - \$12M budgeted for rebates, \$1M for marketing. Marketing is through numerous channels:</p> <ul style="list-style-type: none">Direct mailSocial mediaCable TV	<p>SCV Water has done limited direct mail marketing, specifically testing different messaging.</p> <p>SCV Water generally has limited marketing and outreach.</p> <p>SCV Water should allocate a minimum of 10% of budget for marketing.</p> <p>SCV Water needs expanded targeting and outreach in order to reach enough customers.</p>

#5. Make the process easy - As much as possible, do not rigidly dictate plants and program requirements. Doing so will limit customer participation. Show customers the full range of plant and design styles for them to make choices that work for them.

Successful Program Example	LRP Assessment
<p>Desert Water Agency offers customers the choice between the native direct installation program or the regional rebate program with more open plant and design choices.</p>	<p>SCV Water's current application is currently cumbersome.</p> <p>SCV Water is in the process of a new, streamlined application system. New process will remove lengthy upfront questionnaire and provide direct access to resources (such as the plant list) to help customers as they move through the process.</p>

#6. Offer choices - Provide customers with ready access to resources. This will reduce drop outs and result in higher customer response, better quality projects, and better percentage of project completions.

Successful Program Example	LRP Assessment
<p>MNWD offers customers the choice between the native direct installation program or the regional rebate program with more open plant and design choices.</p> <p>Long Beach and MNWD host garden tours and provide online library of sample garden types so customers can understand the many landscape choices available.</p> <p>SDCWA credits freedom of choice with higher participation. Program does not restrict plant types. Additionally, customers are given multiple educational options (videos, workshop, Makeover series).</p> <p>SNWA does not require detailed plan or installation of approved plants. SNWA shows customers what plants are appropriate/not appropriate and allows customer to choose.</p>	<p>SCV Water has online library of sample gardens – this should be expanded.</p> <p>SCV Water should implement a garden tour.</p> <p>Full array of landscape types should be used in all promotional materials.</p> <p>SCV Water does not have a required plant list. SCV Water is updating the plant list to be more comprehensive and informative, specifically highlighting plants native to the Santa Clarita Valley region.</p>

Motivate by incentivizing - Higher incentives help to drive the right activities (i.e., water retention features, overall program response, etc.) and motivate the right people including customers, nurseries, designers, and contractors to support program processes and overall goals.

Successful Program Example	LRP Assessment
<p>Six of the ten Best-In-Class programs offer minimum \$3.00 per square foot incentive:</p> <ul style="list-style-type: none"> • Bay Area Water Supply & Conservation Agency • Moulton Niguel Water District • Municipal Water District of Orange County • San Diego County Water Authority • Santa Margarita Water District • Southern Nevada Water Authority <p>BASWCA and MNWD offer additional incentive for native plants and water retention features.</p>	<p>LRP offers:</p> <ol style="list-style-type: none"> 1. \$2.00 per square foot for lawn replacement 2. 0.50 per square foot for drip irrigation 3. \$150 landscape design assistance <p>SCV Water should consider increasing the base incentive and potentially providing an additional incentive for water retention features and native plants.</p> <p>SCV Water should continue to incentivize drip irrigation and design assistance.</p> <p>SCV Water should consider increasing the design assistance incentive.</p>

For additional details please reference the full Assessment of SCV Water Landscape Replacement Program document. Contained within the report is in-depth information covering the criticality of these foundational elements as well as the ways in which SCV Water can incorporate them into the SCV Water Lawn Replacement Program to bolster overall performance.

SCV Water Customer Survey Findings

Results from the SCV Water customer surveys showed that customers care predominantly about maintaining a beautiful and usable outdoor space. When considering program participation, they want personalized service and access to quality support.

The questionnaire responses also establish that there is much work to do to educate customers. Only a small percentage were aware that SCV Water had a lawn replacement program, and most customers still believe that water efficient landscaping is comprised of cactus and gravel.

The cost of landscape transformation was an issue for customers, as well as the need for support services throughout the process.

The survey results identified key program barriers that, if appropriately addressed, should create a much higher program participation rate and overall water savings.

A synopsis of survey trends and results are below. Full survey questions and answers are included in the appendices.

The surveys were emailed to the three groups in November 2020 with the following response. It should be noted that these response rates are extremely high for a customer survey.

- Non-Participant Survey - **1,537 responded (8% response)**
- LRP Participant Survey- **19 customers responded (25% response)**
- Interested Customer Survey – **216 interested customers (12.5% response)**

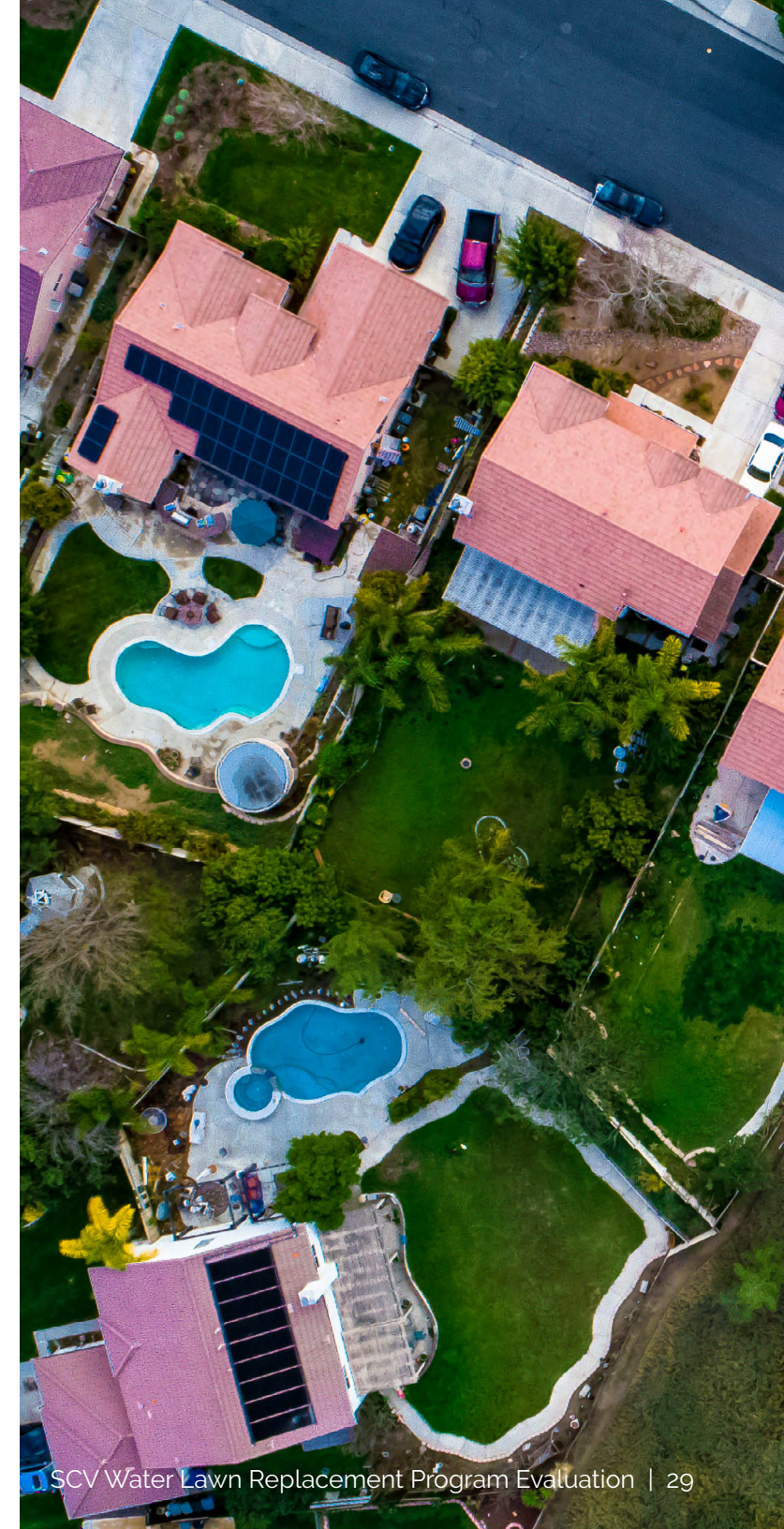
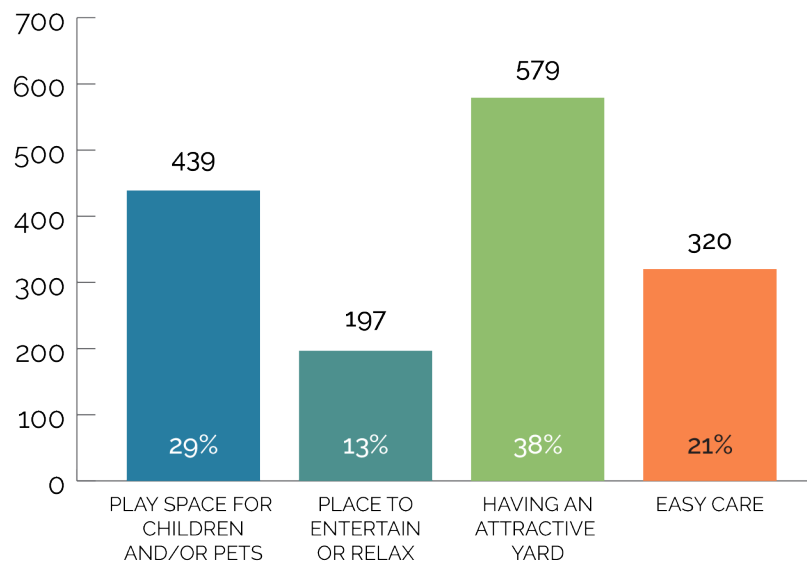


Highlights of Survey Results

Customers Say that Landscape Beauty Is Most Important (Results from the Non-Participant Survey)

Most customers stated that they want beautiful landscaping. When survey participants were asked to identify the most important aspects of their yard and landscape, an overwhelmingly number of respondents (38%) replied that beauty and appearance are the most essential elements. Forty-two percent of customers also felt strongly that their outdoor area had to provide usability for activities and entertainment. Customers also desire easy care and low maintenance. A significant number of customers (21%) stated that easy care of their landscaping was an important factor.

How important are the following factors in your choices about your yard?



Highlights of Survey Results

Customer Outreach and Education Is A Critical First Step (Results from the Non-Participant Survey)

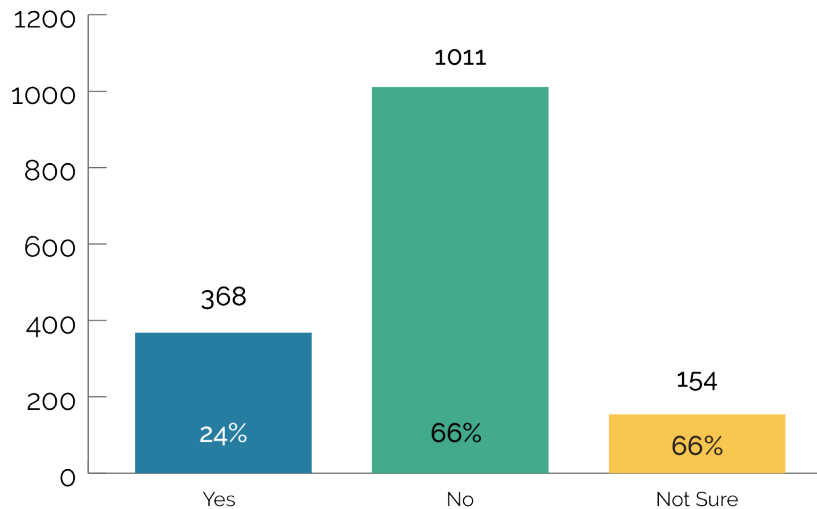
Although program awareness does not constitute action, awareness is the necessary first step in the process of landscape transformation.

Customer responses showed that there is a slight but burgeoning awareness of SCV Water's Lawn Replacement Program with 24% of respondents saying that they knew about the program.

However, the key takeaway is that approximately 66% of customers did not know about the Lawn Replacement Program.

This tells us that much more needs to be done to inform customers that the program exists. Once accomplished, the "universe" of potential customers will expand considerably.

Did you know that SCV Water will give you money to replace your lawn with low water use plants?



Highlights of Survey Results

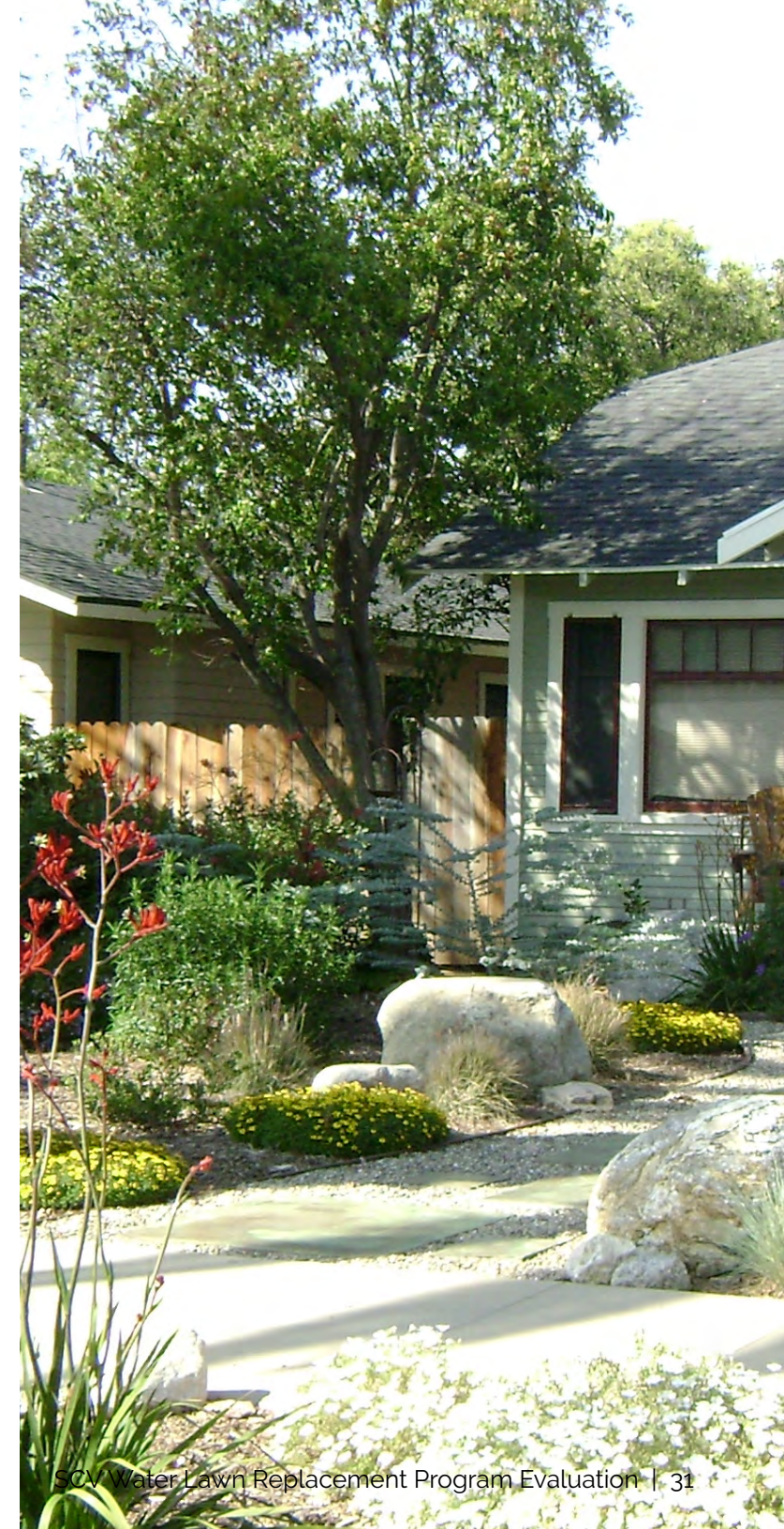
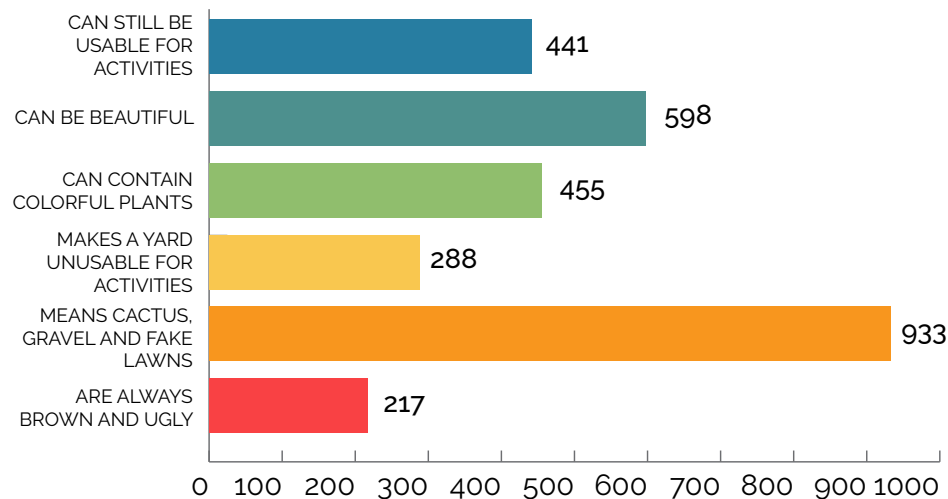
Most Customers Still Perceive Water Efficient Landscaping as Cactus (Results from the Non-Participant Survey)

The survey responses show that a significant portion of customers (39%) believe that low water use landscape can be beautiful.

A lesser, but noteworthy, percentage (29%) of customers stated that water efficient landscaping can be usable for activities.

The majority of customers (61%) still think a low water use landscape means cactus and gravel.

When you hear the term Low Water Use Landscapes, what best represents your thoughts?



Highlights of Survey Results

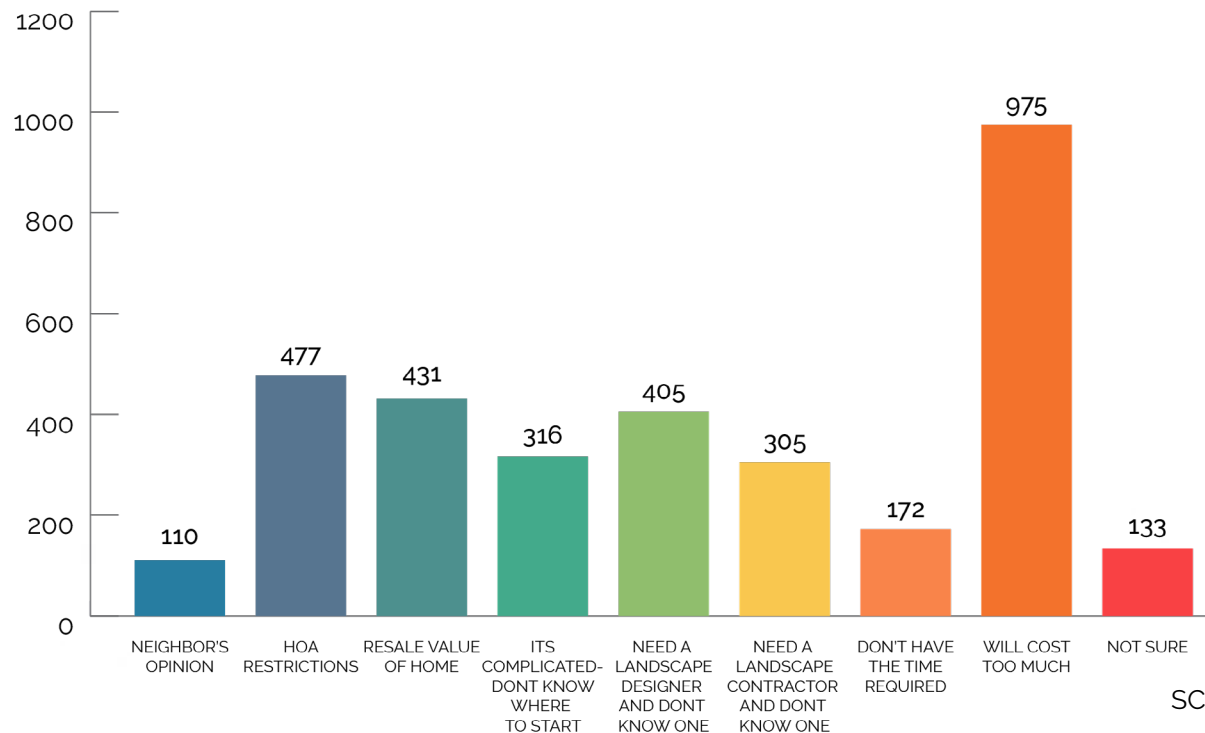
Dollars Matter

(Results from the Non-Participant Survey)

Cost is a predominant concern for customers, and they identify this as the major barrier to replacing their lawns. As is known, the cost of a lawn removal project requires an investment of several thousand dollars-- a significant budget line item for most households.

There clearly must be compelling reasons for customers to spend this amount of money on lawn replacement. Agencies can increase cost coverage through higher incentives or convince customers that the outcome is worth the money. Customers may have other reasons to make changes. It could be replacement of an unhealthy lawn; a desire for expanded usability of their outdoor space; or interest in creating a bird friendly yard. Any of these could be the driving impetus to retrofitting a customer's landscape. Finding and capitalizing on landscape change motivations is the key to deeper market penetration.

What are your concerns about replacing your lawn?



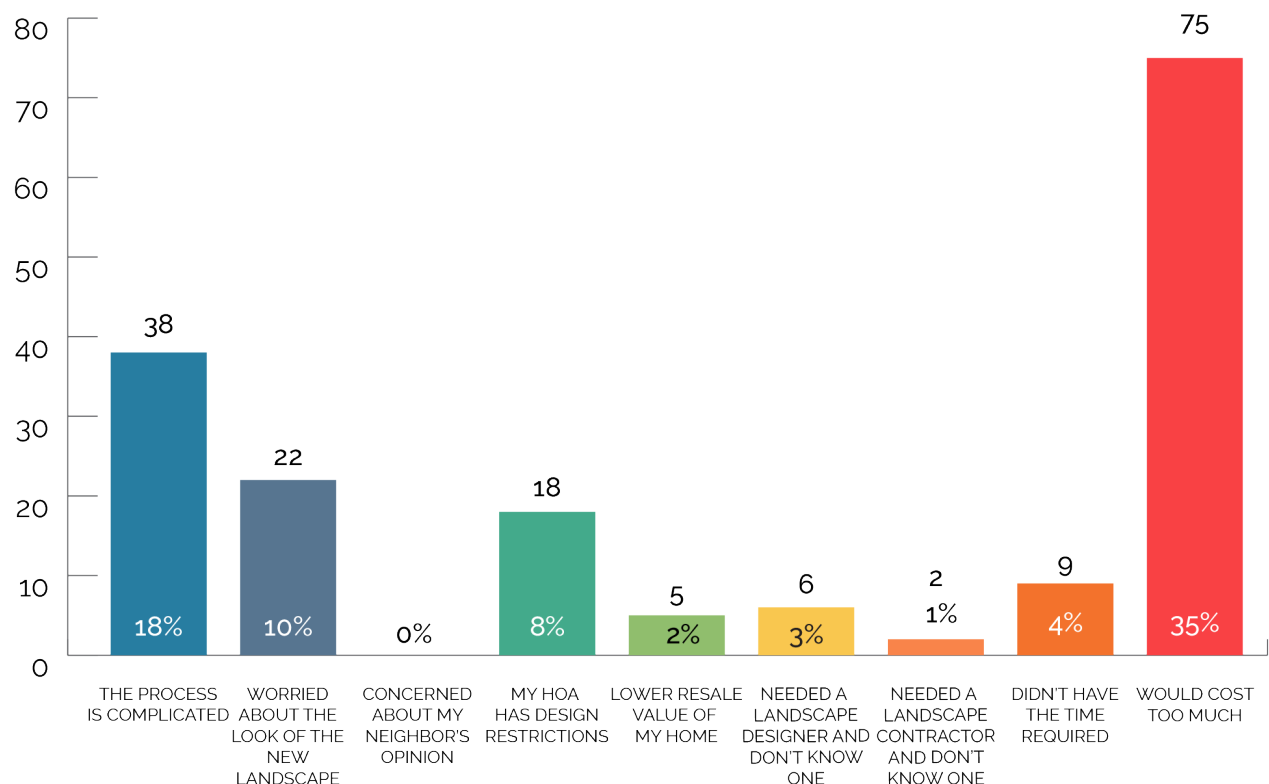
Highlights of Survey Results

Project Expense Kept Interested Customers from Participating (Interested Customers Survey)

Cost was the primary reason that this group of customers did not move forward with their project (35% of customers), despite the fact that they had some level of interest in replacing their lawn. Ten percent (10%) of respondents expressed concern about the look of the completed project and eight percent (8%) said that their Home Owners Association has design restrictions.

Increased incentives, clearly, can help to somewhat mitigate the high cost of the projects.

What caused you to not move forward?

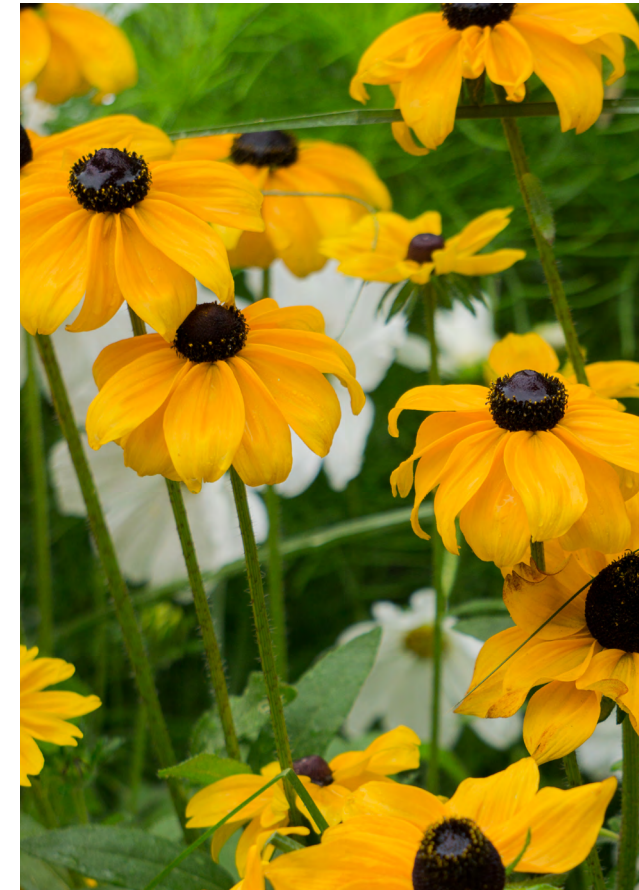
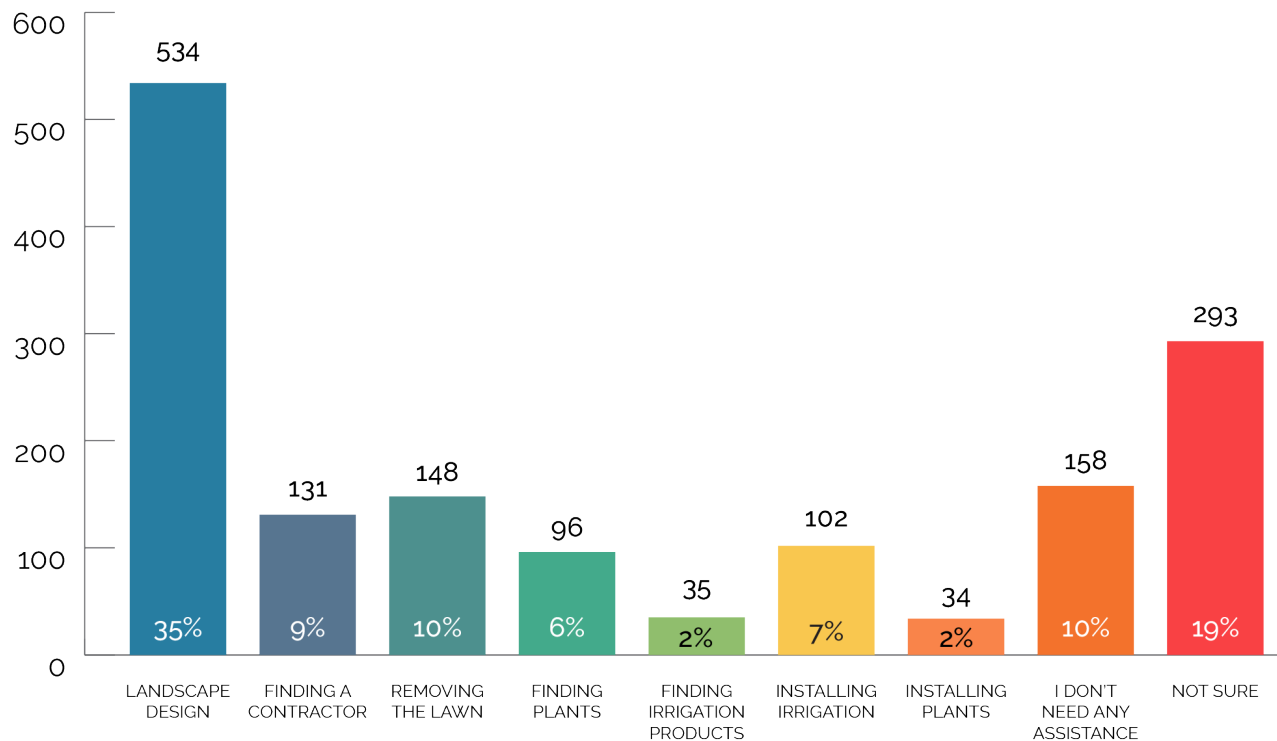


Highlights of Survey Results

Many Customers Need Help Along the Way (Results from the Non-Participant Survey)

Customers expressed the need for help with various elements of lawn replacement projects. The top three project categories identified were with landscape design, removing the existing lawn, and finding a contractor. Overall, 71% percent of respondents stated that they needed help with some aspect of the project. Only ten percent (10%) believed that they would not need any help to complete the work.

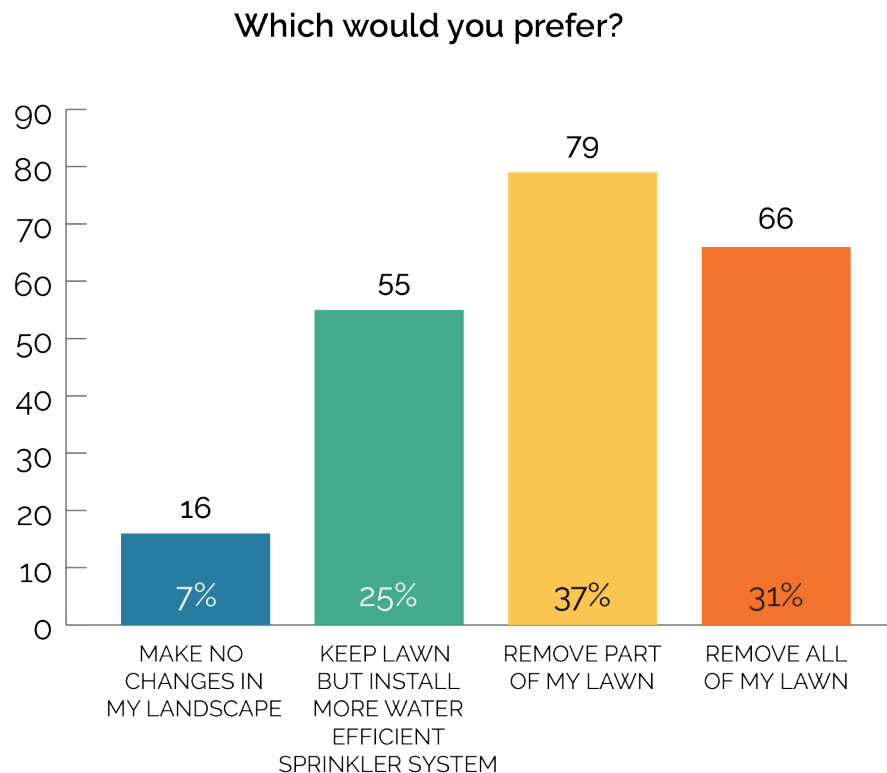
If you decided to change out your landscape, what area could you use the most support?



Highlights of Survey Results

Preferences Vary by Customer (Results from the Non-Participant Survey)

Customers want choices in designing their ideal water efficient project and the overall responses to this survey question fell into four categories. Most respondents (37%) said that they prefer to replace only part of their lawn. Following this, thirty-one percent (31%) would choose to remove all of their lawn, and twenty-five percent (25%) did not want to make changes with their lawn but would install a more water efficient irrigation system. Seven percent (7%) would make no changes in their landscapes. By limiting program design to front yard retrofits only, a percentage of interested customers are excluded from participation.

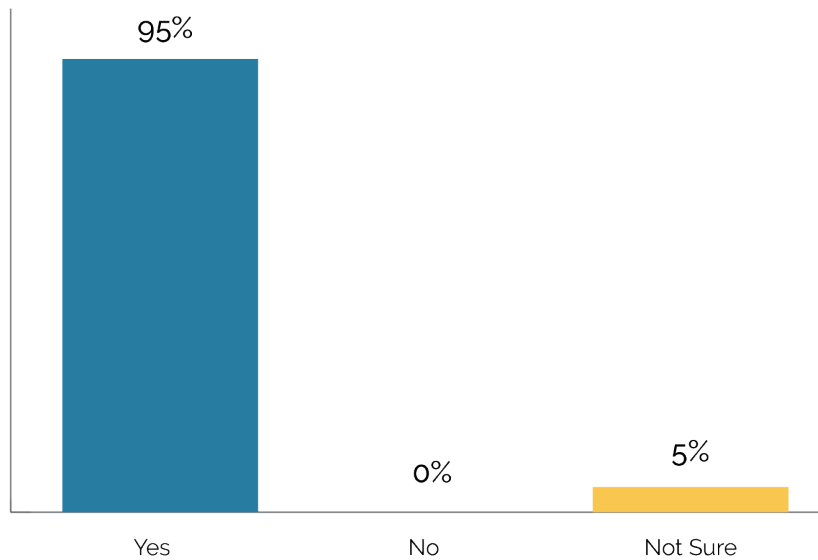


Highlights of Survey Results

Satisfied Program Participants (Results from the Participant Survey)

The positive news is that the majority of customers who did replace their lawn thought that the investment was worthwhile and that they would recommend the program to their neighbors and friends. Word-of-mouth is a powerful means of marketing and these positive responses may drive additional homeowners to replace their lawns.

Would you recommend this program to your neighbors and friends?



What Today's Lawn Replacement Program Customers Want

Customers spoke clearly through their survey responses. They knew what they desired from their outdoor areas and what it would take for them to participate in an LRP.

The chart below summarizes the top consensus takeaways:



SCV Water - Nursery Interview Findings

Generally speaking, the interviewed nurseries in the Santa Clarita Valley carried native and climate appropriate plants and were familiar with the Lawn Replacement Program. They also stated that they had experience helping customers with their lawn replacement projects. There were numerous nurseries in the San Fernando Valley that stocked native and climate appropriate plants, but it was unclear if SCV Water customers frequently shopped at those stores. Most of those nursery staff did not know about SCV Water's Lawn Replacement Program.

During the survey process, it became apparent that five nurseries in particular would be good LRP program partners and each of them expressed willingness to collaborate with SCV Water to promote native and climate appropriate plants as well as the LRP program.

These nurseries are:

1. ISI and Theodore Payne Foundation- Extremely receptive and they would be great candidates for collaborative promotion of the program.
2. Green Landscape, Green Thumb and Maclay Rancho Nurseries- These nurseries are centrally located in the SCV Water service area and also great candidates for collaborative promotion of the program.

It is recommended that SCV Water staff reach out individually to all of the nurseries listed below.

A snapshot of the three top interviews are below:

ISI Landscapes Inc

- Carries 17 of 34 native plants.
- Is willing to collaborate with SCV Water to feature or promote native plants.
- Biggest issue is they are currently not getting enough sales to keep many of these species available at all times.
- Most of the plants listed are native perennials, which mean that they do not have a long lifespan in small containers.
- Has posted social media content for native and drought tolerant plants.
- Have not done point of purchase media.
- Social media works best for them.
- Is willing to cluster plants in a display.
- Is interested in receiving training.

Green Thumb

- Carries 18 of the 34 native plants.
- Is willing to collaborate with SCV Water to feature or promote native plants.
- The only issue is planting seasonality – nurseries must plan for the appropriate time to carry and promote native and climate appropriate plants – native plants should not be planted during the summer.
- Advertised availability of drought tolerant and native plants on Calscape website with positive results.
- Labels plants drought tolerant or native.
- Prefers newsletter advertising.
- Has done clustering of native and drought tolerant plants.
- Has contractor network to leverage.
- Have not seen contractor receptivity to lawn replacement.
- Not interested in training.

Theodore Payne Foundation

- Carries 28 of the 34 native plants, plus 4 additional native plants.
- Needs more information on potential collaboration with SCV Water.
- All their customers come to them for California native plants.
- Currently working on a Professional Development program to teach landscapers about native plant horticulture.
- Have done didactic standing signs and demonstration gardens.
- Newsletter, Fremonita/Flora magazine, facebook, and instagram work best for them.
- Is interested in receiving training.

In summary, nurseries are a vital player in the landscape transformation supply chain. With customers and contractors typically purchasing plants from local nurseries, its essential that nurseries are well-stocked with native and climate appropriate plants.

Ideally, these plants are displayed prominently so they are easily seen when arriving at the nursery location. Pots should have clearly-identifiable labels, marking them as native or climate compatible plants.

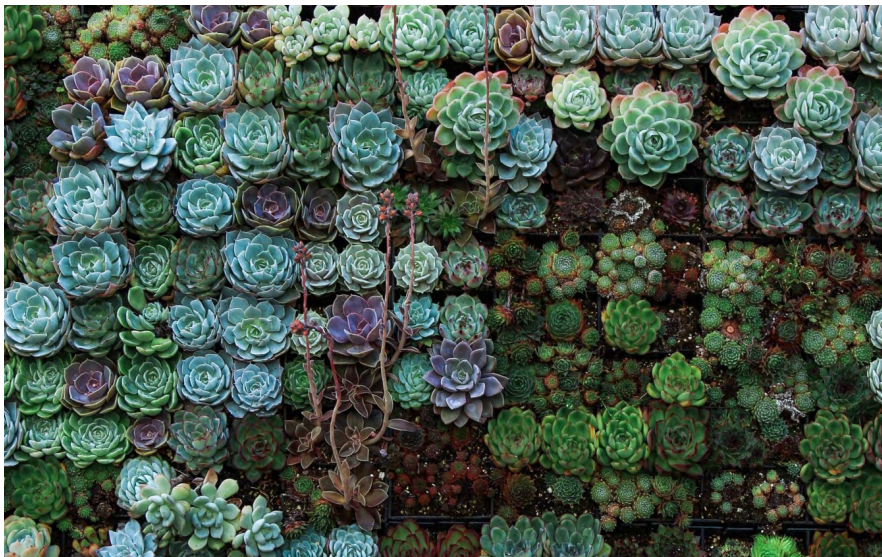
Customers can be better served if staff members have training and can answer basic questions about acceptable plant choices and program requirements.

Contractor Interview Findings

As we know from customer survey responses, customers stated that they need help to complete lawn replacement projects. Industry surveys have shown that only about half of customers are comfortable with a DIY approach. Contractors are the key to providing customer support to those who are not DIYers.

As the industry currently exists there are a limited number of contractors who are knowledgeable and willing to perform lawn replacement work. For this reason, it was important to interview contractors and gain a better understanding of their business mix and interest in water efficiency and specifically lawn replacement work. Outreach was initiated in June 2020; high season for contractors and an unusually busy season due to the COVID-fueled home improvement upswing. This may be the reason why there was not a higher contractor response to interview requests.

Water Wise and MEA contacted all 72 licensed contractors serving the Santa Clarita Valley area. Nine of 72 were willing to be interviewed.



Findings are as follows:

- All of the nine contractors interviewed provide lawn replacement services as well as installations of smart controllers, high efficiency sprinkler nozzles and drip irrigation.
- The number of completed lawn replacement projects varied per contractor, from zero to 200 projects.
- None of the contractors stated they have experienced any installation or performance issues with the measures such as smart controllers and drip irrigation.
- One of the contractors stated they do not actively sell water efficiency upgrades. They only provide these services upon customer request.
- Eighty eight percent (88%) of the contractors stated their customers are interested in water efficiency upgrades with 63% of them stating their customers are willing to pay for water efficiency upgrades.
- Over 50% of contractors stated that less than 20% of their revenue comes from water efficiency upgrades and lawn replacement projects.
- 100% of contractors stated that access to their customers' water use would help them sell water efficiency upgrades. And 100% stated a return on investment calculator would be helpful.
- All of the contractors were interested in having the incentives paid directly to them.

When asked what tools would be helpful to sell/implement water efficiency upgrades and lawn replacement projects, contractors responded:

“Advertising, social media, magazines, online and Yelp.”

“All promotional materials are welcome.”

“Brochures/flyers (current ones are vague).”

“Consistency throughout region - Issue with rebates and program requirements being different from city-to-city. Needs uniformity.”

“Easy to use web templates for rebates.”

“Tools provided via the web would be helpful.”

There is a clear opportunity to integrate contractors into the program and provide services for which customers state they need help. Many of the contractors are providing water efficiency services to some degree already.

With training, water use data, and pay-back calculators, a contractor can act as a sales arm for the program working directly on-site with the customer to price project costs and returns. Program procedures can allow for contractors to directly receive incentives; a payment mechanism that allows the contractor to be paid faster and the customer to reduce out-of-pocket expenses.

By integrating contractor services more directly into the program, customers requiring assistance are more likely to sign up. Additionally, contractors have more field knowledge and experience and SCV Water will see a marked improvement in the quality of the completed projects.



Recommendations

Landscape transformation programs are typically costly, complicated, and labor-intensive. Project completion comes about by way of a long, drawn out process for both the customer and water agency personnel.

Understanding this, it's a remarkable feat that the industry has seen some level of success with lawn replacement programs over the years. The industry's modest market penetration is the direct outcome of diligent and creative efforts by water agency staff, and the public's awareness during drought conditions.

As a result, per capita water use has dropped considerably. However, SCV Water is faced with still greater water use reduction challenges ahead, challenges requiring creative planning, bold program designs, and persistent program oversight.

The Lawn Replacement Program Assessment has resulted in the following recommendations:

Priority Actions

- Implement a newly branded Lawn Replacement Program with increased incentives
- Conservatory Garden remodel
- Bridgeport Pocket Park & others
- Expand demonstration gardens and conduct gardens tours
- Develop new website
- Improved process & workflow for customers & staff
- New customer support resources including a plant look up tool, style guides and design templates
- Build partnerships in the community
 - Landscape contractors, nurseries, and designers
 - Home Owner Associations

End goal is ultimately to achieve Market Transformation

Rebrand Program to Emphasize Landscape Utility & Quality

1. **Rebrand LRP and Change Theme to Beauty and Landscape as a Living Space**

Customer survey results showed that customers care first about beauty when it comes to their landscapes. They also stated that water efficient landscapes could be beautiful. Rebranding LRP with a new, more emotional feel will provide a stronger connection with today's customers. Secondly, customers care about usability of their yards and creating outdoor living spaces. SCV Water can market more effectively by utilizing images of attractive climate appropriate landscapes, and landscapes as living spaces. This could include images of family and friends gathering spots, kids and animals playing in the new landscape area, and beautiful flora and fauna.

2. **Target Customers and Create Personalized Outreach**

SCV Water's best opportunity to save the highest amount of water is to target large landscape properties, sites that overwater, and customers most likely to participate in a lawn replacement program. Data and analytics are the core to finding these customers. SCV Water should utilize analytics to create unique customer segments and profiles of high potential customers. SCV Water can then craft personalized outreach and communication using the insights gained through analytics to better speak to the customer in a way that is meaningful to them. It's precise one-to-one marketing that makes a customer feel you are speaking directly to them and addressing their unique needs.

3. **Continually Engage with the Customer**

Marketing is an ongoing process that needs to be multi-faceted and continually updated and repeated. No one medium is as effective as a carefully planned program that reaches each target audience in more than one channel. SCV Water should deploy a multi-channel approach. This will maximize marketing effectiveness by creating a proliferation of perceived impressions. The more times you "hit" a customer the higher the response rate.

4. **Social Proof through Demonstration Gardens, Garden Tours, and Customer Testimonials**

People believe other people over a business or organization. Testimonials and case studies create credibility and peer-to-peer endorsement for the program. This is even more critical when promoting a change in one's personal space, such as homeowner's front yard. It is recommended that customers with attractive completed projects be showcased on SCV Water's new website and included in garden tours.

Enhance Rebates to Better Motivate Customers and Landscape Contractors

Cost was determined to be the number one reason customers do not replace their lawns.

1. **Increase Base Level Incentive**

It is recommended that SCV Water increase both the Lawn Replacement & Drip Irrigation rebate amounts.

As an example, \$2.00 per square foot is the minimum incentive level necessary to achieve modest program activity. \$3.00 per square foot will increase activity. And \$4.00 will significantly drive up program activity.

2. **Provide Bonus Incentives for Additional Features**

It also recommended that SCV Water provide boosted incentive dollars for added value features. Examples include:

- Native Santa Clarita Valley plants
- Water retention features
- Removing lawn area close to hardscape, parkways, and on slopes
- Biodiversity Bonus, Rain Garden, Pollinator Gardens

These should not be mandatory requirements but instead optional features for customers to consider. Because these features increase water savings, customers should be incentivized with higher rebate amounts.

3. **Offer Contractor Direct Incentives**

In addition, SCV Water should consider incentivizing contractors for promoting and participating in LRP. Contractors have a direct link to customers and can help them through project completion. Contractors could be directly paid the per square foot incentive thus minimizing customer out-of-pocket expenses and payment delays.

Provide Customers with Knowledge & Resources

Customers said it loud and clear, they need help. A significant percentage of surveyed customers want help with the design and implementation portions of their lawn replacement project. The assessment of other water agency programs found that the most effective programs provide personalized support and resources. The trick is to provide effective support without driving up program costs.

1. **Create and Launch New Program Website**

A critical component of the Program is development of a customer-focused microsite. SCV Water's site should be multi-functional and aid the customer throughout the entire program. With some specific message versioning and easily navigated sub-sections, the site can also function as a useful information hub for landscape industry participants. To be successful, the microsite should meet three main objectives:

- Make it easy for the customer
- Provide resources and access to support for all stakeholders
- Minimize the program fallout rate

The Program microsite should inform the customer about LRP and available incentives. It should guide them through the process in a clear and simple manner, providing help along the way, when needed.

Features of the Program microsite should include the following components:

- Customer-easy fillable forms & applications with help prompts
- Simple graphical instructions & demonstrations
- Links to outdoor efficiency and lawn replacement resources
- Inspirational landscape design templates and style guides
- Aspirational stories from local homeowners and commercial customers who have completed their new landscape renovations
- Individual how-to videos for irrigation and landscape projects
- Information about workshops and classes, news & recognition updates and other resources
- Access to help via chat function, emails, and telephone

2. **Provide Design Assistance**

It also recommended that SCV Customers want and need design support. Without it they'll make errors in the design of their irrigation equipment; create run off; place plants in incorrect locations and more. Design can become a sticking point for customers, and they drop out of the program. SCV Water should consider:

- Recruiting additional designers.
- Paying an increased incentive for professional design services (above current \$150).
- Creating templates to be used as semi-custom designs with photos and clear labeling.
- Supplying templates that include: plant list with type and size, irrigation plan and materials list, as well as links on where to purchase plants and materials.



Better Partner with Supply Chain to Increase Awareness and Activity

When designing a program, a great deal of attention is given to developing customer processes while the supply chain receives little focus. The supply chain helps customers to meet their needs through product fulfillment and provision of support services.

Lawn replacement programs rely on the following supply chain actors and services:

Knowledgeable & well-stocked nurseries – Maintain inventory and promote the native and climate appropriate plants, shrubs, and trees. Staff should be able to provide guidance to customers on plant selection, planting, and maintenance.

Landscape designers – Customers state the need for qualified designers, at a reasonable price, to provide semi/full custom landscape design in alignment with the program.

Landscape Contractors – Lawn replacement projects require a specific knowledge base and numerous labor hours. About half the surveyed customers expressed that they need help to complete the required lawn replacement project steps.

The following are recommendations for improved supply chain management for SCV Water's Lawn Replacement Program:

1. **Help Nurseries to Promote Native and Climate Appropriate Plants and Educate Customer About Programs**

SCV Water needs to establish a connection with local nurseries by providing training, signage, and possibly promotion or other incentives for high-performing nurseries.

2. **Designers**

When surveyed 35% of customers stated that they needed help with design services. As stated previously, it is recommended that SCV Water recruit additional designers to support customer needs and provide design services that deliver higher quality projects.

Additionally, provide an increased incentive for professional design services (above current \$150).

3. **Integrate Landscape Contractors into LRP**

Utilize contractors for water efficiency and lawn replacement services and to actively sell program directly to customers.

It is recommended that SCV Water:

- Implement a training and certification program such the Qualified Water Efficient Landscape (QWEL) and invest in recruiting contractors.
- Publish and share a list of qualified contractors.
- Work directly with active contractors, assisting them in the selling process. Provide resources to help them sell and conduct return on investment calculations.
- Create a user-friendly ROI calculator.
- Offer an incentive structure that allows for direct payment to contractors or a split contractor/customer payment.
- Provide marketing tools including car/truck signage, business cards, cobranded flyers and postcards.

Next Steps

As stated, Phase 3 of the LRP Assessment will be the testing of newly created program designs and outreach methods. To support these tasks, MEA developed a logic model tool that identifies the resources, such as the processes, tools, technologies, and actions, that are a critical part of program implementation. These resources and associated activities drive the outcomes or specific changes in program participants' behavior, knowledge, and skills.

Below are the intended outcomes from SCV Water's LRP implementation activities:

1. Increased customer awareness of the Lawn Replacement Program.
2. Increased customer engagement in LRP resources.
3. Increased customer and supply chain participation in LRP.
4. Customers feel comfortable creating a design for their landscape or have the necessary professional designer support.
5. Customers can easily find native and climate appropriate plants.
6. Customers understand irrigation requirements including plant needs, soil types, and microclimates
7. Customers and contractors create high quality projects and:
 - Properly remove existing lawns
 - Install climate appropriate or native plants
 - Properly group plants with similar irrigation needs
 - Utilize mulch
 - Utilize point source irrigation
 - Properly schedule irrigation
 - Achieve healthy soil
 - Retain water on site
8. Contractors are trained to install high quality projects including appropriate plants and irrigation.
9. Contractors are regularly selling lawn replacement projects as part of their base business.
10. Customers perceive program processes as friendly and manageable.
11. Customers receive their rebate checks in a timely manner.
12. Customers and contractors feel appreciated for their work.
13. Customers and contractors share success stories.
14. Increased word of mouth about LRP.
15. High volume of completed, high quality lawn replacement projects.

The impacts, or long-term changes, are the downstream result of these activities and associated outputs. The impacts expected for Santa Clarita Valley Water Agency territory are that:

- **Customers prefer climate appropriate and native landscapes.**
- **Landscape efficiency market is driven without incentives.**
- **SCV Water provides enhanced service to customers.**
- **Customers use water efficiently.**
- **SCV Water meets State legislative requirements.**



Lawn Replacement Program Current Situation, Recommendation, Outcomes and Impacts

Current Situation	Recommendations	Outcomes	Impacts
<ul style="list-style-type: none"> • Activity in SCV Water's Lawn Replacement Program has dropped dramatically post drought. • Program outreach is minimal and not targeted at optimal customers. • LRP process can be complicated for customers. • SCV provides limited customer support and resources. • Supply chain is not active in LRP. • Customers desire beauty and usable outdoor spaces. 	<p>Rebrand Program to Emphasize Landscape Utility & Quality</p> <ul style="list-style-type: none"> • Rebrand LRP and Change Theme to Beauty and Landscape as a Living Space • Target Customers and Create Personalized Outreach • Continually Engage with the Customer • Social Proof through Demonstration Gardens, Garden Tours, and Customer Testimonials <p>Pg 36</p> <p>Enhance Rebates to Better Motivate Customers and Landscape Contractors</p> <ul style="list-style-type: none"> • Increase Base Level Incentive • Provide Bonus Incentives for Additional Features • Offer Contractor Direct Incentives <p>Pg 37</p>	<ol style="list-style-type: none"> 1. Increased customer awareness and engagement in the Lawn Replacement Program and resources. 2. Increased supply chain participation in LRP. 3. Customers feel comfortable creating a design for their landscape or have the necessary professional designer support. 4. Customers can easily find native and climate appropriate plants. 5. Customer understand irrigation requirements including plant needs, soil types, and microclimates. 6. Customers and contractors create high quality projects and retain water on site. 	<ul style="list-style-type: none"> ✓ Customers prefer climate appropriate and native landscapes. ✓ Landscape efficiency market is driven without incentives. ✓ SCV Water provides enhanced customer service. ✓ Customer use water efficiently. ✓ SCV Water meets State legislative requirements.

Current Situation	Recommendations	Outcomes	Impacts
<p>Best-in-Class Program Findings pgs 13 – 20</p> <p>Customer Survey Findings pgs 23 – 30</p> <p>Nursery Interview Findings pgs 31 – 33</p> <p>Contractor Interview Findings pgs 33 - 34</p>	<p>Provide Customers with Knowledge & Resources</p> <ul style="list-style-type: none"> • Create and Launch New Program Website • Provide Enhanced Design Assistance <p>Pg 38-39</p> <p>Better Partner with Supply Chain to Increase Awareness and Activity</p> <ul style="list-style-type: none"> • Help Nurseries to Promote Native and Climate Appropriate Plants and Educate Customer About Programs • Recruit Additional Designers and Increase Incentive • Integrate Landscape Contractors into LRP <p>Pg 40</p>	<ol style="list-style-type: none"> Contractors are trained to install high quality projects including appropriate plants and irrigation. Contractors are regularly selling lawn replacement projects as part of their base business. Customers perceive program processes as friendly and manageable. Customers receive their rebate checks in a timely manner. Customers and contractors share success stories. Increased word of mouth about LRP. High volume of completed, high quality lawn replacement projects. 	

Appendices

1. Assessment of the SCV Water Landscape Replacement Program
2. LRP Program Evaluation Logic Model



Appendix 1

Assessment of the Santa Clarita Valley Water Landscape Replacement Program

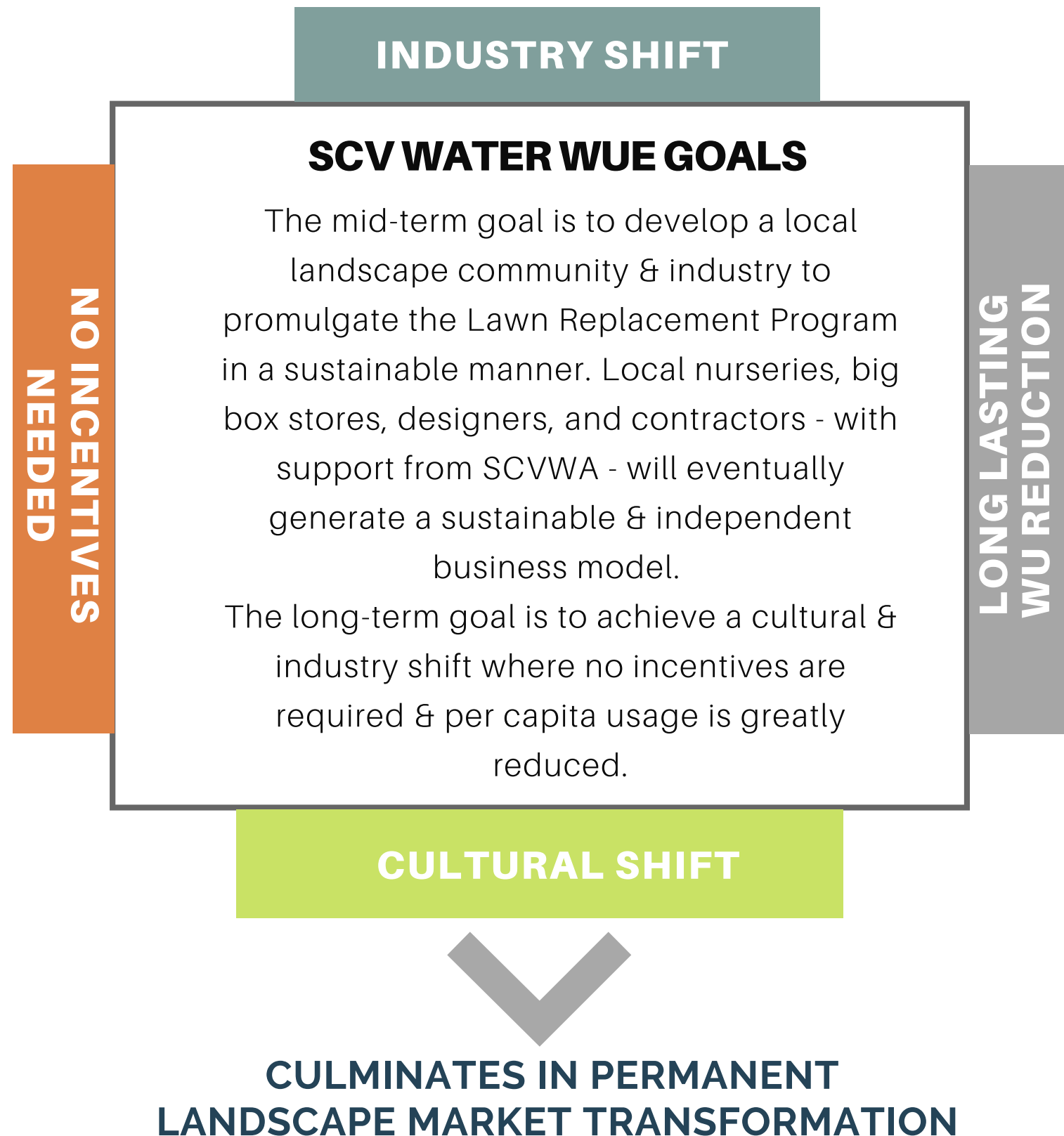


**MAUREEN ERBEZNIK &
ASSOCIATES**

LOS ANGELES, CALIFORNIA

AUGUST 27, 2020

SANTA CLARITA VALLEY WATER AGENCY GOALS



.....

In 2013/2014 Castaic Lake Water Agency developed the Lawn Replacement Program (LRP). The LRP, offers customers \$2.00 per square foot to convert high water using turf to low water use plants and efficient irrigation.

LRP activity was high during the 2013-2016 drought emergency. The drought, coupled with intense news coverage, compelled customers to participate in water efficiency programs, including LRP.

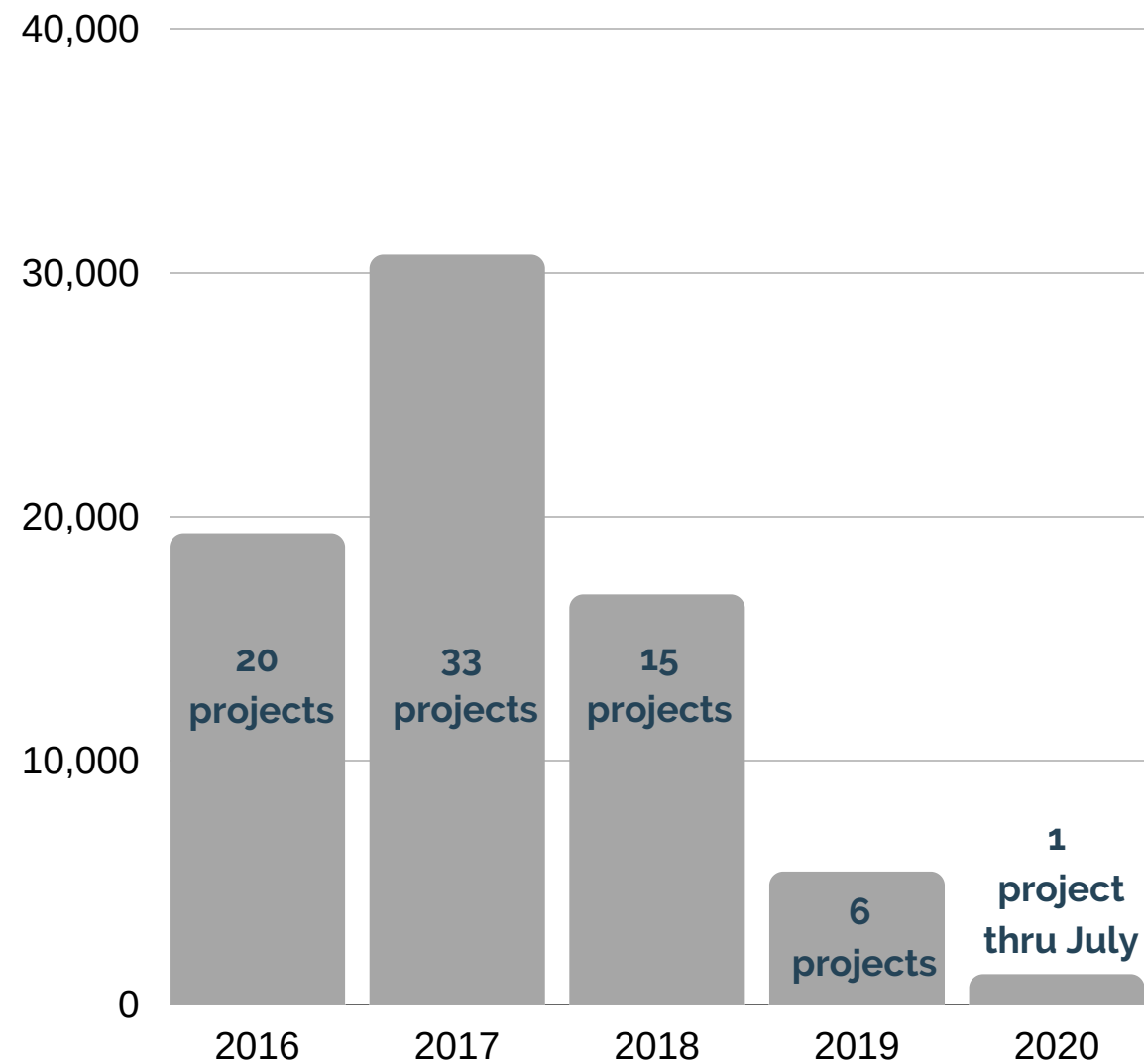
However, since the drought ended, activity for the Landscape Replacement Program has fallen dramatically. In 2017, over 30,000 square feet of turf was replaced. In 2019, the program processed incentives for only 5,391 square feet.

SCV Water is preparing to make program adjustments and modifications in order to boost customer response, better engage the supply chain, and gradually achieve a permanent landscape efficiency market transformation.

SCV Water has engaged the services of Maureen Erbeznik & Associates (MEA) to conduct, and report on, a multi-phase assessment of the current LRP.



SCVWA Landscape Replacement Program Annual Activity



From 2016 through July of 2020 a total of 1,860 applicants started the application process for LRP. Of this number, many of these people may have been seeking information and not customers who were actively interested in replacing their lawn. Regardless, they are strong leads and potential survey respondents to test the new program design.

Of the 1,860 applicants 111 customers submitted full applications and 75 projects were completed; representing 44,967 SQ FT.

This equates to a 4% completion rate.

Of the 75 projects completed, 90% of them were completed in the first 3 years, 2016-2018; a timeframe with momentum from the drought, which did not officially end until March 2019.

Since 2017, the industry as a whole, has experienced a sharp drop in program participation. However, SCV Water's decline in customer response was higher than most, with only 1 project completed through July 2020. Covid-19 most likely impacted agencies' activity starting in March 2020, but most saw depressed numbers for March and April, only, and are now back up to 2019 levels.



Program Incentive

- **\$2.00 per square foot**
- **Additional \$0.50 per square foot for spray to drip conversion**
- **\$150 rebate for 2 hour design consultation**

Resources

- **Plant and DIY guides**
- **Online garden tour with images of Santa Clarita landscape transformation projects**
- **Sample designs**

SCVWA Landscape Replacement Program (continued) Program Process

Currently, SCV Water's process is complicated for the customer and lengthy, as well. They must read a long program overview (paragraphs of text) before going through account verification. After the customer's account is verified, they must next answer an extensive number of survey questions to assess their understanding of lawn replacement projects and program requirements.

Once the customer passes the assessment, they next upload photos, followed by their new landscape plan, plant list, and permeable materials list. Customers can then submit the application, print and sign the T&Cs, and mail the signed form to SCV.

SCV Water staff then reviews the application and, if it meets all requirements, a pre-inspection is scheduled. If the customer passes the pre-inspection, they are given a notice to proceed.

SCV Water is in the process of upgrading the LRP software and the new system should streamline much of the process. At this time, SCV is awaiting a demonstration of the new system.

SCVWA Landscape Replacement Program (continued)

Marketing



Currently, SCV Water is not actively marketing the program. Being that the agency is just outside of the LA market, there is spillover media and messaging that can result in SCV customer inquiries or applications.

In 2019 SCV Water hired The Behaviorist to conduct a messaging analysis "using behavioral insights to promote water conservation in Santa Clarita Valley". The analysis tested different types of social norming messages, however nothing moved the response upwards.

There is a SCV Water demonstration garden but it is in a location that is difficult for customers to access. At this time, multiple new demonstration gardens are being installed around the community. These are in higher traffic; higher visibility areas.

IMPROVE YOUR LANDSCAPE!

RECEIVE A REBATE UP TO \$5,000*

DON'T LOSE YOUR CHANCE
to get a \$5,000 rebate for lawn improvement with colorful, water-saving plants

JOIN YOUR NEIGHBORS CONSERVE WATER AND HELP THE ENVIRONMENT

Receive a rebate of up to \$5,000* for removing grass.
And save up to 15% on your water bills with a beautiful yard.

UNFORTUNATELY, YOU ARE AMONG THE HIGHEST 25% OF WATER USERS IN YOUR COMMUNITY!

Receive a rebate of up to \$5,000* for removing grass.
And save up to 15% on your water bills with a beautiful yard.

ACT NOW.

BASIC PROGRAM FACTS AND ELIGIBILITY REQUIREMENTS

- 250 – 2,500 square feet of yard
- \$2.00 per square foot
- Pre and post-inspections required
- Front yards eligible
- Artificial turf areas not funded
- Drip, bubbler or point irrigation allowed**

Application required. Restrictions apply. For details, visit conservation.chwa.org.

* Rebate based on eligible project size.
** Additional retailer rebates may apply.

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Please apply online by November 30, 2017 or you could lose this opportunity to make a difference to your yard, your bills and the environment.

For details, visit www.conservation.chwa.org | conservation@chwa.org

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Project Approach - Task 1

Phase One

Research lawn replacement programs currently operating within the western U.S., identify the best-in-class programs.

Phase Two

Review each programs design, including incentive levels, customer requirements, processes and procedures, program/project services and support, supply chain involvement, marketing, and additional customer resources. Ascertain each program's positive features, areas of opportunity, and overall effectiveness in goal attainment.

Phase Three

Utilizing gained knowledge, critically compare and contrast design elements against the SCV Water Landscape Replacement Program. Make recommendations for elevating program performance and document findings.

The MEA team examined a number of programs and selected the following ten water agency programs:

- 1. Albuquerque Bernalillo County Water Utility Authority**
- 2. Bay Area Water Supply & Conservation Agency**
- 3. Desert Water Agency**
- 4. Long Beach Water Department**
- 5. Metropolitan Water District**
- 6. Moulton Niguel Water District**
- 7. Municipal Water District of Orange County**
- 8. San Diego County Water Authority**
- 9. Santa Margarita Water District**
- 10. Southern Nevada Water Authority**

BEAUTY & OUTDOOR LIVING SPACE

Customers want landscaping with colorful plants, shrubs, and trees that create an eye-pleasing design with a high rate of survivability. Each customer has a different vision of what comprises beauty.

USABLE OUTDOOR LIVING SPACE

They want to have functional outdoor areas. This might include a space for their children and dog to play...outdoor seating...a fire pit...or perhaps a veggie garden.

**What Do Today's
Program Customers
Want?
(Hint: It's not really about
the water savings)**

PERSONALIZED SERVICE

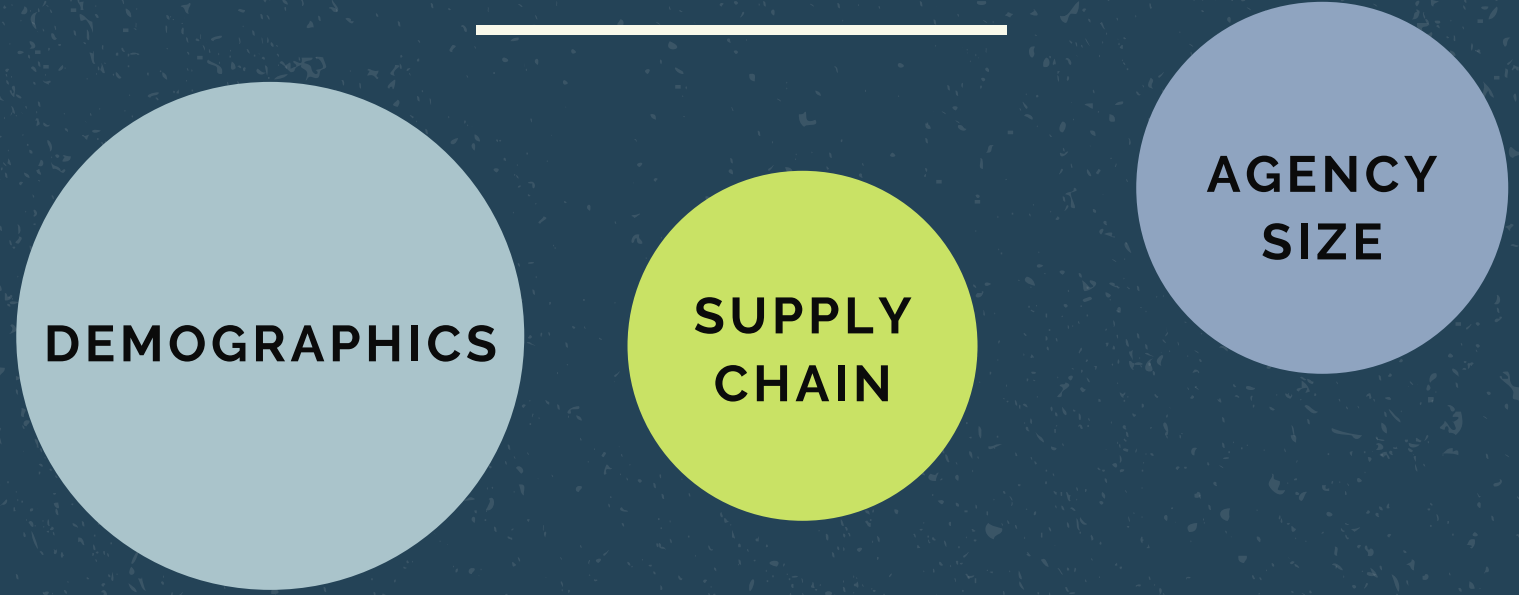
Today's customers expect service that is tailored to their individual needs, that offers immediate help, and is available via their preferred communication channels. Most of all, they want to be valued and heard. As program requirements are added, customers need even more support and encouragement to navigate program complexities.

QUALITY SUPPLY CHAIN SUPPORT

Supply chain partners provide important products and services to LRP customers. They play a key role with design help, plant selection, and as well as turf removal and new landscape installation..



We know that every water agency has its own drivers & considerations that impact a program's design.



There is no one-size-fits-all program...continual improvement is critical

Agencies struggle to find equilibrium between incentive levels, services, and requirement stringency. Several factors have to be weighed and there is no one-size-fits-all answer.

Every agency territory is unique -- climate profiles, customer environmental attitudes, water supply and dry weather runoff issues, and more. These are just a few characteristics that affect the design of a program and the level of incentives and services provided.

It is evident that programs must evolve and advance over time. **Water agencies that are constantly learning and upgrading their program are the most successful.**

In the course of the research process, it was clear that particular program design elements contribute significantly to the positive results of customer projects and the overall program.

PROGRAM SUCCESS FACTORS

1. **Balance requirements** in order to deliver high quality projects without creating burdensome project execution, therefore maintaining healthy customer activity levels.
2. **Provide personalized service and support** to navigate customers through the complex lawn replacement process.
3. **Integrate supply chain** partners to leverage their customer connection and ensure quality outcomes.
4. **Target market** high probability customers with the right messaging through their preferred communication channels.
5. **Make the process easy** with ready access to resources; resulting in higher customer response and project completion rates.
6. **Offer choices**, don't rigidly dictate plants/requirements as this limits customer participation.
7. **Motivate by incentivizing** the right activities and the right people including customers, nurseries, designers and contractors.

Program Success Factors
The more customer-friendly elements an agency incorporates into their program, the higher the program response.



BALANCE REQUIREMENTS...

THE ASSESSMENT MADE APPARENT THAT:

High-requirement projects deliver higher quality results

Projects that require more **Best Practices** elements have:

- Better quality designs...
- That last longer...
- Supply higher water savings, &...
- Provide additional sustainability

Increased requirements = more customer rules

Without adequate support, customers will choose to not participate or will abandon the project along the way.

Therefore...

The most effective programs, and all of the programs evaluated, have **high-requirements** and the ones that provide **personalized support and resources** to help customers through all of those requirements are the most successful.

Added benefit of a high-requirement & balanced program

Comprehensive, well designed, & well executed programs result in word-of-mouth advertising and heightened response rate.



BALANCE REQUIREMENTS...

Top Customer Issues:

There are four major program components in which customers struggle:

- Implementing sustainability features
- Selection of appropriate plants
- Calculating proper plant coverage
- Developing a suitable irrigation plan

CONSIDERATIONS FOR SCV WATER:

- ✓ Be prepared to add staff for administration and customer support as additional requirements are built into the program.
- ✓ Heavily focus on the top customers issues.
- ✓ Pay more for select requirements that add to project effectiveness.
- ✓ Provide educational resources and tools:
 - Easy-to-use plant coverage calculator
 - Videos of the step-by-step lawn replacement process
 - Customer-to-customer videos explaining how they implemented their project
 - Links to nurseries carrying climate appropriate plants
 - Qualified designer and contractor lists/links
 - Landscape coaching for DIYers
 - Blog where customers can share experiences, recommendations and ideas (that SCV Water cannot personally endorse)



Potential Lawn Replacement Requirements

Assessed agency programs require most of the following Best Practices:

1

Proper Lawn Removal

Herbicide, Physical,
Sheet Composting,
Solarization

2

Appropriate Plants

Per Climate Zone OR
Natives

3

Minimum Plant Area

Mature Plants Cover
Minimum Area

4

Proper Plant Location

Plants with Similar
Needs Grouped &
Irrigated Together

5

Mulch Utilization

Soil Between Plants
Covered With Mulch

6

Point Source Irrigation

Drip, Bubblers, Hand
Watering, or No
Supplemental Water

7

Proper Scheduling

Seasonally, Plant
Species, Soil Type, &
Microclimate

8

Healthy Soil

Using Amendments &
Fertilizer

9

Native Plants

Utilize Only Natives

10

Water Retention Feature

Rain Gardens, Swales, Dry
River Bed, Rain Barrels, Berms,
Grades, Downspout Diversion

SUSTAINABILITY
FEATURE

SUSTAINABILITY
FEATURE

SUSTAINABILITY FEATURE

PROVIDE PERSONALIZED SERVICE



THE MOST EFFECTIVE PROGRAMS PROVIDE PERSONALIZED CUSTOMER SUPPORT THROUGHOUT:

Landscape market transformation is a complex process and difficult for customers

On account of this it is necessary to fully comprehend the incremental steps, emotional drivers, and individual pathways that influence a customer's decision to give up all, or part, of their lawn and transform their yard.

Successful programs create a customer-focused continuum of customer engagement

The barriers to completion of lawn replacement projects have, for many years, been understood but under-addressed. Traditional single device programs set rules and regulations and customers work through them on their own. Lawn replacement, on the other hand, requires the customer to navigate through a mountain of requirements. Customers often find themselves feeling confused and on their own. There are multiple project "drop out points" that require continual customer engagement to help them through the lawn replacement labyrinth -- from the first step, through to completion.

Agency staff makes a personal connection with the program participant at Step One

There are a number of differing program formats and therefore ways to initially engage with customers. Regardless, agencies have seen the value in establishing an early connection and giving the customer a contact person when help is needed. The more personal support given along the way; the less the chance of the customer reaching an insurmountable obstacle and dropping out before project completion. A secondary benefit of personalized service is the long-term establishment of a deeper connection and stronger relationship between customer and agency.

PROVIDE PERSONALIZED SERVICE (CONTINUED)



EXAMPLES OF ENHANCED AGENCY CUSTOMER ENGAGEMENT:

As said, the initial contact sets a positive tone for the long-term program/customer relationship and there are a number of ways to accomplish this.

San Diego County Water Authority (SDCWA) makes a face-to-face connection through their in-person classes. SDCWA also provides extensive education about the program process and requirements up front, so customers are more likely to have realistic expectations, less frustration, and a more successful project.

Municipal Water District of Orange County (MWDOC) conducts an up-front survey where they ask the customer how they desire to use their yard.

Albuquerque Bernalillo County Water Utility Authority has aligned their staff roles and titles to create a stronger and more accessible relationship with each customer. They renamed positions to sound less authoritarian and more consultative. Positions are now Xeriscape Advisors, Irrigation Specialists, Water Conservation Educators. Additionally, the initial inspection has been renamed as a consultation.

Moulton Niguel Water District (MNWD) utilized an HOA specialist in a pilot focusing on three HOAs. The contractor worked with the HOA landscapes committees, Boards and the landscape contractors to assess the site meter-by-meter, determine and prioritize the projects, conduct financial analysis and ultimately develop an implementation plan. All three of the HOAs ended up implementing the recommendations.

Additionally, MNWD follows up with customer participants 6 months after project completion. This has helped customers to discuss and remedy plant or equipment issues that they may be experiencing (i.e. overwatering natives).

PROVIDE PERSONALIZED SERVICE

(CONTINUED)



CONSIDERATIONS FOR SCV WATER:

- ✓ Focus on building personal relationships with customers & irrigation/landscape industry by interweaving personalization and support into every step.
- ✓ Create instructional videos using SCV Water staff so customers have a means to develop a rapport and program support link to Chavon, Julie, and Janet. Videos will establish staff as experts and key customer support resources.
- ✓ Modify SCV Water program staff titles to create better positioning as customer collaborators.
- ✓ Initiate a customer project survey to engage customers and gain an understanding about how they plan to use their redesigned yard.
- ✓ If possible, connect in person (or through live chat, via Facetime, or online meeting platform to establish the connection.
- ✓ Provide easy access to help services – a “live” customer support person, video tutorials, and links to other resources (nurseries, designers, contractors plant lists, design templates, other assistance).
- ✓ SCV Water has sufficient staffing for present program design but agency should consider the addition of an HOA consultant/specialist and a landscape/irrigation coach.

TARGET MARKET



Agencies often underestimate the importance of target marketing

Lawn replacement programs are costly and clearly not for every customer. As such, it's essential that agencies use marketing dollars in a highly effective manner. A well-constructed and targeted marketing strategy will sift through customers that are a mismatch for the program and zero in on optimal potentials. When done well, the ROI on marketing dollars will dramatically increase over traditional strategies.

Dedicate the Budget

The general rule of thumb about marketing dollars is to spend 5% of budget if you want to maintain your current situation and 10% if you're looking for growth or response gain. Since turf replacement is currently a market that is fraught with customer barriers, it will take a monetary investment to build a marketing infrastructure that secures customer participation and, overtime, builds momentum for market transformation.

Learn about Communities and Customer Groups

To elevate response, it's essential to utilize data to learn about the various communities and individuals within an agency's service area. This is accomplished through analysis of demographics, high and low areas of program participation, public databases, and a number of other sources.

TARGET MARKET

(CONTINUED)



Gain understanding of Individual customers

Utilize data experts to profile customers and use analytics to find "look-a-likes" and/or predict those with the highest potential for participation. For this level of detail, the customer analysis process will need to utilize datasets that include niche interests, behavioral patterns, and more.

Micro-Target and Create Personalized Outreach

Micro-targeting creates unique segments and profiles of the District's customers. Personalized outreach and communication uses the insights gained through micro-targeting to better speak to the customer in a way that is meaningful to them. It's precise one-to-one marketing, making a customer feel that you are speaking directly to them, and addressing their unique needs.

Continually Engage with Customer

Marketing is an ongoing process that needs to be multi-faceted and continually updated and repeated. No one medium is as effective as a carefully planned program that reaches each target audience in more than one channel. A multi-channel approach maximizes effectiveness by creating a proliferation of perceived impressions.

Social Proof

People believe other people over a business or organization. Testimonials and case studies create credibility and peer-to-peer endorsement for the program. Agencies use garden tours for similar reasons. Customers with showcased properties are present during the garden tour and can answer attendees questions and provide motivation to participate. Program response is shown to increase after each garden tour.

TARGET MARKET

(CONTINUED)



Examples of Agency Marketing Approaches:

Southern Nevada Water Agency (SNWA) dedicates 10% of their 12M budget to outreach. They utilize aerial imagery to identify large landscape properties and send direct mail.

Albuquerque conducts outreach to larger residential properties, multi-family, and HOAs with a significant amount of turf.

In actuality, no water agency is utilizing micro-targeting tactics that employ big data and analytics.

CONSIDERATIONS FOR SCV WATER:

- ✓ Target large landscape properties, sites that overwater, and customers most likely to participate in a lawn replacement program. Data and analytics are the core to a highly successful marketing strategy. SCV Water has the opportunity to become the industry's marketing innovator by investing in data science, analysis, and predictive analytics.
- ✓ Commit to the monetary investment required to create marketing infrastructure by allocating 10% of the LRP budget to marketing.
- ✓ Hire a marketing firm specializing in securing response in complicated and barrier-ridden markets.
- ✓ Company must have strong expertise in digital and social media marketing.
- ✓ Incorporate social proof into all marketing initiatives:
 - Facebook animated slideshow and carousel ads and Instagram stories showing the before and after benefit of turf replacement
 - Pinterest pictures and design ideas for customers
 - Emails and postcards with testimonials with positive customer program experiences
 - Professional looking signage for customer properties
 - Garden tours

Weak Links in the Supply Chain Undermine Success

With so much focus on program process and customer support, the importance of the supply chain is often overlooked. There are weaknesses in today's landscape transformation supply chain and the deficiencies impact program performance and the quality of customer projects.

In the days of active toilet and clothes washer programs, the manufacturers and distributors worked collaboratively with water industry professionals. Together, manufacturing issues were identified and fixed, product standards were created, joint promotional campaigns were conducted and contractors built business around selling efficiency product installations. The collaborative team worked to achieve a market transformation for both products.

The landscape transformation supply chain needs to be invigorated and better connected with the water efficiency industry that it supports. Generally speaking, plant availability at 'Big Box' stores and nurseries is often sub-par, with few climate appropriate or native inventory; frustrating customers and negatively impacting landscape conversion projects.

It is often difficult and expensive to find a landscape designer to help with layout, irrigation system design, plant selections, and sustainable features.

Additionally, for many contractors there's presently no business case motivating them to service the landscape transformation market.

INTEGRATE THE SUPPLY CHAIN



The supply chain for turf removal programs requires:

Knowledgeable & well-stocked nurseries – Must inventory and promote the program-supported plants, shrubs, and trees. Staff needs to provide guidance to customers on plant selection, planting, and maintenance.

Landscape designers – There needs to be qualified designers readily available for hire (at a reasonable price) to provide semi/full custom landscape design in alignment with the program.

Contractors – Around half of customer participants want to use the services of a contractor. SNWA and Albuquerque heavily utilize contractors, with much success. They train and certify the contractors, publish contractor list, and incorporate contractors into the selling component of the program.

INTEGRATE THE SUPPLY CHAIN (CONTINUED)



PLANT SALES

AVAILABILITY IS AN ISSUE

The availability of native and low water use plants is limited and most nurseries and home improvement stores do not showcase and promote these plants.

There are six nurseries in the SCV Water territory with three (Green Landscape, Green Thumb and Maclay Ranch nurseries) being centrally located. In addition, there are 8 nurseries in the north portion of San Fernando Valley that may be frequented by SCV customers. Specifically, the Theodore Payne Foundation, a nursery specializing in native plants is located in Sun Valley.

Waterwise Inc. conducted calls and visited each of these stores with an attempt to ascertain which low water use plants the nurseries sell and if they are open to carrying these plants and partnering with SCV Water on promotions.

Waterwise was able to speak with ISI Landscapes and Green Landscape Nurseries. ISI carries a significant portion of the plants listed in the survey and were extremely interested in working with SCV Water. Theodore Payne carries all the plants and welcomes opportunities to partner. The Theodore Payne nursery is currently closed to in-person sales, however their entire inventory is available online.



PLANT SALES (CONTINUED)



Examples of Improved Plant Availability and Labeling

Moulton Niguel Water District created CalScape last year with Metropolitan Water District and the California Native Plant Society. The objective is to increase the availability of native plants into California nurseries. MNWD launched the pilot with several Orange County water agencies and Long Beach Water Department, specifically targeting Southern California nurseries. The pilot also aims to educate customers about natives because most customers think all drought tolerant plants are natives. Through the pilot, the nursery staff watch an educational video and is then the nursery is put on a list of participating nurseries, Nurseries are given free marketing materials co-branded with native plant stickers. The end goal is to build the brand. Promotional materials include: banners, stand signs, and stickers. MNWD is now developing relationships with corporate nurseries (Home Depot, Armstrong, etc.)..

They are also developing a pilot professional online training for natives with East Bay MUD and Desert Water Agency. Additionally, they are working with the Plant California Alliance, a trade association of growers and nurseries, to offer native plant education as continued education credit.

CONSIDERATION FOR SCV:

- ✓ SCV should consider assigning one staff person to act as the nursery liaison.
- ✓ Engage local nurseries and provide promotion materials.
- ✓ Become a participant in CalScape.

DESIGN SUPPORT IS CRITICAL TO PROJECT QUALITY

Customers want and need design support. Without it, they'll make errors in the design of their irrigation equipment; create run off; place plants in incorrect locations and more. Design can become a sticking point for customers and they drop out of the program.

Design support varies from agency to agency with some offering free professional designs others providing an additional incentive while others providing templates.

Below are examples of agencies' design support formats:

Albuquerque Bernalillo County Water Utility Authority

Bay Area Water Supply & Conservation Agency

Desert Water Agency

Long Beach Water Department

Metropolitan Water District

Moulton Niguel Water District

Municipal Water District of Orange County

San Diego County Water Authority

Santa Margarita Water District

Southern Nevada Water Authority

Design support resources

Considering design incentive

\$500 incentive

\$0.50/sf incentive

Considering design incentives

Free design

Free design

Through 4-series class

Free design

Design support resource

DESIGN HELP



DESIGN HELP

(CONTINUED)

CONSIDERATIONS FOR SCV:

- ✓ Recruit and qualify additional designers.
- ✓ Pay an increased incentive for professional design services (above current \$150).
- ✓ Create templates to be used as semi-custom designs with photos and clear labeling.
- ✓ Supply templates that include: plant list with type and size, irrigation plan and materials list, as well as links on where to purchase plants and materials.



CONTRACTORS DELIVER RESULTS:

Landscape transformation requires a specific knowledge base that requires numerous labor hours. Many customers expressed that they need help to complete the required program steps. For most programs, approximately 50% of customer do the projects themselves and the other half hire a contractor.

Contractor support is critical to scale program activity, but not as the situation currently exists. The standard 1,000 square foot jobs are too small for contractors to consider. There's presently no business case motivating contractors to service this market. With the low customer response to landscape transformation it's unlikely that contractors will see an opportunity due to the small profit margins.

There are small contractor businesses and gardeners out there, but due to the required knowledge level for landscape transformation, these contractors don't possess the depth of knowledge to properly complete the job.

A direct installation program would remedy the customers' concerns about their own ability to execute design and implementation, however it's extremely expensive. MNWD implements a turn-key program that provides design, turf removal, new landscape and installation through one contractor and the total costs is subsidized.

CONTRACTOR SUPPORT & REWARDS



CONSIDERATIONS FOR SCV WATER:

- ✓ SCV Water should consider implementing a certification program such the Qualified Water Efficient Landscape (QWEL) and invest in recruiting contractors.
- ✓ Publish and share a list of qualified contractors.
- ✓ SCV Water staff should work directly with active contractors assisting them in the selling process including providing resources to help them sell and conduct return on investment calculations.
- ✓ Create a user-friendly ROI calculator.
- ✓ Offer incentive structure that allows for direct payment contractor or a split contractor/customer payment.
- ✓ Provide marketing tools including car/truck signage, business cards, cobranded flyers and postcards.

CONTRACTOR SUPPORT & REWARDS (CONTINUED)



Rebates perform two functions:

- 1) to overcome the financial barrier to program participation and
- 2) to advertise the program.

By appropriately selecting whom to incentivize in the supply chain, as well as the incentive amount and potential boosts, program activity can be greatly enhanced.

- \$2.00 per SQ FT is a trigger point for program activity
- \$3.00+ per SQ FT will increase activity

Offering a flat rate incentive is easier to administer, however providing boosted incentive dollars for added value features reduces the fall out from customers that don't choose to or find it difficult to implement these added features. Examples include:

- Native SCV plants
- Water retention and other sustainable gardens
- Firescaping
- Removing area close to hardscape, parkways, and on slope

CONSIDERATIONS FOR SCV:

- ✓ SCV should review incentive levels, boosts, and consider incentivizing the supply chain.
- ✓ Consider direct payment to the contractor - This limits the customer's out of pocket expense and motivates the contractor to work with the program.
- ✓ Pay increased incentive for design services .

INCENTIVE STRUCTURE



EASY PROCESS

Easy Process and Access to Resources

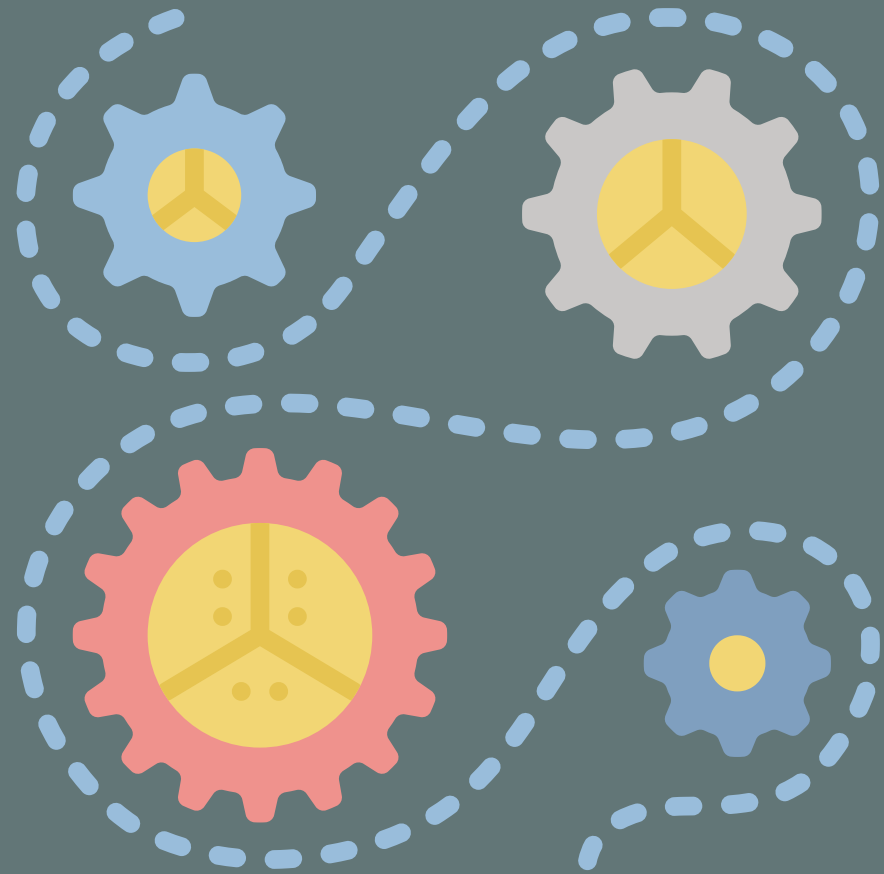
Customers want to know that they can get help when needed. Customer loyalty is the result of superior customer support. SCV can build loyalty by providing easy access to program staff or online resources when they have a question or need assistance. Landscape programs, in particular, need to provide support services along the way. SCV should reach out to customers when it seems that they might be abandoning a program. Assistance needs be an integral part of the program design, woven into every major step in the program flow.

Customer Appreciation

SCV values their customers and is there to serve them. It's important that SCV clearly communicate this message. When customers feel appreciated, they'll spread the efficiency message on the agency's behalf. Affirmative gestures and small tokens of appreciation go a long way to solidify and maintain a positive relationship.

Customers-as-Advocates

Customers-as-advocates is the ultimate result of a successful customer engagement strategy. When you focus on being more for your customers, you gradually build a strong connection and a positive community of supporters. These customers will become advocates for the program and thereby increasing participation. SCV can accomplish this by providing personalized services, an easy process, access to resources and help, and providing appreciation.



EASY PROCESS (CONTINUED)

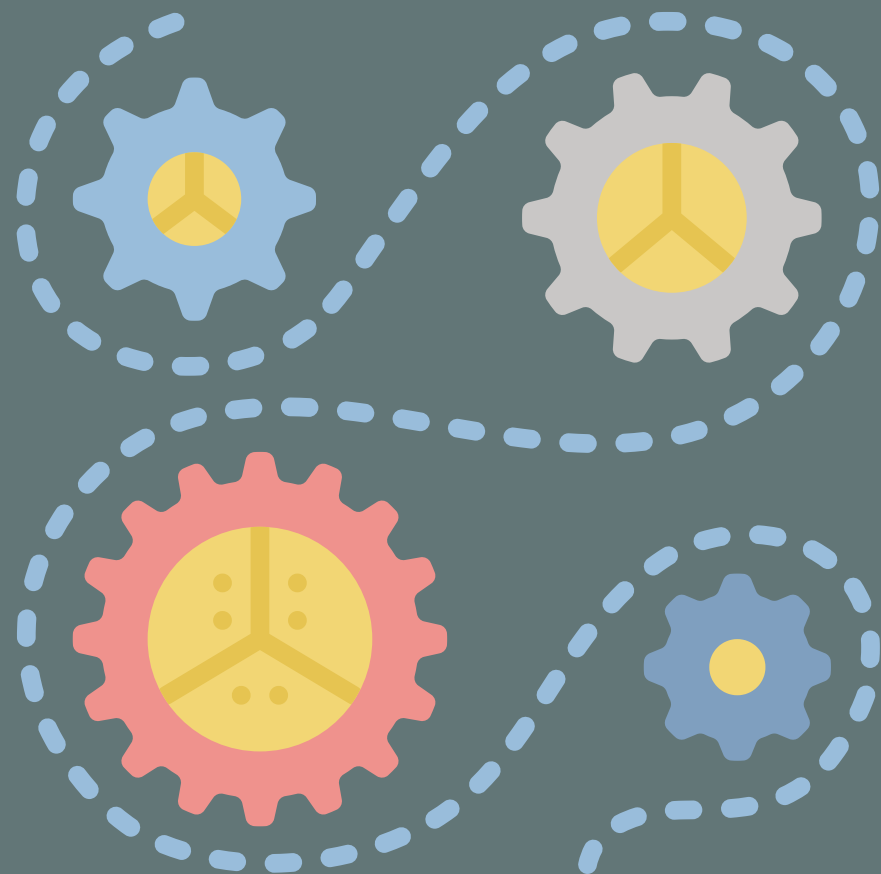
CONSIDERATIONS FOR SCV :

✓ **Create a program microsite**

- Support the customer journey
- Visual and video explainers
- Rich with resources
- Access to support personnel
- Story telling: inspirational and aspirational
- Easy forms with minimal upfront data requirements (i.e. collect square footage during pre-inspect)
- Continual and automated communication
- Survey customers (2-3 questions) as customer move through the process to identify potential difficulties they may have
- Provide links in email to online resources and educational videos .

✓ **Eliminate unnecessary requirements**

- Plant list - inform customers what's appropriate and inappropriate



SCV Program Assessment

Below is a ratings assessment of the critical components of lawn replacement programs for each of the ten evaluated programs as well as SCV's LRP. The ratings total show that the top performing programs are Southern Nevada Water Authority (SNWA), Moulton Niguel Water District (MNWD), Desert Water Agency (DWA) and Long Beach Water Department (LBWD). From these top performing programs, much can be learned and applied to SCV LRP redesign. Detailed program summaries are provided further in this document. It should be noted that two of these agencies, SNWA and DWA, are located in desert communities where water efficient landscape aesthetics are better accepted.

Success Factors 1-5 5 = high performance 1= low performance	SCV	ABCWUA	BAWSCA	DWA	LBWD	MWD	MNWD	MWDOC	SDCWA	SMWD	SNWA
	Ranking										
Balances requirements	3	3	3	4	4	4	4	4	4	4	4
Provides personalized customer support	2	4	2	3	4	1	4	2	3	2	3
Integrates supply chain	1	4	1	4	4	1	5	2	3	2	4
Targets high probability customers	1	3	1	3	3	1	3	1	2	1	4
Make the process easy	1	4	1	4	3	3	3	1	3	1	3
Offer choices	3	3	3	4	3	3	3	2	3	2	4
Motivates by incentivizing the right activities and the right people	2	3	2	3	4	2	4	2	2	2	4
Total	13	24	13	25	25	15	26	14	20	14	26

Overviews of Water Agency Lawn Replacement Programs

The following pages provide summaries of selected water agency lawn replacement programs. The MEA team examined a number of programs and selected the following ten water agency programs for in-depth review. Management from each agency was interviewed as well as a detailed assessment of program materials and websites.

1. Albuquerque Bernalillo County Water Utility Authority
2. Bay Area Water Supply & Conservation Agency
3. Desert Water Agency
4. Long Beach Water Department
5. Metropolitan Water District
6. Moulton Niguel Water District
7. Municipal Water District of Orange County
8. San Diego County Water Authority
9. Santa Margarita Water District
10. Southern Nevada Water Authority

The overviews contain highlights of each program including: design strategy, incentive levels, performance results, marketing methods, customer support, and supply chain involvement. Please note that the summaries vary from agency-to-agency due to program differences and available data at the time of the interviews.

Albuquerque Bernalillo County Water Utility Authority

Xeriscape Rebates

Res Rainwater Harvesting Rebates

CII Enhanced Rebates

INCENTIVE LEVEL

\$1.00 per SQ FT for Residential

\$1.50 per SQ FT for CII

\$2.00 per SQ FT for CII slopes & narrow areas

Additional \$0.50 per SQ FT for rainwater harvest plants

PERFORMANCE LEVEL

15 Million SQ FT replaced since 1998

Industry's longest standing program

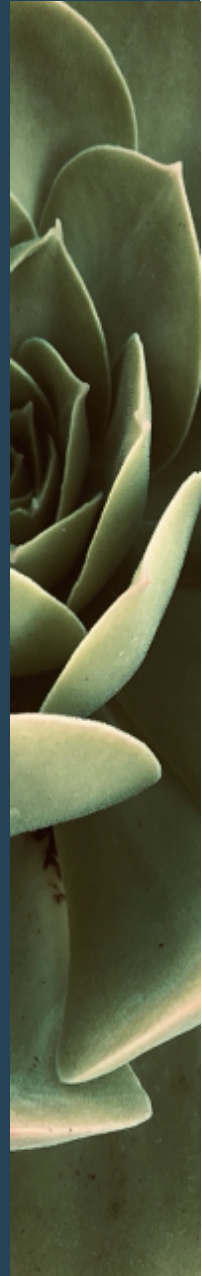
100+ sites per year

Mostly residential

Transitioning to large residential, multi-family, and commercial

Savings 36 GPY for residential, 150 GPY for CII

Profile



DESIGN

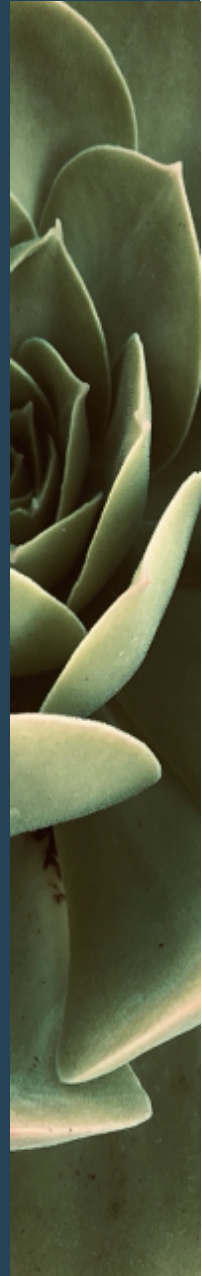
- Xeriscape rebate is Albuquerque's most important program.
- Working to maximize savings and achieve the right interaction with the customer.
- Program has been around since 1998 - started comprehensive tracking 2008.
- 15M SQ FT of turf has been removed - 86% residential properties.
- Small CII customer base, however they manage the majority of landscape area .
- Main focus is now multi-family and commercial.

PLANT PALETTE

- Projects originally mono-type landscapes, mostly residential DIY "gravel" yards.
- Later, brought in plant diversity & created a focus on beauty and health.
- Plant list has 260 types - now focusing more on top 20 trees and shrubs.

MARKETING

- Transitioning target market from all residential to large residential, multi-family, and commercial.
- Have seen increase in multi-family - 3 projects last year totaling 80,000+ SQ FT- showing substantial savings.
- Now partnering with golf courses - program will set funding aside for multiple years through an agreement, incentive paid at lower rate of \$1.00 per SQ FT,



CUSTOMER SUPPORT

- Call the pre-inspection a "consultation" to position ABCWUA as a customer advocate; not a punitive entity.
- Changed staff position names from Officers and Inspectors to Managers, Consultants, and Educators.
- Program approach is to consult with customer on how to choose plants and how to implement irrigation.
- ABCWUA also reviews professional designs and water budgets.
- Customers value the support - tell their neighbors - and then participation increases.

SUPPLY CHAIN

- Contractors play a key support role. Water Authority provides contractors with media kit, link on website, & ROI tool.
- Staff helps contractors with bids and generating ROI - ABCWUA will (with approval from the customer) share consumption data with contractor, and act as a third party between customer & contractor.
- Customers are urged to utilize contractors. ABCWUA is helping to spearhead contractor industry growth.
- ABCWUA worked closely with garden centers to make sure the right trees and shrubs were readily available; were what the garden center recommended; and would thrive in Albuquerque.
- Currently providing garden centers with program posters and marketing for the top 20 trees and shrubs - also provide promotional materials to contractors.
- Because it is known that ABCWUA "works with the industry", they are seen as a source of information.

Bottom Line

TARGET MARKET

ABCWUA targets customers with the ideal property size, location, and water savings potential. Focus on large residential, multi-family and commercial.

PERSONALIZE SUPPORT

ABCWUA provides personalized support and aligns staff titles and roles to provide specific, targeted customer assistance.

LEVERAGE SUPPLY CHAIN

The program utilizes landscape professionals. Program staff builds relationships within the industry, provides training, and provides sales tools.

LIMIT PLANT PALETTE

Promotes a limited number of trees and shrubs; those that are shown to thrive in the service area. Staff works with garden centers to ensure they carry and promote the correct inventory of plants.

Bay Area Water Supply & Conservation Agency

Lawn be Gone



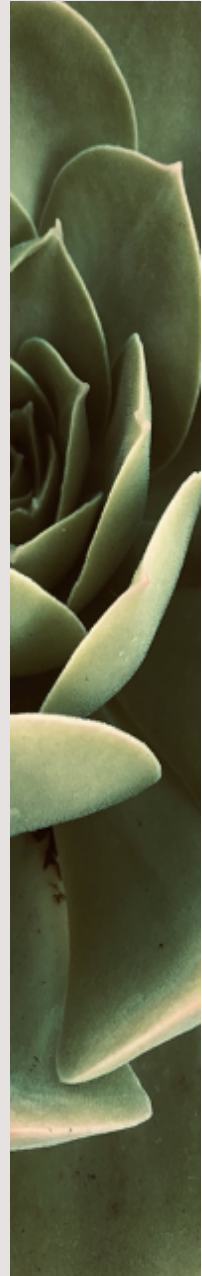
INCENTIVE LEVEL

\$1.00 - \$3.00 per SQ FT

PERFORMANCE LEVEL

12 - 18 projects per year

Profile



DESIGN

- Launching new program July 1 through Droplet
- BAWSCA has 26 retail agencies - several do not participate
- Program sees a huge drop off from application submittal - even after pre-approval
 - "Customers just don't know where to start"
- Design is one of the biggest customer issues
- Will now have 10+ approved templates with plant lists from Droplet
- May offer additional incentive for rain garden
- New platform has stackable rebates to increase total rebate (other than controller through Rachio)
- Looking at design consultation rebate - up to 2 hours of designer time
- Looked at design software - too complicated
- Rebate value \$1 - \$4 doesn't appear to have big impact
- Moved classes to videos online via Zoom
- When classes moved online saw a significant increase in participation - 100 per video class
- Provide a video of the app process which has been successful as well
- Customers are really interested in veggie gardens

PLANT PALETTE

- Approved plants from list only - can get exemption from retail agency

MARKETING

- Brochures & flyers - distributed through retail agencies
- Will be contacting nurseries and home improvement stores including Home Depot and providing online collaterals regarding available rebates

Bottom Line

DESIGN HELP

Customers need assistance with creating new landscape designs. BAWSCA is looking to add design templates as well as a design rebate to assist customers.

CUSTOMER SUPPORT

Customers struggle with where to start. BAWSCA offers online landscape classes including a video on the application process.

Desert Water Agency

Grass Removal Program



INCENTIVE LEVEL

\$2.00 per SQ FT

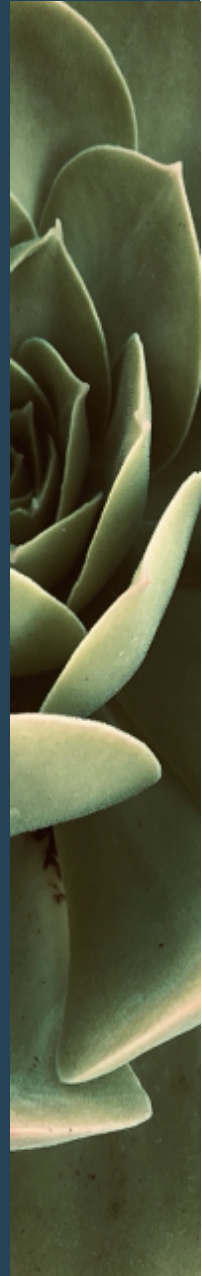
\$500 for Design Assistance

PERFORMANCE LEVEL

FY 2019-2020 replaced 310,081 SQ FT

Average size: 3,407 SQ FT

Data coming from Ashley



DESIGN

- Community support desert landscapes.
- 80% of water used outdoors.

PLANT PALETTE

- The desert has a routine plant palette. DWA worked with local nurseries to make sure they are readily available.
- DWA would like to promote desert milk weed ,but not available.

MARKETING

- Single family participants are higher income with disposable income.
- Strategy is to hit customers through as many means as possible:
 - Webinars
 - Weekly segment on local news
 - Eblasts
 - Social media and showcase projects on Facebook
 - Bill inserts and customer newsletter
 - Google advertising

CUSTOMER SUPPORT

- Made process as easy and flexible as possible.
- Remove numerous program requirements and funding caps.
- Limited required data during initial application because information is collected during pre-inspection.
- Automated communication.

SUPPLY CHAIN

- Work with nurseries to carry and promote plants.
- Conduct outreach to contractors who service Home Owner Associations.

Bottom Line

MARKET WITH MULITPLE TOUCHES

Use all methods to market to customer.

EASY PROCESS

Purposefully make the process as easy as possible.

PLANT AVAILABILITY

For program success, plants need to be readily available to customers. DWA works with nurseries to carry and promote appropriate plants.

Long Beach Water Department

Lawn to Garden L2G



INCENTIVE LEVEL

\$3.00 per SQ FT for Front Yards

\$2.00 per SQ FT for Back Yards

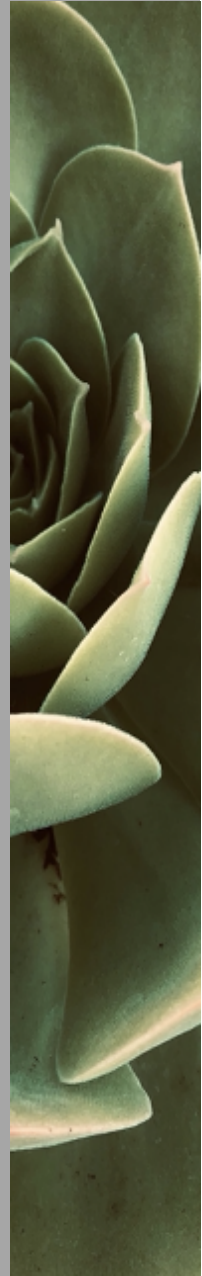
Additional \$0.50 per SQ FT for Design

PERFORMANCE LEVEL

Program started in 2010

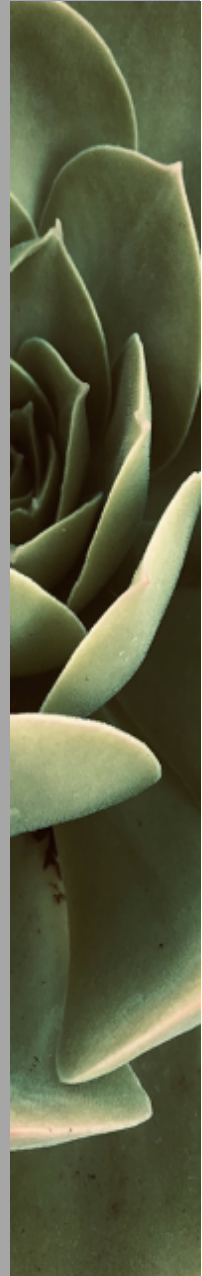
300 - 600 projects per year

Doubled activity during drought



DESIGN

- \$2.00 per SQ FT incentive is shown to be the threshold trigger for higher participation.
- Making sure projects look good helps scale activity.
- LBWD has identified two barriers to participation: 1) Financial - up front cost, and 2) Perception - preference for turf.
- LBWD is creating two new programs to address barriers:
 - 1) Direct Installation for disadvantaged communities (DAC)
 - Free to DAC qualified customers
 - Hired designer - have 5 templates
 - Conservation Corp of Long Beach does installs - provide job training for at risk youth
 - Grant from Coastal Commission
 - Planting trees also
 - DAC area is next to LA River, provides additional benefit from stormwater retention
 - 2) Parkway "Start Small" Program
 - Provide customers with a free drip kit and plants from local nursery
 - Partner with California Native Plant Society - all plants are native
 - Have completed 10 projects so far - expect to do 30-40 in the pilot and hopefully expand "Start Small" program
 - Supportive management and Board members – this is key to the success of the Long Beach program



CUSTOMER SUPPORT

- Staff provides one-on-one support.
- Personally review plans that way customers can fix issues before customer is too far along with project.

MARKETING

- Need to provide significant investment in marketing.
- Used to do traditional newspaper advertisements.
- Now do online.
 - Google ads.
 - Paid promoted Facebooks ads.
- Bill inserts quarterly.
- Annual garden tours extremely successful - at the height of the drought 3,000 people attended.

SUPPLY CHAIN

- Provide list of designers - important to spend time vetting. Program currently does not recommend specific designers; designers are vetted through a qualifications review process.
- Program significantly subsidizes the cost of the design:
 - Initially was \$1.00/SQ FT- now \$0.50/SQ FT- minimum \$500, maximum \$1,500 - gives agency confidence projects are going to look good.

Bottom Line

ADDRESS FINANCIAL & PERCEPTION BARRIERS

LBWD is focusing on overcoming the two main customer barriers – financial and perception. Testing disadvantaged community direct install and Parkway “Start Small” Program as potential answers.

INCENTIVIZE DESIGN

Offer significant incentive for design through approved designers.

PERSONAL SUPPORT

Program staff provides one-on-one support to customers.

CASE STUDIES & GARDEN TOURS

Garden Tours are an important and highly successful event for LBWD. The tours demonstrate the beauty and diversity of the gardens and acts as a catalyst for program participation.

Metropolitan Water District

SoCal WaterSmart



INCENTIVE LEVEL

\$2.00+ per SQ FT

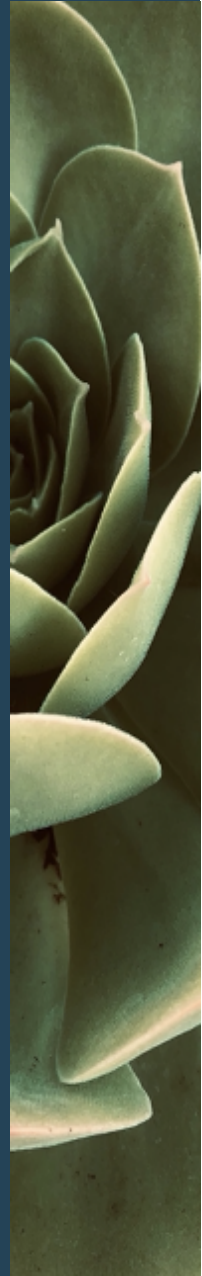
Member and retail water agency can supplement rebate dollars

PERFORMANCE LEVEL

Total: 15.7 Million SQ FT

Residential: 79.7 Million SQ FT

Commercial: 57.5 Million SQ FT



DESIGN

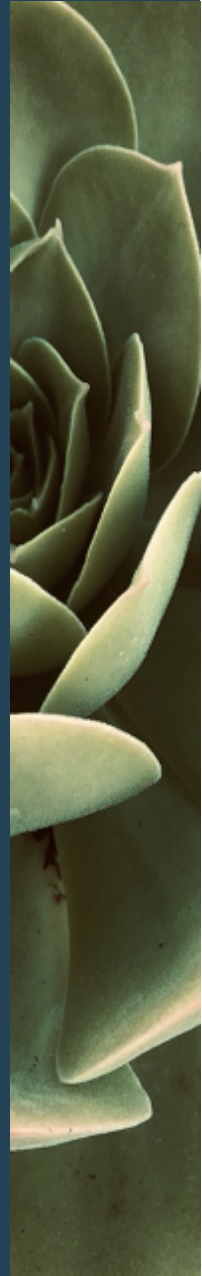
- Regional program serving over 18 Million residents.
- Program administered through vendor, EGIA.
- In 2013, MWD gave program dollars directly to member agencies to run their own programs.
- In 2014, MWD offered regional program implementation.. The program, application and website were centralized as SoCal WaterSmart, and member agencies were given a choice to 1) run their own program or 2) add on to the centralized program.
- At the peak of the drought, MWD made a special allocation of \$450 million for conservation programs - the bulk of which was used for landscape. In July 2015, the program ran out of funds.
- In 2018, MWD reopened the program, making modifications to program including adding requirements for number of plants, irrigation and the addition of a stormwater feature.
- Stormwater feature is the hardest for customers to implement.

PLANT PALETTE

- No plant list
- Require 3 plants per 100 SQ FT

MARKETING

- MWD provides template marketing materials to member and retail agencies.
- MWD's new campaign is based upon "look what you can bring into your landscape".



CUSTOMER SUPPORT

- Program provides minimal personal customer support.
- MWD would like to build in program assistance for design as well as a plant coverage calculator.

SUPPLY CHAIN

- MWD did allow contractor direct incentives during the drought.
- Many temporary contractors emerged to meet demand but have since gone out of business. Some contractors promoted a minimal design and less comprehensive landscape conversion that, after incentives, was essentially free to the homeowner.
- Numerous customers reported they did not like the look. One contractor in particular made extensive use of rocks and gravel. While 1 in 5 applications were through contractors, one contractor provided over $\frac{3}{4}$ of those applications, mostly in one year.
- Due to the additional resources required to administer contractor incentives and the quality of projects, contractor direct incentives were eliminated.

Bottom Line

BALANCE REQUIREMENTS

MWD's program has a rigorous level of requirements. While this maximizes water savings and minimizes fraud, complex program requirements result in lower customer participation rates.

PROVIDE SUPPORT

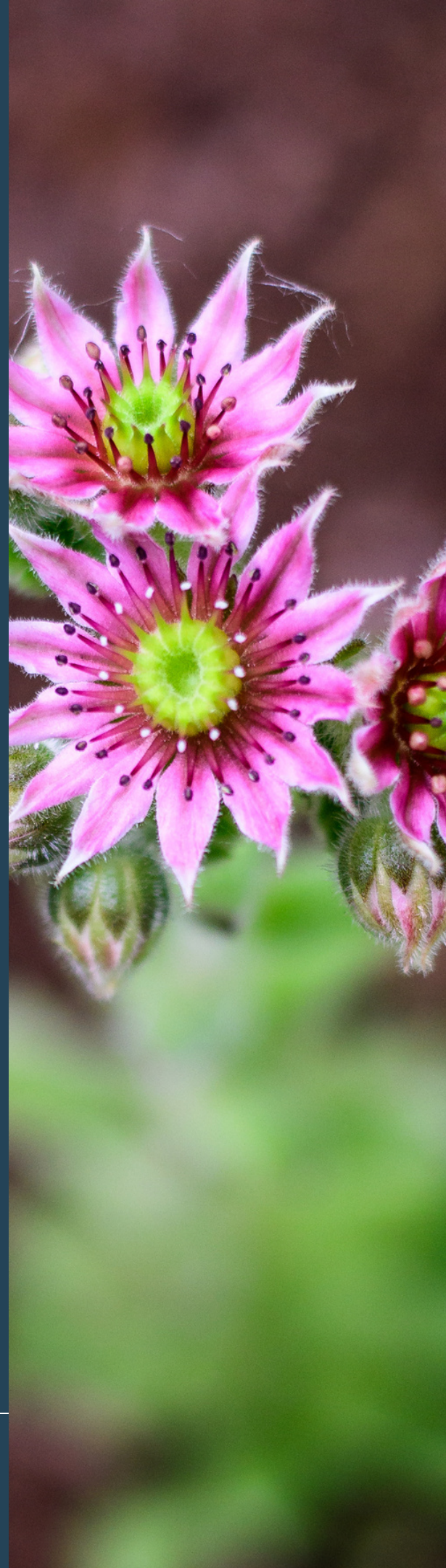
Customers need assistance with stormwater retention features, plant coverage calculation and design. As requirements are added, it's important that staff and resources are scaled up to properly support the changes.

CONTRACTOR INVOLVEMENT

Although contractors can significantly drive activity, there needs to be strict requirements, qualifications and continual monitoring.

Moulton Niguel Water District

Naturescape
SoCal WaterSmart



INCENTIVE LEVEL

\$3.00 per SQ FT for residential

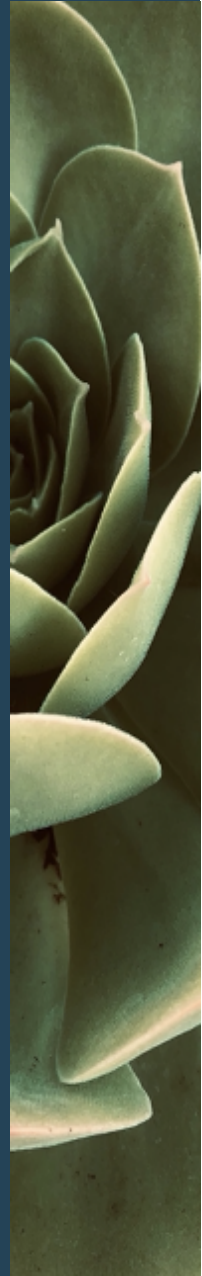
Naturescape offers turn-key services and subsidized design

SoCal WaterSmart regional program implemented through MWDOC

Naturescape program implemented by MNWD

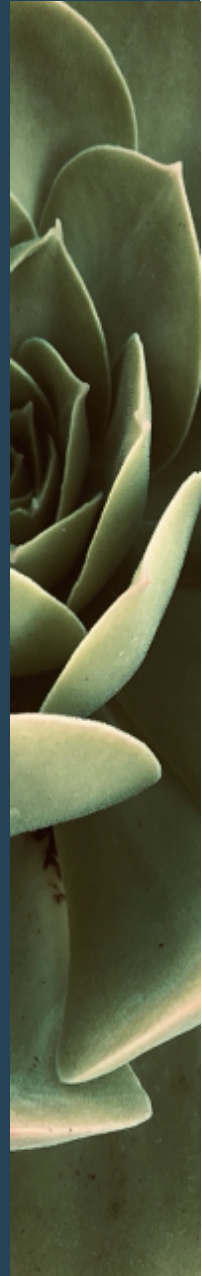
PERFORMANCE LEVEL

Naturescape - 25 sites per year



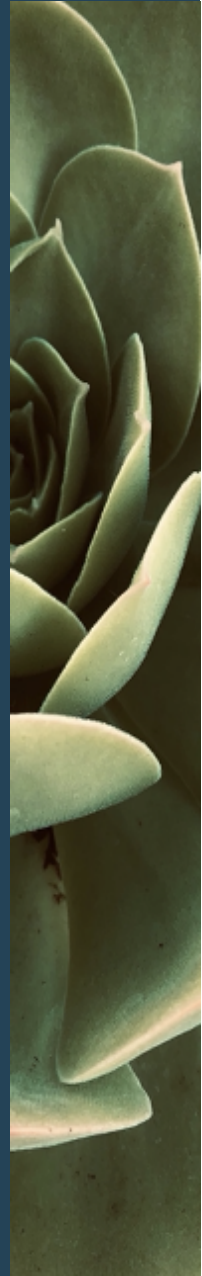
DESIGN

- MNWD offers two programs 1) Regional program administered through MWDOC, and 2) Naturescape turn-key program.
- The regional program is complicated and requires extra QC, requires Notice to Proceed, must have receipts, and only allows certain types of labor expenses. Additionally, it takes months for projects to be completed.
- MNWD struggled with this model. Customers need to have a lot of cash up front and then wait months for their rebate monies. Additionally, the process is an arduous one.
- MNWD partnered with UCI on a study. Findings showed 80% of customers knew about their toilet program, but only 15% knew about the smart timer rebates-- showing a clear lack of awareness of outdoor water use and incentives.
- Needed to find outdoor solutions. Regional programs had many unattractive examples of turf replacement. Program only required 3 plants. Gravel was allowed and did not have environmental benefits.
- Customers want an easy process and struggle with design. At some point they get stuck with their project and a typical project takes 6-8 months, not the mandated 90 days.
- In response, MNWD created Naturescape. Customers attend a 3-hour workshop (entry point). Customers learn about the watershed approach, including plants, irrigation, and capturing water on-site.
- Customer then signs up for the program. Inspector goes out for the pre-qualification assessment.
- Customers select a "kit" based upon the look they want. Kits are offered in differing sizes of landscapes. Customers know how much they will pay upfront. Customer pays 50% of design cost based upon the size of the landscape.
- Customer then gets a program design through MyAvantGarden designer. All native designs.
- MNWD's contractor, Tree of Life, does the turf removal. MNWD does not pay for removal of trees and shrubs, only turf.
- 7-10 days after the turf removal Tree of Life installs the plants. This usually takes 1-2 days. Customer writes their final check to Tree of Life the day of the install. Invoice shows instant rebate for the turf replacement.
- Goal is to get a project done within 6 weeks.
- 95% of customers who attend the class get an assessment, 60% proceed to design, 35-40% of those customers install using Tree of Life.



DESIGN CON'T

- If customer wants decomposed granite path or an additional feature, they can work directly with Tree of Life..
- 90 days after the new landscape is installed, MNWD's project manager does a site visit to ensure customers are watering and maintaining the native plants appropriately. Native plants are regularly overwatered.
- MNWD takes pictures of the completed projects.
- Currently installation includes 1-gallon plants, which has been an issue with some customers. 75% of MNWD customers live in HOAs. Many of them want to see more mature plants planted. MNWD is now increasing the budget and adding a percentage of 5-gallon plants.
- If customers don't want a native garden, they can still go through the regional program.
- Average cost of a project is \$9 per SQ FT (lower than customer would pay independently for custom design and turn-key installation). MNWD pays \$3 per SQ FT.
- In 2017, MNWD called all C27 licensed contractors, all designers and all nurseries in the area and put Naturescape out to bid. They only received 2 complete submissions to the RFP.
- MNWD wanted design, removal and installation all under one contract to provide continuity. The designer, Jody Cook, from MyAvantGarden is a sub to Tree of Life.
- Tree of Life does turf removal and the new landscape installations.
- There is a predictability in cost.
- Back in 2017, there were limited images of native gardens. MNWD had to install landscapes to get images.
- If customers want to do project themselves, they can participate up through the design.
- It is recommended that customers use contractor.
- Coming up on 3 years of program history and MNWD will be doing an in-depth analysis.
- Worked with California Native Plant Society (CNPS) to create nice lawn signs branded with CNPS.
- Also created CalScape last year with Metropolitan and CNPS. The objective is to get more native plants into California nurseries. MNWD recognizes that this will take time to accomplish.



SUPPLY CHAIN

- Launched a pilot to get nurseries to carry natives and provide an avenue to educate customers about natives. Most customers think drought tolerant plants are natives. Nursery staff watch educational video, then the nursery is added to a list of participating nurseries. .
- Nursery is then given free marketing materials co-branded with native plant sticker. The goal is to build the brand. Offer banners, stand signs, and stickers.
- Other Orange County agencies and Long Beach Water are part of the pilot. 13-14 agencies have reached out to local nurseries in their service area.
- Now are developing relationships with corporate nurseries (Home Depot, Armstrong).
- Hoping to pilot a professional online training for natives with East Bay MWD and Desert Water Agency.
- MNWD working with Plant California Alliance, a trade association of growers and nurseries. MNWD spoke at their conference and they're working to get native plant education as continued education credit.

CUSTOMER SUPPORT

- Naturescape Program is turn-key.
- Program Manager visits properties 6 months after installation to ensure correct watering and maintenance.

PLANT PALETTE

- Naturescape and CalScape program 100% natives.

MARKETING

- Conduct outreach to contractors who service Home Owner Associations.

Bottom Line

TURN-KEY PROGRAM

The Naturescape turn-key program produces quality projects, which markets itself to others through word-of-mouth.

CUSTOMER CHOICES

Customers can chose between the native direct installation program or regional program with more open plant and design choices.

PLANT AVAILABILITY

MNWD works with local, regional and corporate nurseries to carry and promote native plants.

LEVERAGE SUPPLY CHAIN

It's critical to work the entire landscape supply chain - MNWD works with nurseries, contractors, and designers.

Municipal Water District of Orange County

Turf Removal Program



INCENTIVE LEVEL

\$3.00 per SQ FT for residential

\$0.50 per SQ FT spray-to-drip incentive

Reimbursement of actual expenses only

PERFORMANCE LEVEL

2017 - 1,000+ projects

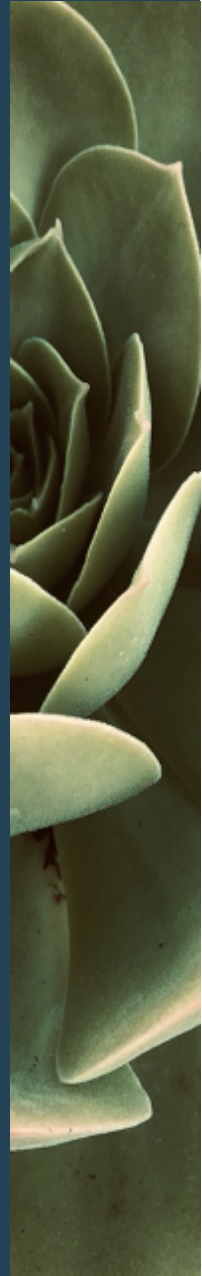
2018 - 716 projects

2019 - 457 projects

Participation varies from agency to agency

IRWD has significant participation

Golden State and City of Garden had high participation
but dropped out



DESIGN

- Currently revamping sustainability feature requirements - it's too difficult and confusing for customers.
- Survey customers at the start of the application process on what they want their garden to look like and how they will use it.
- Provide free design services through three step process: 1) design consultation, 2) generate design, and 3) review design with customer.
- 40% of applicants complete projects after receiving design services.
- Design services cost on average \$1,000 per design - funding comes from grant and MWD to implement.
- Only reimburse customers out-of-pocket expenses including labor.
- Require receipts as document for all costs - adds significant administration time - 3 different staff reviews.
- MWDOC does not recommend contractors, however designers will make contractor recommendations.
- Two biggest issues 1) customers are attached to their lawns and 2) overwhelmed by the process - they don't know about available program resources.
- Offer complimentary spray-to-drip incentive of \$0.50 per SQ FT. There is a high dropout rate for this program because most of the products from the eligible product list are not available at Big Box or home improvement stores.
- Provide maintenance consultation after project is completed - customers receive 10 page report - 10% of customers participate.

MARKETING

- 70-90% of customer hear about program through bill inserts.
- Do not have robust marketing.
- Interested to understand age and other demographics of participants.

Bottom Line

UNDERSTANDING WANTS & NEEDS

MWDOC surveys all customers on what they want their garden to look like and how they would like to use it.

DESIGN HELP

MWDOC provides free design templates and consultations.

PERSONAL SUPPORT

MWDOC offers follow up maintenance consultation to assist customers with proper irrigation and maintenance.

San Diego County Water Authority

Water Smart San Diego
SoCal WaterSmart

INCENTIVE LEVEL

\$3.00 per SQ FT

PERFORMANCE LEVEL

Program started in 2010

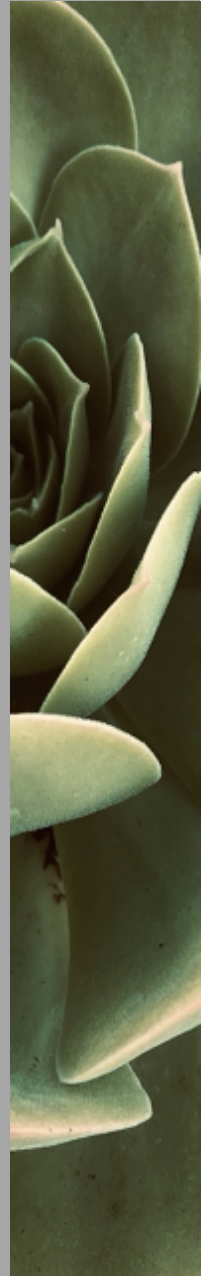
1.3 Million SQ FT of turf replaced

2014- 2020:

1,600 makeover series applications

1,151 graduated

Average project size is 1,100 SQ FT

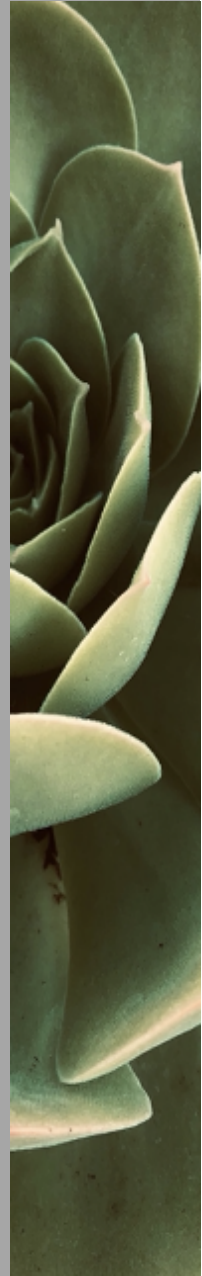


DESIGN

- SDCWA controls the quality of new landscapes through customer education.
- Foundation is to get people "thinking about their yard as an outdoor room". How do they use it? How water do they want to use? What planting and design themes do they like? How much turf do they need/want?
- Ask customers to "Meet their yard" and determine how they want to live in it.
- The reasons customers participate has changed over time from lowering water bill to doing the right thing - turf rebate is icing on the cake.
- Offer multiple education paths: videos, workshops, and the WaterSmart Makeover Series a 4-day college level class.
- WaterSmart Makeover Series has 25 students or less per session. Series provide a lot of 1-on-1 instruction. Also includes onsite visit to create the base LID plan.
- 4 class series costs \$16k to conduct - implemented through Studio West and Blue Watchdog.
- Receive Prop 84 and not Prop 1 funding to implement Makeover Program - could not do it without grant funding.
- Will be partnering with San Diego County stormwater program in the future.
- Graduates are part of FaceBook group, sharing videos of new landscapes, before and after.
- Also offer 3 hour workshops on 5 topics.
- Not prescriptive - you can have tropical plants, you can have turf - just in a smart efficient way.
- Customers make their own choices.
- Teach to MWD program requirements, customers are more likely to succeed and complete project.
- Curriculum is ever evolving as they learn they modify.
- 3 & 6 month follow up - 85% completion rate.

CUSTOMER SUPPORT

- SDCWA Program Manager provides personal touch.
- Makeover Series vendors provide one-on-one support through the turf replacement process.



SUPPLY CHAIN

- Water Authority implement Qualified Water Efficiency Landscape Contractor training and certification - largest number of QWEL certified individuals.

MARKETING

- Market with messaging:
 - "You can have so much more - Less maintenance, Functional, Privacy, Pathways".
 - San Diego pride
 - Indoor/outdoor lifestyle
 - Beauty, color, lush
 - WaterSmart SD Living
- #1 marketing method is NextDoor ads in target areas.

Bottom Line

EDUCATION

SDCWA uses education to ensure quality landscape installations - quality landscapes promote participation via word-of-mouth.

UNDERSTAND WANTS & NEEDS

A key element of the program is to help customers determine how they want to use their yard.

CHOICES

SDCWA believes that freedom of choice leads to high participation. Program does not restrict plant types. Additionally customers are given multiple educational options (video, workshop, Makeover series).

PERSONAL SUPPORT

For the Makeover Series, Authority management and vendors provide one-on-one support through the entire process.

Santa Margarita Water District

Turf Removal Rebate Program



INCENTIVE LEVEL

\$3.00 per SQ FT for residential

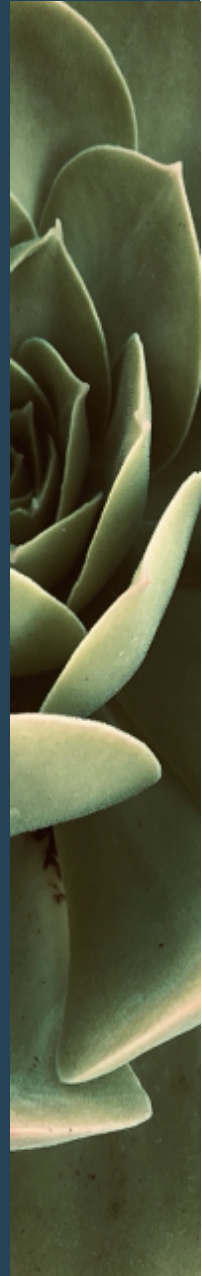
\$0.50 per SQ FT spray-to-drip incentive

Reimbursement of actual expenses only

PERFORMANCE LEVEL

Operated through MWDOC Regional Turf Removal Program

Activity not available - has decreased over last few years



DESIGN

- Part of MWDOC Regional Program on the Droplet platform
- Provide 1-on-1 maintenance consultation - recommend controller settings and personalized plant care
- During 2015/16 had in-house design studio - required customers to do a lot of homework
 - Customer had to bring in 5 photos from Pinterest of landscapes you like, what colors and textures do you like, how do you use your yard
 - Offering this service was costly (site visit, plan, designer) - now have a landscape architect on staff and leverage MWDOC's design services
- Now have a landscape architect on staff
- Creating three design templates with cost components
- 3 distinct styles - Mediterranean, Native and Southwest
- New demonstration garden has 500 sf samples of each
- Would like HOA templates with specific plants that have been pre-approved by HOA (architecture review, etc)
 - Working on HOA common areas, help with design, but not broad scale outreach

PLANT PALETTE

- No plant list
- Require 3 plants per 100 SQ FT

MARKETING

- Interested in customer profiling and predictive analytics

Bottom Line

DESIGN HELP

SMWD provides free design templates and consultations through the regional program. As well, SMWD has a landscape architect on staff. They are developing design templates for specific styles, which are available to tour through their new demo garden.

CUSTOMER SUPPORT

SMWD provides 1-on-1 post installation consultations to educate customers on proper irrigation and landscape maintenance.

Southern Nevada Water Authority

Water Smart Landscapes Rebate



INCENTIVE LEVEL

\$3.00+ per SQ FT

Increased from \$1.50 in 2018 to boost response

PERFORMANCE LEVEL

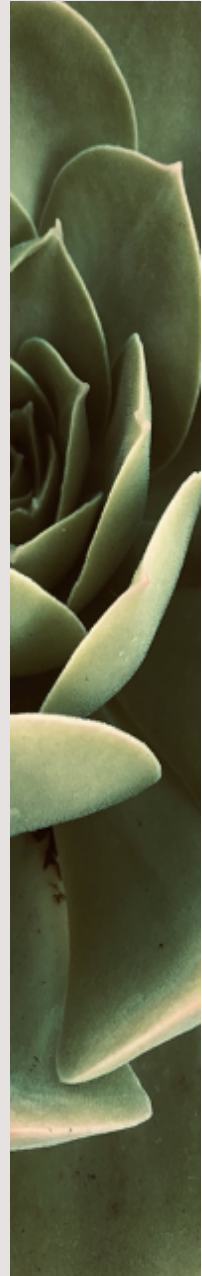
Total: 188 Million SQ FT

65,000 conversions

Largest program of its kind

3,000 projects per year

Profile



DESIGN

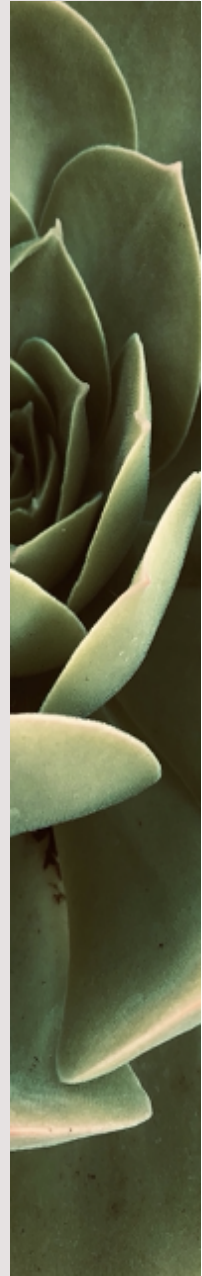
- Core program philosophy - no in-depth review of plans, no required plant list, not all new landscapes are attractive, provide list of appropriate/not appropriate plants for reference.
- SNWA deems landscape ordinances to be foundational. Turf has been disallowed for new landscapes since 2004. Because of this, a home with new landscaping is seen as new and modern.
- Homes with water efficient landscapes vs turf are shown to have higher property value.
- Ask customers to think critically about landscape "do they need a lawn" - front yards are typically ornamental.
- Program doesn't utilize a plant list in order to allow for customer options – educate customers on what's appropriate/not appropriate.
- Program is transitioning to target large residential, multi-family, and commercial sites.

PLANT PALETTE

- Customers have accepted the desert landscape aesthetic and plant palette and consider it modern and more valuable than turf landscape designs.

MARKETING

- Program allocates 10% for marketing - \$12M on rebates, \$1M on marketing.
- Marketing is through numerous channels:
 - Direct mail
 - Social media
 - Cable TV



CUSTOMER SUPPORT

- Staff specializes in specific customer sectors (single family, multi-family-commercial), industry as well as customer education and support.

SUPPLY CHAIN

- SNWA has enrolled 80 companies as Water Smart Contractors.
- Contractors go through 8 hour training (basics). Upon completion contractors thoroughly understand program requirements and know that they will be removed if they don't follow rules.
- SmartStart program - 50 of the contractors received supplemental training to become certified as SmartStart contractors. This allows them to do pre-inspections.
- SNWA also has a Green Industry Contractor Program providing branded business cards and signage for trucks.

Bottom Line

NEW CONSTRUCTION ORDINANCE

SNWA considers landscape ordinances to be the foundational component of their program. Customers now embrace the design aesthetic of water-efficient landscaping and consider it to be fresh and modern

CHOICES

Program does not require detailed plan or installation of approved plants. SNWA shows customers what plants are appropriate/not appropriate and allow customer to choose.

SUPPLY CHAIN

SNWA leverages contractors to sell program. SNWA provides contractors with all necessary sales materials and includes their information on a published list.

MARKETING

Ten percent of the program budget is dedicated to marketing SNWA believes this level of spending is why they achieve 3,000 projects per year.

Appendix 2

LAWN REPLACEMENT PROGRAM EVALUATION LOGIC MODEL



1. Resources include the human, financial, organizational, and community resources a program has available to direct toward doing the work. Sometimes this component is referred to as Inputs.
2. Program Activities are what the program does with the resources. Activities are the processes, tools, events, technology, and actions that are an intentional part of the program implementation. These interventions are used to bring about the intended program changes or results.

INTENDED RESULTS include all of the program's desired results (outputs, out-comes, and impact).

3. Outputs are the direct products of program activities and may include types, levels and targets of services to be delivered by the program.
4. Outcomes are the specific changes in program participants' behavior, knowledge, skills, status and level of functioning. Short-term outcomes should be attainable within 1 to 3 years, while longer-term outcomes should be achievable within a 4 to 6 year timeframe. The logical progression from short-term to long-term outcomes should be reflected in impact occurring within about 7 to 10 years.
5. Impact is the fundamental intended or unintended change occurring in organizations, communities or systems as a result of program activities within 7 to 10 years. In the current model of grant making and evaluation, impact often occurs after the conclusion of project funding.

SANTA CLARITA VALLEY RESOURCES/INPUTS

The RESOURCES and INPUTS for the Lawn Replacement program include:

- Conservation staff and consultants
- Funding for program incentives and resources
- Landscape and irrigation supply chain: contractors, designers, nurseries
- Target customers: single family, commercial, HOAs
- Lawn Replacement Program website
- Marketing and outreach materials
- Demonstration gardens
- Example home landscapes

ACTIVITIES AND OUTPUTS

Program Activities are what the program does with the resources such as the processes, tools, events, technology, and actions that are an intentional part of the program implementation. Outputs are the direct products of program activities and include types, levels and targets of services to be delivered by the program.

Below are the program planning ACTIVITIES and the resultant OUTPUTS from these activities:

Activities	Outputs
Allocate budget	Appropriate funding for staffing, consultants, incentives, tools, videos, website, analytics, microsite, marketing and promotional materials, and outreach activities.
Assign staff to specialized functions	Staff with dedicated areas of focus and expertise. Examples include: <ul style="list-style-type: none">• Landscape Contractor Liaison

Activities	Outputs
	<ul style="list-style-type: none"> <li data-bbox="1073 272 1304 297">• Nursery Liaison
Procure HOA consultant	Strong HOA expertise to provide customers with step-by-step guidance from site assessment to project approval and implementation.
Increase base level rebate for lawn replacement rebate & maintain drip rebate	Higher than better motivates customers and drive program participation.
Add bonus incentives for water retention features and native plants	New incentives that motivate customers to include water retention features and utilize native plants.
Continue to incentivize customers to utilize design services	Incentives for design services that motivates customers to utilize these services.
Create a contractor incentive for contractors to sell lawn replacement projects	New incentive paid directly to contractors to sell/implement lawn replacement projects.
Create contractor co-marketing materials	New contractor co-marketing materials with a look of professionalism and legitimacy including: <ul style="list-style-type: none"> <li data-bbox="1073 1019 1293 1044">• Business cards <li data-bbox="1073 1076 1266 1101">• Sales sheets <li data-bbox="1073 1133 1331 1157">• Car/truck signage
Provide contractors with training and certification	Pool of trained and certified contractors. Contractors have a “seal of approval”.
Build list of certified contractors	Publish list of qualified contractors as customer resource

Activities

Outputs

Build contractor tools and resources

Suite of contractor sales tools and resources including:

- Return on investment calculator
- Sales training
- Property water consumption data – when approved by prospective customer

Work with contractors, assisting them in the selling process

Contractors conduct more sales of lawn replacement projects

Create customer resources

Suite of customer resources including:

- Style guide with a variety of landscapes, plant names, and links on where to purchase
- Semi-custom design templates which include plant lists, irrigation plans, materials list, as well as links on where to purchase plants and materials

Develop instructional videos

Library of explainer and instructional videos from program overview to removing existing lawn to plant selection to maintaining the new landscape

Create a partnership with nurseries to co-promote climate appropriate and native plant sales

More **nurseries understand/support program** and **carry/promote climate appropriate and native plants**

Create instore signage and plant labels for nurseries

Clear signage and plant labeling of climate appropriate and native plants

Redesign program processes

Program has streamlined customer processes and easy access to information and resources

Activities	Outputs
Build a program microsite	<p>Program microsite is a centralized hub of program application/forms, information, and resources that:</p> <ul style="list-style-type: none"> • Support the customer journey • Provide access to support personnel • Include story telling both inspirational and aspirational • Utilize easy forms • Has automated communication and follow up
Develop pre-inspection process	<p>Pre-inspection done within a timely manner and with minimal customer burden. (i.e. utilize aerial imagery, drones or perform random inspections)</p>
Develop post-inspection process	<p>Post-inspection done within a timely manner and with minimal customer burden.</p>
Secure example home landscapes	<p>A variety of example landscapes to show customers the possibilities of climate appropriate gardens. Potential program participants can view options in a number of ways:</p> <ul style="list-style-type: none"> • Photos • Videos • Garden tours
Design tour process and timetables	<p>Selected home landscapes are featured in regular customer tours</p>
Build database of target customers	<p>Database of targeted customers including</p>

Activities

Outputs

- Customers that are likely to participate in lawn replacement program
- Properties with large turf areas
- Inefficient users of water

Generate outreach plan

Outreach plan with messaging and outreach methods that will resonate with target customers

Develop marketing and outreach materials

Branded marketing and outreach materials that resonate with targeted customers:

- Social media ads
- Emails
- YouTube videos
- Blog posts
- Pillar pages
- Landing pages
- Infographics
- Brand stories
- Case studies
- Proposals & presentations
- Newsletters

Conduct outreach

Outreach that engages customers to respond

Activities

Build into the program a customer appreciation component

Develop check generation process

Outputs

Each participant receives an appreciation email. Customers with high quality projects are highlighted via social media and other avenues, with their approval.

Checks are accurate and sent to customers in a timely manner.

OUTCOMES

OUTCOMES are the specific changes in program participants' behavior, knowledge, skills, status and level of functioning that arise from program ACTIVITIES and OUTPUTS.

Below are the intended OUTCOMES from Santa Clarita Valley ACTIVITIES and OUTPUTS:

1. Increase customer awareness of program.
2. Increased engagement in program resources.
3. Customers feel comfortable creating a design for their landscape.
4. Customers can easily find plants.
5. Customer understand irrigation requirements including plant needs, soil type, microclimate,
6. Customers and contractors:
 - Properly remove existing lawns
 - Install climate appropriate or native plants
 - Properly group plants with similar irrigation needs
 - Utilize mulch
 - Utilize point source irrigation
 - Properly schedule irrigation
 - Achieve healthy soil
 - Retain water on site

7. Contractors are trained to install high quality projects including appropriate plants and irrigation.
8. Contractors are regularly selling lawn replacement project as part of their base business.
9. Increased participation in program.
10. Customers perceive program process as friendly and manageable.
11. Customers and contractors feel appreciated for their work.
12. Customers and contractors share success stories.
13. Customers receive their rebate checks in a timely manner.
14. Increase word of mouth about programs.
15. More completed, high quality lawn replacement projects.

IMPACT

IMPACT is the long-term fundamental changes occurring as a result of PROGRAM OUTCOMES.

Below are the IMPACTS expected within Santa Clarita Valley District territory as a result of PROGRAM OUTCOMES:

- ✓ Customers prefer climate appropriate and native landscapes.
- ✓ Landscape efficiency market is driven without incentives.
- ✓ Customer use water efficiently.
- ✓ Santa Clarita Valley Water meets State legislative requirements.

ATTACHMENT B

LRP IMPLEMENTATION PLAN PRESENTATION

(July 14, 2021)

The background features several decorative elements: a large light green circle in the top left, a smaller dark green circle in the top center, and three leaf-shaped images showing different views of a garden with various plants, flowers, and stone steps. The main title is written in a bold, green, sans-serif font on the right side of the page.

Lawn Replacement Program (LRP) Transformation – Proposed Implementation Plan





Table of Contents

1. Current Program Parameters
2. LRP Evaluation Overview
3. Mission & Vision
4. Proposed Implementation Plan
5. Committee Feedback
6. Path Forward

Why have a Lawn Replacement Program?



Turf Grass

Crop coefficient (Kc): 0.70

Higher water needs

Increased runoff and waste

Monoculture



Water Efficient Landscaping

Crop coefficient (Kc): 0.30

Requires 40-60% less water

Decreased runoff

Water quality benefits

More biodiverse



1. Current Program Parameters

Coast Sunflower/Coast Encelia
Encelia californica

Current Residential Lawn Replacement Program

- 3 Incentives
 - Turf conversion: \$2/sqft (max. \$5,000)
 - Drip conversion: \$0.50/sqft (max. \$750)
 - Design assistance: \$150
- Requirements
 - Only front yards, must be living grass, no artificial turf, 50% plant coverage at maturity, pre- and post-inspection
 - External: HOA, city permitting (MWELO)
- Supporting Material/Resources
 - Hottest 30 Plant Guide
 - Gardening Classes
 - WaterSmart Workshop
 - santaclaritagardens.com

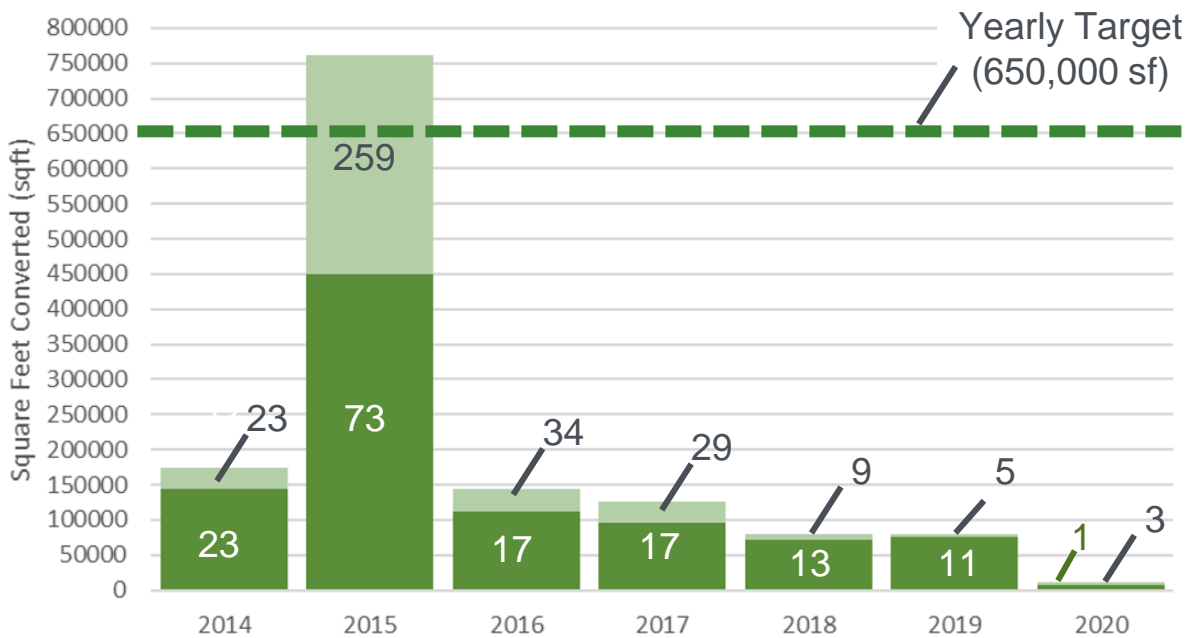


Toyon
Heteromeles arbutifolia

Participation



Residential and Non-Residential LRP Participation



Peak of Drought

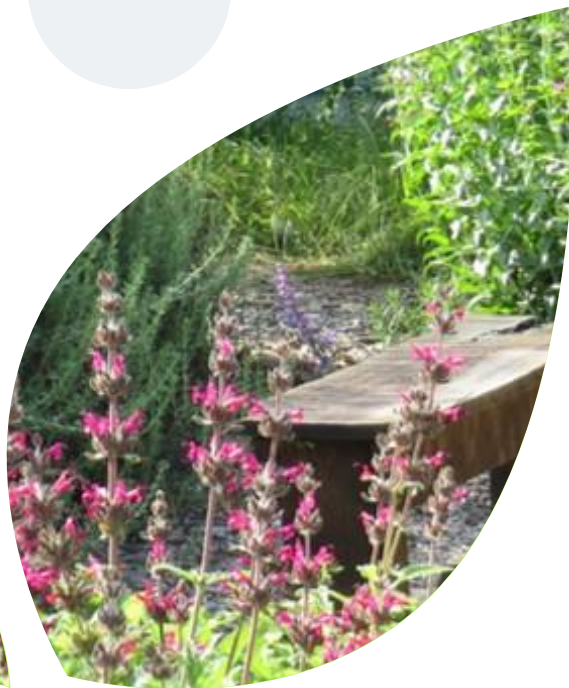
■ Non-Residential SQFT ■ Residential SQFT

Sticky Monkey Flower
Mimulus aurantiacus



2. LRP Evaluation Overview

Western Redbud
Cercis occidentalis



Scope

- External environmental scan
- Customer questionnaires
- Supply chain analysis
- Post-LRP checkups
- Findings report with recommendations

External Environmental Study



Best-in-class programs:

- Balance program requirements
- Provide personalized support
 - specifically design support
- Integrate supply chain
- Use targeted marketing
- Make the process easy
- Offer choices
- Motivate by incentivizing
- Adaptable

White Sage
Salvia apiana

Customer Questionnaires

Survey Responses: 1,760

Participants: 19
Interested: 215
Non-participants: 1,526

LANDSCAPE QUALITY (%)



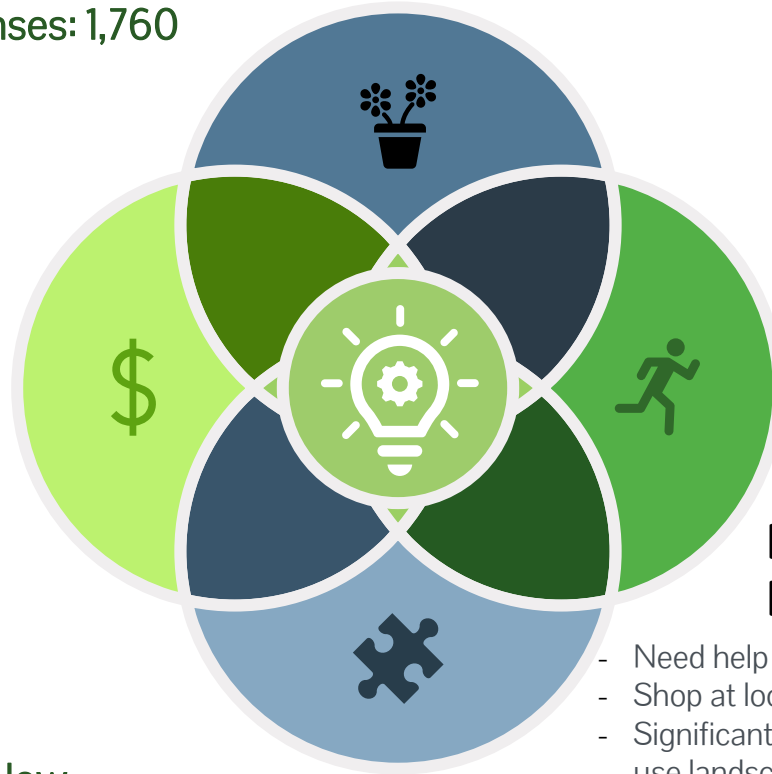
Beauty & appearance = most important

COST



Concerned about high cost

Majority of customers think a low water use landscape can be beautiful!



LANDSCAPE UTILITY



Place for children & pets to play = 2nd highest priority

KNOWLEDGE & RESOURCES



- Need help with design
- Shop at local nurseries
- Significant number think low water use landscape means cactus, gravel, and fake lawn
- Majority of customers did not know about LRP





Supply Chain Analysis

Contractor Interviews (9 interviews)

- Cash flow challenges
- Few marketing opportunities
- Gaps in education & training
- Limited benefits of professional certification

Local Nursery Interviews (5 interviews)

- Limited plant availability
- Plants not labeled
- Confusion regarding native plants
- Minimal industry partnership & collaboration opportunities

Post-LRP Project Check-Ups

- March 2021 - drive-by check-ups
- 259 residential & 56 commercial sites

Findings:

- Commercial
 - 100% projects still in place
 - 68% increased converted project area
- Residential
 - 98% projects still in place
 - 98% had healthy landscapes
 - 92% had neighbors within eyesight that had low-water use designs (cascading effect)



LRP Evaluation Recommendations



REBRAND

- Beauty & utility
- Personalized outreach
- Demonstration

INCREASE INCENTIVES

- Increase base \$
- Bonus incentives
- Contractor direct



KNOWLEDGE & RESOURCES

- New website
- Design assistance
- CA-friendly plant guide

PARTNERSHIPS & COLLABORATION

Integrate:

- Contractors
- Designers
- Nurseries





3. Mission & Vision

Woolly Bluecurls
Trichostema lanatum

Mission & Vision

MISSION

- To help customers achieve their water efficiency goals and establish sustainable water efficiency habits

VISION

- Market transformation
 - Native & climate appropriate plants
 - Water efficient irrigation equipment
- Demonstration gardens
 - Conservatory Garden remodel
 - Bridgeport Pocket Park & others
- New web page
 - Improved process & workflow for customers & staff
 - New resources incl. plant list tool
- Building partnerships in the community



Inputs

Consumers, green industry, and supply chain support and participation in programs and stakeholder groups.

Sufficient agency efforts (staff, financial, material, technical) to lead, implement, and monitor program.

Sufficient external technical assistance to support program implementation.

Activities

Actions to encourage community to seek support and achieve common goals.

Activities to increase awareness, education, and value.

Activities to connect customers, stakeholders, supply chain, and service providers.

Activities to access support, tools, information, and program participation.

Activities to develop evaluation, verification, and performance monitoring and management.

Outputs

Enact strategic communication and engagement.

Rebrand program and support materials.

Modify program specifications to increase flexibility.

Devise local and regional program support resources.

Increase ease of use and program accessibility.

Develop tools for user access and program management.

Implement performance management system.

Outcomes

Stakeholder partnerships and collaboration to support market transformation.

Builds consumer-centric, credible, and consistent branding.

Increases customer participation and develops supporting industry.

Incorporates best-in-class design practices for resource-efficient sustainable landscapes.

Increases management effectiveness and efficiency.

Achieves agency's goals and state conservation mandates.

Impact

Improved Long-Term Community Sustainability for SCV

SCV Water Planned Activity

(Programs, Projects, Leadership)

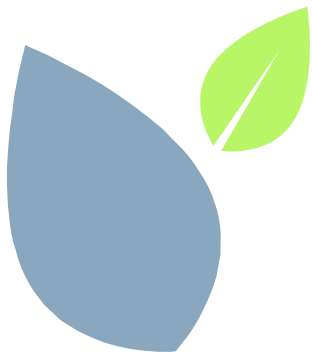
Intended Results

(Community, Consumer, Agency, Industry)



4. Proposed Implementation Plan

Yellow Monkey Flower
Mimulus guttatus 'Yellow'

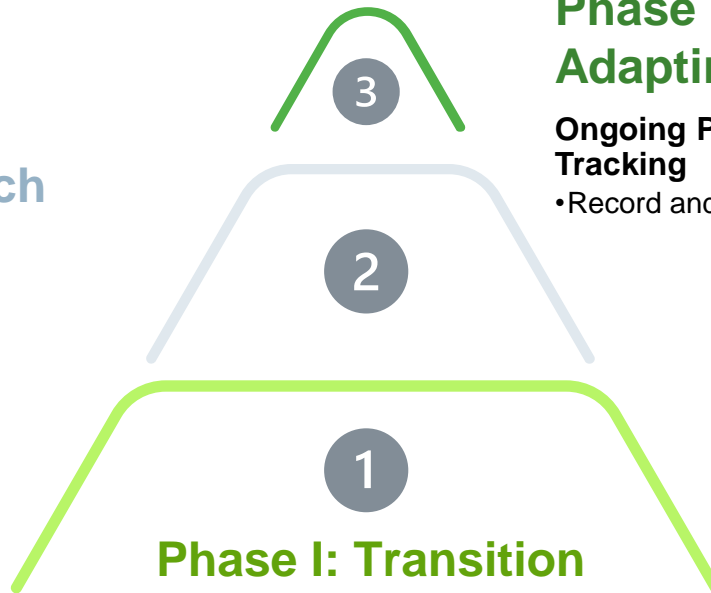


Proposed Implementation Plan

Phase II: Launch

Marketing Push

- Include LRP in Drought messaging



Rebrand LRP

- New name & logo
- New program parameters
- Update rebate website & workflow
- Expand plant guide

Engage with the Supply Chain

- Contractors
- Nurseries
- Designers

Compile social proof

- Demonstration Gardens
- Garden Tours

Phase III: Monitoring & Adapting

Ongoing Program Performance Tracking

- Record and consider all participant feedback



Supporting Materials & Resources

Expansions:

- Add California-friendly plant guide
- Improved plant selection tool on website
- Garden design “templates” with plant lists
- Example gardens & testimonials
- Lists of LRP-trained landscape contractors, designers, & nurseries
- Care sheet for customers with tips for their new landscape

Maintain:

- Gardening Classes
- WaterSmart Workshop
- santaclaritagardens.com



Proposed Program Requirements

Suggested Requirements:

- Allow partial lawn removal projects
- Allow projects to be completed in phases
 - Full zones
 - Decrease minimum project size to 100 sf (parkways)
 - Max. project size: 2,500 sf per phase (up to 5,000 sf/yr)
 - Maximum total rebate (all phases): 20,000 sf
- Allow front yard & backyard projects
- Allow HE nozzles (req. smart controller & pressure reg.)
- Cannot convert landscape back within 10 years

Maintained Requirements:

- Must be living grass
- At least 50% plant coverage at maturity
- No artificial turf
- Pre- and post-inspection



Proposed Rebate Values

Option A
No Change

Option B
Increase Design
Assistance,
Increase Drip sf

Option C
Increase Turf
Rebate & Add
Bonus Rebates

Option D
Increase Drip
Rebate

Turf	\$2/sf	\$2/sf	\$3/sf	\$3/sf
	Max. 2,500 sf	Max. 2,500 sf	Max. 2,500 sf	Max. 2,500 sf
Drip	\$0.50/sf	\$0.50/sf	\$0.50/sf	\$0.75/sf
	Max. 1,500 sf	Max. 2,500 sf	Max. 2,500 sf	Max. 2,500 sf
Design Assistance	\$150	\$250	\$250	\$250
	\$0.06/sf	\$0.10/sf	\$0.10/sf	\$0.10/sf
Bonus Rebates	-	-	\$0.50/sf - majority (>50%) CA native plants	\$0.50/sf - majority (>50%) CA native plants
Est. Savings (%)	57%	57%	69%	69%
Maximum LRP Rebate	\$5,900	\$6,500	Base: \$9,000	Base: \$9,625
			With Bonus: \$10,250	With Bonus: \$10,875
Pros	Status quo, no change required	Increased drip rebate available, additional design assistance	Promotes healthy & sustainable landscapes	Increased accessibility and sustainable participation, rebate structure promotes smart practices
Cons	Participation w/ current parameters is low	Only incentivizes those with drip projects larger than 1,500 sf	Total target reduced	Lower cost-benefit (still >1.0)



5. Committee Feedback

Common Yarrow
Achillea millefolium



Committee Feedback

Proposed Implementation Plan

- Phase I – Transition
 - Rebrand LRP
 - Engage with supply chain
 - Compile social proof
 - New Program Parameters
- Phase II – Launch
 - Marketing
- Phase III – Monitoring & Adapting
 - Ongoing Program Analysis

Vision

- Supply Chain Partnerships
- Market Transformation
- Community Partnerships



6. Path Forward

Blue-Eyed Grass
Sisyrinchium bellum



Proposed Path Forward

1. Synthesize committee feedback
2. Finalize Implementation Plan
3. Develop Action Plan
4. Implement Phase I – Transition
5. Implement Phase II – Launch
6. Implement Phase III – Monitoring & Adapting

Deer Grass

Muhlenbergia rigens



Thank You!

Matthew S. Dickens, MPA (Sustainability Manager)

Julia Grothe (Water Conservation Specialist I)



DELETE - For Report

	Current LRP Incentives	Proposed LRP Incentives
Turf	\$2/sf	\$3/sf
	Max. 2,500 sf	Max. 2,500 sf
Drip	\$0.50/sf	\$0.75/sf
	Max. 1,500 sf	Max. 2,500 sf
Design Assistance	\$150	\$250
	\$0.06/sf	\$0.10/sf
Bonus Rebates	-	\$0.50/sf - majority (>50%) CA native plants
Est. Savings (%)	57%	69%
Maximum Rebate	\$5,900	Base: \$9,625
		With Bonus: \$10,875
Pros	Status quo, no change required	Increased accessibility and sustainable participation, rebate structure promotes smart practices
Cons	Participation w/ current parameters is low	Lower cost-benefit (still >1.0)

DELETE – For Report

Maintained Requirements	Proposed Requirements
Must be living grass	Allow partial lawn removal projects
At least 50% plant coverage at maturity	Allow projects to be completed in phases (Full zones)
No artificial turf	Decrease minimum project size to 100 sf
Pre & Post Inspection	Max. project size: 2,500 sf per phase (up to 5,000 sf/yr)
	Maximum total rebate (all phases): 20,000 sf
	Allow front yard & backyard projects
	Allow HE nozzles (req. smart controller & pressure reg.)
	Cannot convert landscape back within 10 years



DELETE – For Report

Maintained Resources	Proposed Resources
Gardening classes	Add California-friendly plant guide
WaterSmart Workshop	Improved plant selection tool on website
santaclaritagardens.com	Garden design “templates” with plant lists
	Example gardens & testimonials
	Lists of LRP-trained landscape contractors, designers, & nurseries
	Care sheet for customers with tips for their new landscape



DELETE - For Report

LRP Pilot Programs	
Water Retention Feature (rain garden, bioswale, terracing)	\$0.50/sf
	Sf of feature, Max. 2,500 sf
Sheet Mulching	\$0.50/sf
	Sf of feature, Max. 2,500 sf
Bee Hotel & Owl Box	\$50/ea.
	Limit 1x each per customer



ATTACHMENT C

LRP EVALUATION REPORT



WaterWise
Consulting, Inc.

"Conserving our natural resources for future generations"

LAWN REPLACEMENT PROGRAM EVALUATION

Santa Clarita Valley Water Agency
Final Report

June 14, 2021



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Ahawan@WaterWise-Consulting.com

Angel Juarez

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Program Summary

Overview

In March 2021 Santa Clarita Valley Water Agency (SCVWA) and WaterWise Consulting (WWC) entered into a contract to provide an evaluation of SCVWA's Lawn Replacement Program (Program). Since 2014, SCVWA has provided residential and commercial customers rebates for converting their lawns to low water-use designs. SCVWA provided WWC with a list of 471 residential sites and 57 commercial sites. The goal of the evaluation was to drive by all of the sites provided and take pictures of the converted areas. Along with taking pictures, WWC also took notes of each property and provided an Excel database of the findings.

Program Design

The agreement between SCVWA and WWC called on the expertise and experience of WWC to verify that all participants maintained their low water-use designs, to evaluate if the landscape was healthy, if the project area increased, and if any neighbors were inspired to convert their lawns to low-water use designs outside of SCV Water's LRP. SCVWA provided WWC a letter (Appendix A) that was sent to residential customers letting them know that a representative from WWC would be driving around taking pictures of the converted areas. Residential customers were broken down on the list into three categories:

1. Front Yard
2. Back Yard
3. Both

After further discussion, both SCVWA and WWC both agreed to not take pictures of the customer's backyard. One of the goals of the program was to be able to do an evaluation of the home without stepping foot on the customer's property. A few customers also called WWC and SCVWA and asked to be removed from the evaluation. The actual number of homes to be evaluated was 275. This process did not affect the commercial customers.

WWC and SCVWA developed an Excel database to use while WWC visited each site. This database included information such as customer name, address, number of square feet approved and the date of their approved project. SCVWA requested WWC to collect additional info while visiting the sites. WWC to note the following at each site:

- Did the project area change? (Yes/No)
- Did the project area increase, decrease, or stay about the same?
- Is the landscape in a good, healthy condition? (Yes/No)
- Are there any customers within eyesight that have also low water-use designs? (Yes/NO)

Commercial Evaluations

WaterWise was able to complete the evaluations for the commercial sites in April 2021 in 6 working days. In total 56 commercial sites were evaluated and one commercial could not be located. Please note that all 56 sites that were evaluated were all still in place. Here is a map of all commercial sites that were evaluated:

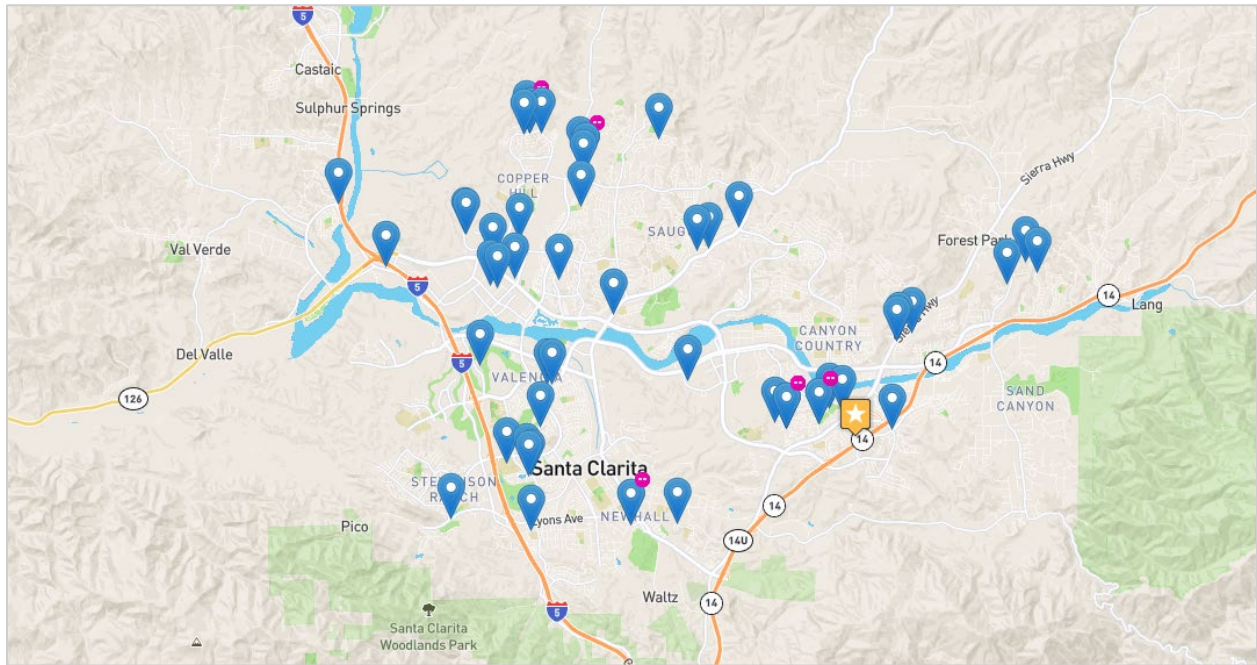


Image C-1 56 sites were evaluated.



Image C-2 Pictures of low water-use designs from First Presbyterian Church Of Newhall

The following images provide answers to the questions asked by SCVWA for commercial sites:

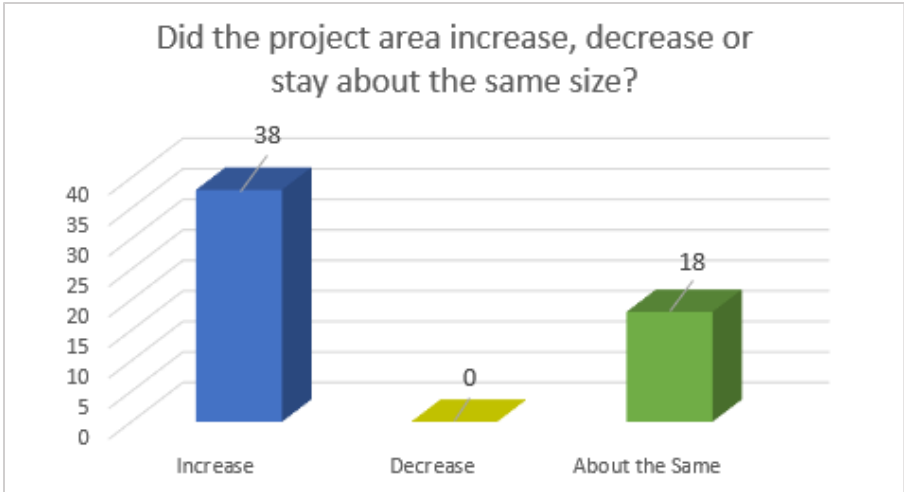


Image C-3 68% of commercial customers increased their project areas. 32% stayed the same.

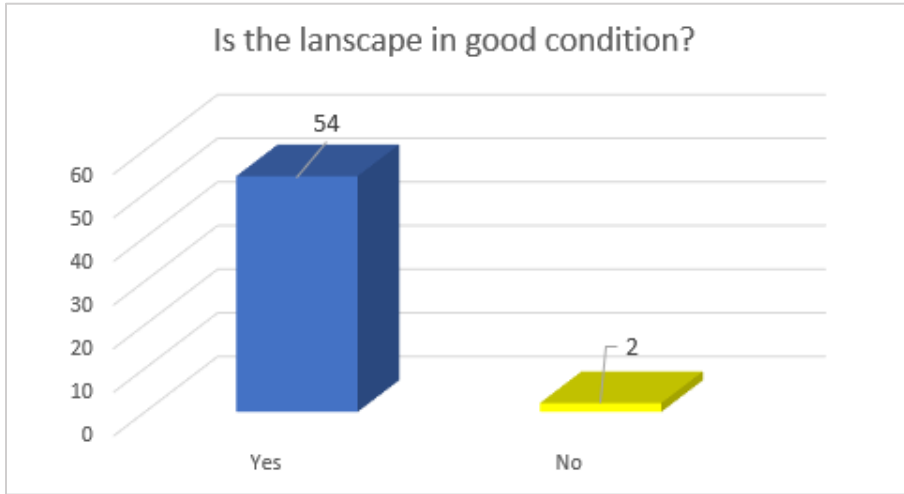


Image C-4 96 % of commercial customers had a healthy landscape.

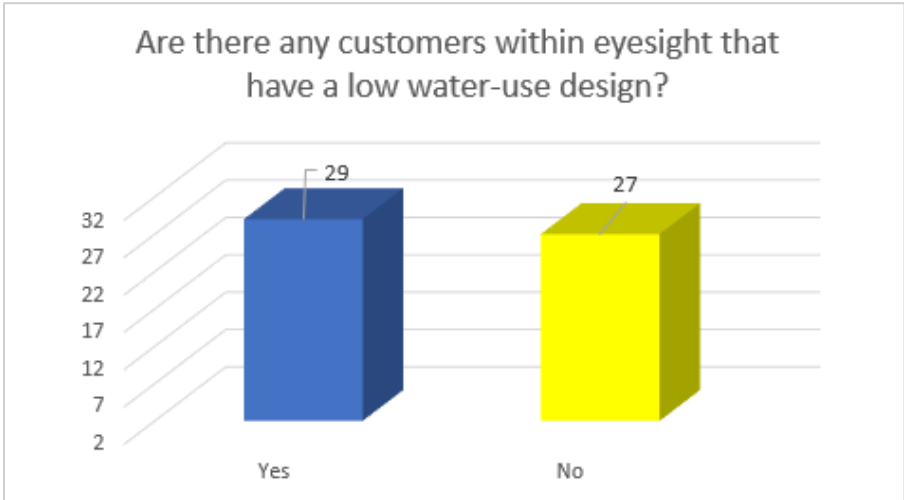


Image C-5 52% had surrounding businesses with a low water-use design.

Overall, the evaluations of commercial sites went well. One challenge that WWC had was determining the area that was retrofitted, especially in HOA's. Although WWC could not conduct physical measurements, it seemed as if most sites (68 %) increased their project size. Another item that stood out was that all sites either maintained the landscape size they applied for or increased the size. No commercial site decreased in size. Some commercial sites have artificial turf included in their landscape, and 54 of the 56 sites have healthy landscapes.

Residential Evaluations

In May 2021, WWC evaluated 259 residential sites. WWC was given 263 sites to evaluate, however, 4 sites could not be evaluated. Three homes have private driveways or entrances where landscape was not visible and one home could not be located. WWC completed this task in 9 working days.

Here is a map of all residential sites that were evaluated:

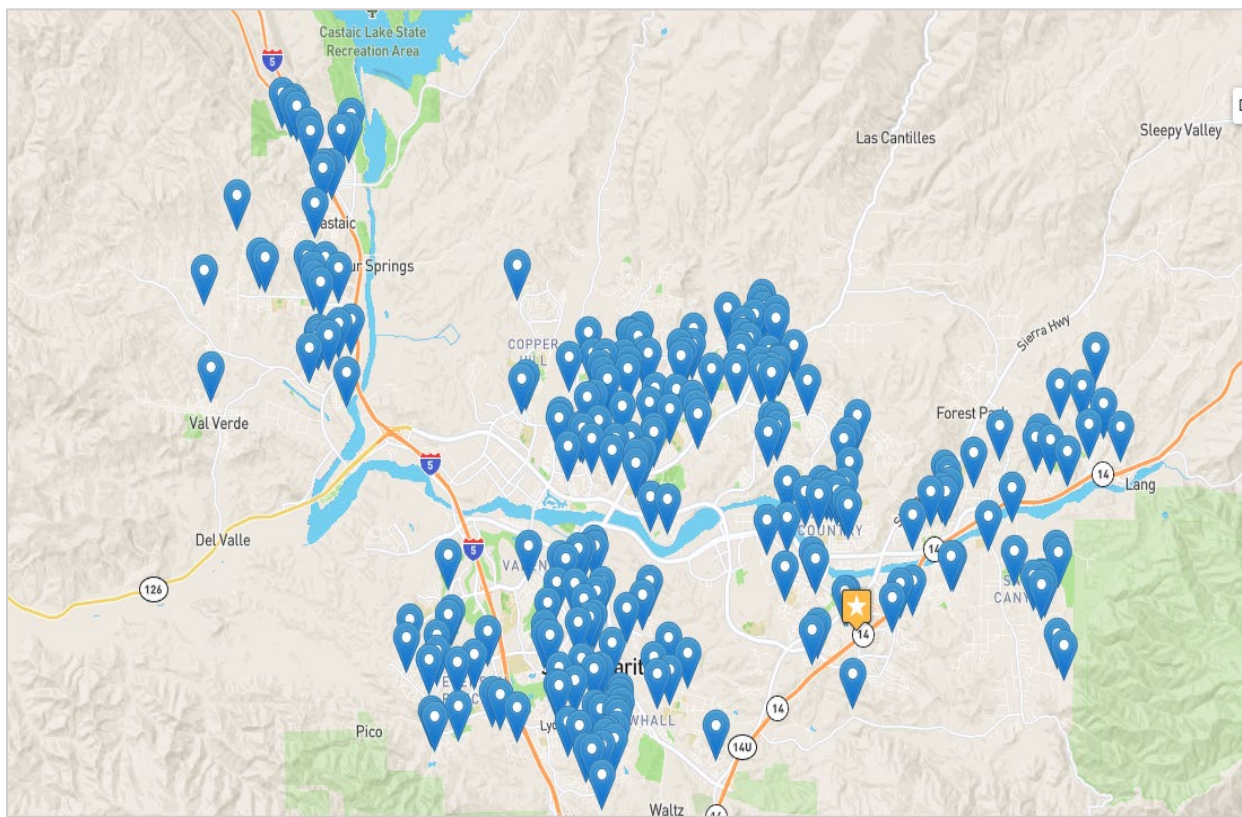


Image R-1 259 sites were evaluated



Image R-2 Picture of converted low water use design at 22843 Raintree Ln.



Image R-3 Picture of converted low water use design at 22518 Paraguay Dr.

The followings images provide answers to the questions asked by SCVWA for residential sites:

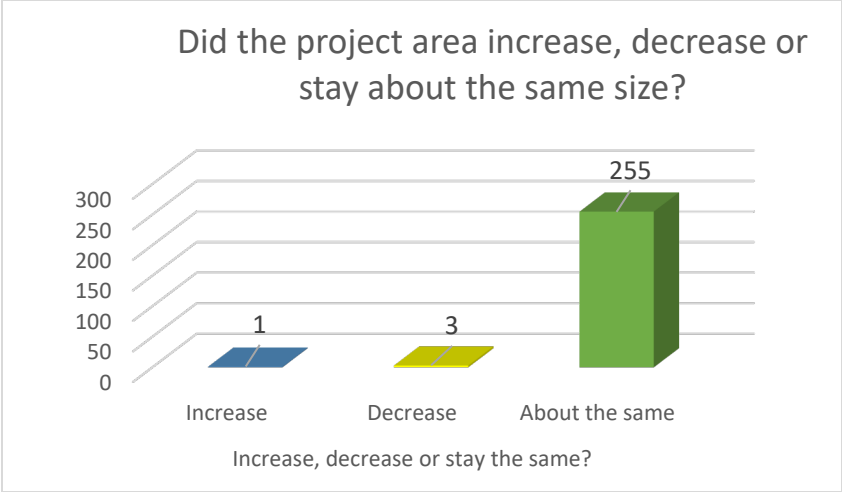


Image R-4 0.5% Increased, 1.5% decreased, and 98% stayed the same.

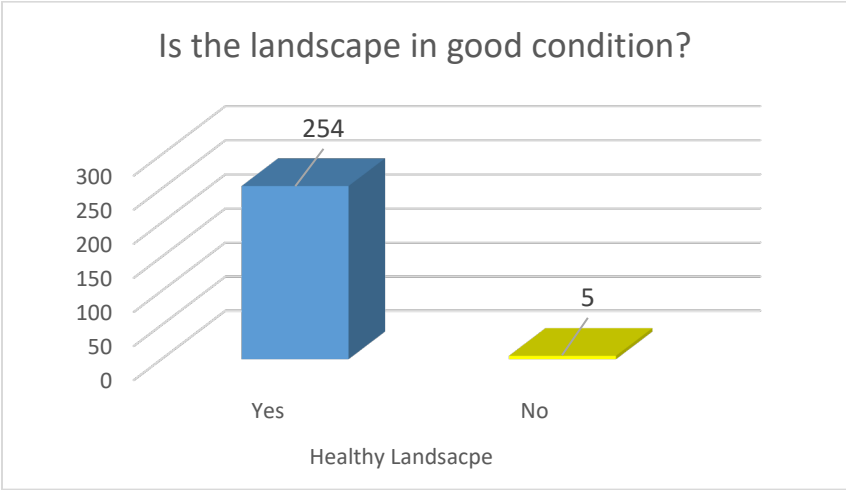


Image R-5 98% of residential sites have a healthy landscape

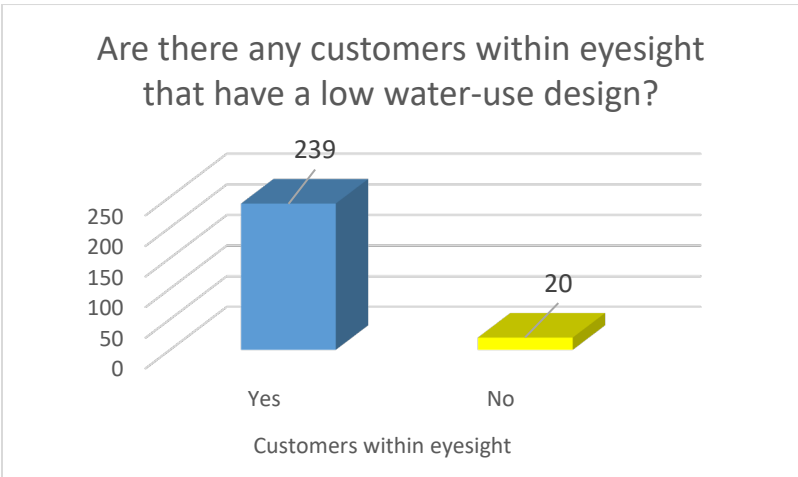


Image R-6 92% of residential customers had neighbors with a low water-use design.

The residential evaluations provided some interesting data. Residential customers that were approved for both backyard and front yard could not be fully evaluated. WWC was asked not to enter the customer's property, therefore we could not verify if the backyard was modified.

256 (98%) of customers still have their projects in place, while only 3 homes that were approved for rebates decreased their project size. This could be due to ownership change of the household. It was also found that 4 out of 259 residential properties had landscapes that did not look unhealthy. For the properties with unhealthy landscapes, these sites can easily improve on their condition by adjusting their irrigation systems, replacing some plants that have dried out, adding more mulch, and pulling excessive weeds. Another interesting note was 239 customers (92%) had neighbors within eyesight of their home that have low water-use designs and may have been inspired by the customer's lawn replacement project.

In Closing

WWC encourages SCVWA to continue to promote the Lawn Replacement Program to customers in its effort to conserve water by transforming SCV landscapes. All commercial sites along with 98% of residential sites evaluated have kept their low water-use designs, and almost all properties had good, healthy landscapes (98% of residential and 96% of commercial). Because almost all designs are still in place and almost all are healthy landscapes, SCVWA can assume that customers are happy with the results of their project. SCVWA has had over 500 customers participate in the LRP since 2014, but there are far more properties in SCV that have converted to water-efficient landscapes. 52% of commercial sites and 92% of residential sites have neighbors within eyesight with water efficient designs. These results lead to the conclusion that being exposed to low-water use designs from LRP properties show neighbors that water efficient properties can be beautiful and are inspiring them to change out their own lawns.

The results of this study are promising, and the hope is that SCV residents will become more accepting of water efficient landscapes, will inspire a cascading effect with customers changing out their water-thirsty turf lawns outside of SCV Water's LRP, and landscapes in SCV will transform to be more biodiverse, provide habitat for local wildlife, and conserve the precious resource that is water.

Appendix A Program Letter



<Date>

<Customer Name>

<Customer Address>

<City, State, Zip code>

Dear <Customer Name>,

SCV Water is currently conducting an analysis on the long-term effectiveness and impacts of its Lawn Replacement Program (LRP). We are reaching out because our records indicate that you or your property participated in SCV Water's Lawn Replacement Program between 2013 and 2019.

This courtesy letter is to notify you that WaterWise Consulting Inc., consultants to SCV Water, will be conducting contactless evaluations between May 1, 2021 and June 30, 2021. The evaluations will involve WaterWise driving by the property, taking pictures of the LRP project areas, and do not require the property owner to be present. WaterWise will be driving by in vehicles with their logo, as seen in the picture below.

If you have any questions about the LRP evaluations, please contact WaterWise Consulting, Inc. at (888) 987-9473. For more information about our conservation programs, please visit us at yourscvwater.com or email us at Conservation@scvwa.org.

SCV Water appreciates your commitment to conserving water and to maintaining beautiful and healthy landscapes in the Santa Clarita Valley.

Cordially,

Matthew S. Dickens
Sustainability Manager



WaterWise Consulting, Inc. vehicles
will be marked with this logo.

(661) 297-1600 | 27234 Bouquet Canyon Rd., Santa Clarita, CA 91350 | YOURSCVWATER.COM