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#18  
FEB 28 2008

**MEMORANDUM**

**Municipal Utilities Department Memo ER8-033**

**DATE:** FEBRUARY 28, 2008

**TO:** MAYOR AND COUNCIL

**THRU:** W. MARK PENTZ, CITY MANAGER  
DAVE SIEGEL, MUNICIPAL UTILITIES DIRECTOR

**FROM:** GREGG CAPPS, WATER RESOURCE MANAGER

**SUBJECT:** RESOLUTION NO. 4161 APPROVING AND AUTHORIZING AN AMENDED POLICY FOR THE LANDSCAPE CONVERSION REBATE PROGRAM FOR RESIDENTIAL PROPERTIES AND APPROVING AND AUTHORIZING POLICIES FOR (1) LANDSCAPE CONVERSION REBATE PROGRAM FOR HOMEOWNER ASSOCIATIONS; (2) SMART IRRIGATION CONTROLLER REBATE PROGRAM FOR HOMEOWNER ASSOCIATIONS; (3) RESIDENTIAL HIGH EFFICIENCY CLOTHES WASHER REBATE PROGRAM.

**RECOMMENDATION:** Staff recommends Council pass and adopt Resolution No. 4161 approving and authorizing an amended policy for the Landscape Conversion Rebate Program for Residential Properties and approving and authorizing policies for (1) Landscape Conversion Rebate Program for Homeowner Associations, (2) Smart Irrigation Controller Rebate Program for Homeowner Associations, and (3) Residential High Efficiency Clothes Washer Rebate Program, to be effective April 1, 2008.

**BACKGROUND/DISCUSSION:** The Arizona State Groundwater Management Act requires water providers within the Phoenix area to implement water conservation programs that reduce per capita water usage. Chandler began offering rebates in 1990 as part of the requirement of the City's Non-Per Capita Conservation Program (NPCCP) Stipulation and Consent Order with the Arizona Department of Water Resources. The Rebate Program offers a financial incentive for residents to implement water conservation measures that reduce per capita water usage and in turn, reduce the water demands placed on the City. Chandler offers rebates to residents who install automatic irrigation timers, new low-water use landscaping, and converting turf to low-water use landscape.

As Chandler's population approaches build-out and the housing market declines, the Rebate Program has lost momentum. The proposed changes will revitalize the residential landscape conversion rebate and incorporate new water conservation technologies that have developed since the Rebate Program began. The proposed new rebate programs are not required to comply with Chandler's existing NPCCP Order. Chandler will be required to enter into a new NPCCP Stipulation and Consent Order in 2010. The new rebates will be offered on a trial basis from April 1, 2008 through June 30, 2010. The trial period will allow time to evaluate the effectiveness of the programs for potential inclusion in the new NPCCP Stipulation and Consent Order in 2010. The proposed changes to the Rebate Program include:

**Landscape Conversion Rebates:** Rebates for converting turf areas to low-water use landscape will be modified to compensate for the rising cost of turf removal and landscape materials, and to increase program participation levels. Residential landscape conversion rebates will increase from a flat fee of \$200 to a tiered structure starting at \$200 per 1,000 square feet converted, up to a maximum of \$600. In addition, rebates will be offered to Homeowner Associations (HOA's) who replace turf in common areas with low-water use landscape. Two hundred dollars per 1,000 square feet of converted area will be offered, up to a maximum of \$3,000.

**Weather-Based "Smart" Irrigation Controller Rebate:** A \$200 rebate will be offered to HOA's for using a weather-based, or "Smart", irrigation controller. The Smart controller is an effective tool in reducing outdoor water use. A Smart controller uses plant water requirements, weather data, and site information such as soil moisture, rain, wind, slope, soil and plant type to automatically adjust watering times and frequency. This technology increases watering efficiency up to 30 percent. Once installed, the Smart controller makes irrigation schedule adjustments throughout the irrigation season with minimal human intervention.

**High-Efficiency Clothes Washer Rebate:** A \$100 rebate will be offered for the purchase of high-efficiency clothes washers that have a energy star high efficiency rating and a water factor of 6 or less. The water factor is determined by the number of gallons of water needed to clean one cubic foot of laundry. A listing of approved models will be available at the Consortium of Energy Efficiency web site ([www.cee1.org](http://www.cee1.org)), Chandler's Water Conservation Office, and web site. Conventional residential clothes washers use approximately 39 gallons of water per load (gpl) while high-efficiency washers, or front-loading washers, use as little as 12 gpl. These washers save an average of 7,000 gallons of water per household annually.

Chandler residents will be notified of the new Rebate Programs through a mass mailing beginning March 2008. The number of rebates awarded each year will be based on the availability of funds. The landscape conversion and purchase of the high-efficiency washer and Smart controller must be completed after April 1, 2008 to be eligible for the amended and new rebates. Staff will review the effectiveness of this program and will update Council in May 2009.

**FINANCIAL IMPLICATIONS:** Fiscal Year (FY) 07/08's budget of \$200,200 will not be fully expended; therefore, no additional funds are required. A funding increase for FY08/09 will not be requested and no additional staffing will be required at this time.

**PROPOSED MOTION:** Move to pass and adopt Resolution No. 4161 approving and authorizing an amended policy for the Landscape Conversion Rebate Program for Residential Properties and approving and authorizing policies for (1) Landscape Conversion Rebate Program for Homeowner Associations; (2) Smart Irrigation Controller Rebate Program for Homeowner Associations; and (3) Residential High Efficiency Clothes Washer Rebate Program, to be effective April 1, 2008.

**RESOLUTION NO. 4161**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA APPROVING AND AUTHORIZING AN AMENDED POLICY FOR THE LANDSCAPE CONVERSION REBATE PROGRAM FOR RESIDENTIAL PROPERTIES, AND APPROVING AND AUTHORIZING POLICIES FOR 1) LANDSCAPE CONVERSION REBATE PROGRAM FOR HOMEOWNER ASSOCIATIONS 2) SMART IRRIGATION CONTROLLER REBATE PROGRAM FOR HOMEOWNER ASSOCIATIONS, AND 3) RESIDENTIAL HIGH EFFICIENCY CLOTHES WASHER REBATE PROGRAM**

**WHEREAS**, Arizona Revised Statutes § 45-566 (A) 2 requires the Director of Arizona Department of Water Resources to develop management plans that require reasonable reductions in per capita water use; and

**WHEREAS**, the City of Chandler, Arizona (“Chandler”) is required to comply with the Third Management Plan and future Management Plans; and

**WHEREAS**, a Water Conservation Rebate Program offers a financial incentive for City of Chandler, Arizona water utility customers to implement water conservation measures that reduce per capita water usage; and

**WHEREAS**, Chandler’s residential Low-Water Use Landscape and Automatic Irrigation Timer Rebate participation levels have decreased; and

**WHEREAS**, proposed changes to the City of Chandler, Arizona Water Conservation Rebate Program will revitalize the Low-Water Use Landscape Conversion Rebate and incorporate new water conservation technologies, thereby reducing per capita water usage; and

**WHEREAS**, Chandler would like to evaluate the success of the new or amended water conservation rebates for potential use as Reasonable Conservation Measures in the City’s Non Per Capita Program for the Fourth Management Plan.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Chandler, Arizona, as follows:

Section 1. That the following policies are hereby adopted and approved.

(a) The attached Amended Landscape Conversion Rebate Program for Residential Properties policy attached hereto as Attachment 1.

(b) The attached Landscape Conversion Rebate Program for Homeowner Associations policy as Attachment 2.

(c) The attached Smart Irrigation Controller Rebate Program for Homeowner Associations policy as Attachment 3.

(d) The attached Residential High Efficiency Clothes Washer (HEW) Rebate Program policy as Attachment 4.

Section 2. That these policies shall be administered by the City Manager or his designee.

Section 3. That the rebates offered pursuant to the Landscape Conversion Rebate Program for Homeowners Association, the Smart Irrigation Controller Rebate Program, and the Residential High Efficiency Clothes Washer Rebate Program will not be offered for conversions or purchases made after June 30, 2010 and these policies shall terminate ninety days thereafter unless action to extend these policies is taken by the Chandler City Council prior to that date.

Section 4. That the various City officers and employees of the City of Chandler be and they hereby are, authorized and directed to perform all acts necessary to give effect to this Resolution.

**PASSED AND ADOPTED** by the City Council of the City of Chandler, Arizona this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

**ATTEST:**

\_\_\_\_\_  
**CITY CLERK**

\_\_\_\_\_  
**MAYOR**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**CITY ATTORNEY**

**CERTIFICATION**

**I HEREBY CERTIFY** that the above and foregoing Resolution No. 4161 was duly passed and adopted by the City Council of the City of Chandler, Arizona at a regular meeting held on the \_\_\_\_ day of \_\_\_\_\_, 2008, and that a quorum was present thereat.

\_\_\_\_\_  
City Clerk



## City of Chandler Water Conservation

### Landscape Conversion Rebate Program for Residential Properties (Amended Policy)

#### ABOUT THE PROGRAM

The Rebate Program encourages installation of low-water-use, drought-tolerant plants (Xeriscape), thereby creating a permanent reduction in the amount of water applied to landscapes.

A rebate is offered for the removal of grass from the landscape and installation of City approved low-water use landscaping. Rebates are calculated based upon the amount of turf removed and landscape installed, and is limited to no more than \$600 per property.

| <u>Amount of Turf Removed</u> | <u>Rebate Amount</u> |
|-------------------------------|----------------------|
| 1,000 - 2,000 square feet     | \$200                |
| 2,001 - 3,000 square feet     | \$400                |
| 3,001 + square feet           | \$600                |

#### WHO IS ELIGIBLE

Rebates are available for single-family residential properties that are Chandler utility customers and meet the program requirements stated below.

#### REQUIREMENTS

- Applicant must be the property owner and a current residential Chandler utility consumer.
- Rebate application must be filled out and submitted by applicant.
- The entire front and back yards must be landscaped prior to conversion. Exposed soil in conversion areas must be landscaped. Bare soil is not acceptable.
- The total landscapable area of the property must exceed 1,000 square feet. This area excludes buildings, driveways, pool, etc. (Patios or decking are included in landscapable area.) A minimum of 1,000 square feet of established turf area in the landscape must be converted to low-water use landscaping.
- Plant material in the conversion area (both newly installed and/or retained plants) must be listed as low-water use and, at typical mature size, must cover 50% or more of the landscaped area.
- After conversion, a minimum of 50% of the total landscapable area must be in non-grass and include plants from the Phoenix AMA Low Water Use Plant List, with inorganic or organic top dressing. Drought-resistant trees and shrubs must be the primary accent plants. Inorganic top dressing includes gravel, river rock, and decomposed granite. Organic top dressing includes bark, shredded bark or mulch.
- Non-pervious materials such as black plastic sheeting are not permitted in the rebated area.
- No fountains are allowed in the conversion area unless they are of a recirculating, cascading and non-spraying design.
- A final inspection is required.
- A property currently landscaped with low-water use plants will not be eligible for a rebate if the area is redone.

#### GETTING STARTED

- Call the Water Conservation Office to set up a preliminary site inspection.
- Submit a "before" photo of the established turf area, if available.
- You can begin the project after verification of eligibility by the Water Conservation Specialist.
- When the landscape conversion is completed, call the Water Conservation Office to schedule a final inspection
- At the final inspection, turf removal and plant material will be verified. You may submit photos of the completed landscape, if available.
- If all requirements are met, the rebate will be approved and a check will be mailed to you .

*The number of rebates awarded each year will depend upon availability of funds. Rebates are awarded in the order applications are received (from the date the completed application is received) on a first come, first served basis. The rebate is not retroactive and does not apply to work completed before April 1, 2008. The revised residential Rebate Conversion Program began on April 1, 2008. Rebate participants applying for a rebate that have completed a conversion of their landscapes prior to April 1, 2008 are only eligible for a \$200 rebate according to the previous program guidelines.*

Contact the Water Conservation Office at 480-782-3580 to apply for a rebate. To assist citizens with their landscape conversions, free low-water use landscaping booklets and an interactive CD are available. Call the office or visit Chandler's Water Conservation web site at [www.chandleraz.gov/water](http://www.chandleraz.gov/water) .



## City of Chandler Water Conservation

### Landscape Conversion Rebate Program for Homeowner Associations (Policy)

#### **ABOUT THE PROGRAM**

This program offers rebates starting at \$200 per 1,000 square feet of turf converted to low-water use landscape up to a maximum of \$3,000. This Rebate Program encourages installation of low-water-use, drought-tolerant plants (Xeriscape), thereby creating a reduction in the amount of water applied to landscapes. Free low-water use landscaping booklets and an interactive CD are available to assist with conversions to Xeriscape. Request these by calling 480-782-3580, or by visiting Chandler's Water Conservation web site at [www.chandleraz.gov/water](http://www.chandleraz.gov/water). This rebate will not be offered after June 30, 2010 and this policy will terminate ninety days thereafter unless action to extend this policy is taken by the Chandler City Council prior to that date.

#### **WHO IS ELIGIBLE**

Homeowner Association (HOA) properties that are Chandler utility customers who use potable water to irrigate common area landscape on a continual basis and meet the program qualifications and requirements stated below. Applicant must be authorized by the HOA Board and be the Property Manager or Homeowner Association President.

#### **REQUIREMENTS**

The property must have a minimum of 1000 square feet of established turf area in the landscape that will be removed and converted to low-water use landscaping.

- Landscapable area of the property must exceed 1,000 square feet. This area excludes buildings, driveways, and pools, etc. Patio or decking is included in landscapable area.
- The HOA common area landscape conversion must be completed on or after April 1, 2008 through June 30, 2010.
- Rebate application must be filled out and submitted by applicant. Applications submitted after June 30, 2010 will not be accepted.
- A preliminary site inspection to confirm eligibility is required before starting the conversion.
- The HOA organization applying for the rebate must participate in a free Water Budgeting Program offered by the City of Chandler Water Conservation Office.
- The application must include existing turf measurements.
- A final inspection is required after completion of the landscape renovation.
- Exposed soil in conversion areas must be landscaped. Bare soil is not acceptable.
- No fountains are allowed in conversion areas unless they are recirculating and comply with 35-1903 (6) (f) of Chandler's City Code.
- After conversion, a minimum 50% of the total landscapable area must be in non-grass with only plants from the Phoenix AMA Low-Water Use Plant List and include inorganic or organic top dressing. Inorganic top dressing may include gravel, river rock, and decomposed granite. Organic top dressing includes bark, shredded bark or mulch. Conversion must comply with 35-1903 (6) (C) 1 of Chandler's City Code. Information on low-water use plant choices is available free from the Water Conservation Office or the Arizona Department of Water Resources.
- A property currently landscaped with low-water use plants will not be eligible for a rebate if the area is redone.
- Revised landscape plans shall be submitted to the City of Chandler's Planning & Development Office.

#### **GETTING STARTED**

- Call the Water Conservation Office at 480-782-3580 to set up a preliminary site inspection.
- Submit a "before" photo of established turf area, if available.
- You can begin the project after verification of eligibility by the Water Conservation Specialist.
- The City of Chandler may reject applications it deems out of compliance with Xeriscape principles.

*A HOA property is permitted only one application per year. The number of rebates awarded each year depends upon availability of funds. Rebates will be awarded in the order the applications are received (from the date that the complete application is received) on a first come, first served basis. The rebate is not retroactive and does not apply to work completed before April 1, 2008.*

More information is available by calling 480-782-3580, or by visiting Chandler's Water Conservation web site at [www.chandleraz.gov/water](http://www.chandleraz.gov/water).



## City of Chandler Water Conservation

### **“Smart” Irrigation Controller Rebate Program for Homeowner Associations (Policy)**

#### **ABOUT THE PROGRAM**

Rebates of \$200 are available to Homeowner Association's (HOA) that install Smart Irrigation Controllers, also known as weather-based or Evapotranspiration (ET) controllers. Smart Irrigation Controllers provide the appropriate watering schedule for the landscape automatically making adjustments up to 365 times per year. These irrigation controllers use current weather data and information about site conditions (such as soil moisture, rain, wind, slope, soil, plant type, and more), and apply the right amount of water to the landscape based on those factors. Studies show most landscape water use can be reduced by as much as 30 percent with the use of a smart controller. However, this technology does not compensate for a poorly designed irrigation system or one that is inefficient. Therefore, the irrigation system should be in good working order. This rebate will not be offered after June 30, 2010 and this policy will terminate ninety days thereafter unless action to extend this policy is taken by the Chandler City Council prior to that date.

#### **WHO IS ELIGIBLE**

Homeowner Association properties that are Chandler utility customers who use potable water to irrigate common area landscape on a continual basis and meet the program requirements stated below. Applicant must be duly authorized by the HOA Board and be the Property Manager or Homeowner Association President.

#### **REQUIREMENTS**

- Total turf area irrigated by one controller must exceed 5,000 square feet. This excludes granite landscaped sections. The 5,000 square feet of turf does not need to be contiguous.
- Smart Controllers must utilize one of the following technologies:
  - Historical ET information programmed into the controller and accompanied with an active rain shut off and temperature sensor, or
  - On-site weather station connected directly to the controller, or
  - Controller capable of receiving ET data from regional weather stations through satellite feeds.
- The irrigation system should be in excellent condition, free from leaks, malfunctioning valves or emitters. Issues with water pressure, poor design, soil compaction, slopes and basins, or mixed sprinkler heads, etc., will influence irrigation efficiency. A water audit is recommended for turf areas if not performed within the last two years.
- The landscape contractor and/or HOA Board agree to participate in training to operate the controller.
- The HOA Board agrees to allow the City to use water consumption data for educational purposes.
- An HOA property is eligible to receive a maximum of five (5) Smart Irrigation Controller rebates.
- If the HOA Board chooses a controller using regional weather stations through satellite feeds, it must purchase a two-year subscription for the monthly service needed to supply each controller with daily weather data.
- Purchases must have occurred on or after April 1, 2008 through June 30, 2010.
- Rebate application must be filled out and submitted by applicant. Applications submitted after June 30, 2010 will not be accepted.
- The controller will be inspected by the Water Conservation Specialist, or designee, after installation and determined to meet the requirements of this policy.
- A copy of the receipt of purchase for the controller must be submitted.
- An inspection must be completed after installation, contact the Water Conservation Specialist at 480-782-3580 to schedule an appointment.

#### **GETTING STARTED**

Contact the Water Conservation Specialist at 480-782-3580 to request a rebate application. More information is available by visiting Chandler's Water Conservation web site at [www.chandleraz.gov/water](http://www.chandleraz.gov/water).

*The number of rebates awarded each year will depend on availability of funds. Rebates are awarded in the order that the applications are received (from the date that the complete application is received) on a first come, first served basis.*



## City of Chandler Water Conservation

### Residential High Efficiency Clothes Washer (HEW) Rebate Program (Policy)

#### ABOUT THE PROGRAM

This program offers a \$100 financial incentive for Chandler residential water customers who choose to purchase a high-efficiency clothes washer (HEW) in place of a standard top-loading model. Conventional residential clothes washers use approximately 39 gallons of water per load (gpl) while high efficiency washers, or front-loading washers, use as little as 16 gpl. These washers save an average of 7,000 gallons of water per household annually. By using less water, you can save money on water bills and water heating costs throughout the year. In addition, high efficiency clothes washers use less detergent and may also result in reduced drying time. This rebate will not be offered after June 30, 2010 and this policy will terminate ninety days thereafter unless action to extend this policy is taken by the Chandler City Council prior to that date.

#### WHO IS ELIGIBLE

City of Chandler utility customers who meet the program qualifications and requirements stated below. Commercial laundromats are not eligible.

#### REQUIREMENTS

- Applicant must be a City of Chandler residential water utility customer in good standing.
- Purchase and install an **approved** high-efficiency front-loading clothes washer. Washer must have received an Energy Star High-Efficiency Rating and also have a **water factor (WF) of 6 or less as established by the Consortium of Energy Efficiency**. A listing of washers meeting these requirements is available at <http://www.cee1.org/resid/seha/rwsh/rwsh-prod.pdf>, or a copy is available from the Water Conservation office.
- The high-efficiency clothes washer rebate must be used to replace an existing clothes washer already in use at the property address.
- Purchases must have occurred on or after April 1, 2008 through June 30, 2010 and are not retroactive.
- Rebate application must be filled out by applicant and submitted within one year of purchase date. Applications submitted after June 30, 2010 will not be accepted.
- Submit a legible copy of the sales receipt for the new clothes washer. Sales receipt must include purchase date, installation date, purchase price, brand and model number.
- Agree to a post-installation inspection prior to receiving the rebate.
- The clothes washer must be installed before inspection.
- The Water Conservation Specialist will schedule an appointment with the applicant for an on-site inspection.
- Rebates are limited to one per applicant or installation address. Repeat purchases are not eligible for additional rebates.
- The City of Chandler is not responsible for rebates lost or delayed in the mail.
- The City of Chandler does not endorse or recommend specific brands, products or dealers.

#### GETTING STARTED

Contact the Water Conservation Office at 480-782-3580 to request a rebate application. More information is available by visiting Chandler's Water Conservation Web site at [chandleraz.gov/water](http://chandleraz.gov/water).

**NOTE:** Not all high-efficiency clothes washers qualify for a rebate. Check the listing for models with a water factor of 6 or less available at <http://www.cee1.org/resid/seha/rwsh/rwsh-prod.pdf>, or call the Water Conservation Office.

*The number of rebates awarded each year will depend on availability of funds. Rebates are awarded in the order the applications are received (from the date that the complete application is received) on a first come, first served basis. Program rules may be changed at any time.*

#### How To Recycle Your Old Clothes Washer

Many local charitable groups accept reusable clothes washers. Recycling provides job training and self-sufficiency programs for people with disabilities and families in need. You also can drop your old washer off at Chandler's Solid Waste Collection Center, or include it in your bulk trash collection. Call Solid Waste Services for more details at 480-782-3510, or visit on line at [chandleraz.gov/default.aspx?pageid=230](http://chandleraz.gov/default.aspx?pageid=230).