

SECTION 6 WATER DEMAND MANAGEMENT

Monte Vista Water District is a regional leader in developing and implementing proactive demand management programs that protect existing water resources so that adequate water supplies will be available for sustainable future growth. Investments in reliable local resources have been critical to maintaining current and future water supplies. Equally critical is the promotion of water use efficiency as an integral component of current and future water strategy for the service area.

In 1991, the District became one of the first water agencies to sign the California Urban Water Conservation Council's *Memorandum of Understanding Regarding Urban Water Conservation*, accepting its obligation to implement a prescribed set of urban water conservation Best Management Practices (BMPs). The BMPs, which are equivalent to the demand management measures set forth in the Urban Water Management Planning Act, have been a key element in the District's conservation program strategy. The District has maintained its compliance with the BMPs, as demonstrated in its coverage reports included as Appendix M of this Plan.

In addition to the BMPs, the District is required to comply with the Water Conservation Act of 2009's requirements to set and then to meet its urban water use reduction targets of 188 GPCD by 2015 and 167 GPCD by 2020. Section 3.6.2 of this Plan describes how these targets are determined. As many of the District's conservation activities are implemented on a regional basis, the District is an active participant in a regional alliance coordinated by IEUA to achieve regional compliance with the Water Conservation Act of 2009. Both on an individual and regional basis, the District is currently exceeding its urban water use reduction targets.

In the following section, the District will describe its past, current, and future conservation efforts and demonstrate how the District plans to assist its customers in maintaining and enhancing their current water use efficiency practices.

6.1 LEGISLATIVE AND REGULATORY REQUIREMENTS

The strategies, programs, and regulations included in this section are designed to meet the following as well as any future statewide compliance requirements:

- CUWCC's BMPs
- Assembly Bill (AB) 1420 – Implementation of Demand Management Measures
- SB X7-7 – The Water Conservation Act of 2009, which requires urban water suppliers to achieve a 20 percent per capita reduction in urban water use by 2020

6.1.1 California Urban Water Conservation Council

The California Urban Water Conservation Council (CUWCC) is a voluntary state-wide organization of water agencies, public interest organizations, and private entities tasked with overseeing the BMP reporting process, implementing and revising the *Memorandum of Understanding Regarding Urban Water Conservation* (MOU), and generally promoting urban water use efficiency in California. Membership in CUWCC consists of three groups: Group 1: Urban Water Suppliers; Group 2: Public Advocacy Organizations; and Group 3: Other Interested Parties. Only Groups 1 and 2 have voting rights to alter MOU provisions, and both groups must agree to any alterations. The MOU was last amended in June 2010.

The District became a Group 1 member of CUWCC in 1991, when it was one of 120 water agencies and environmental groups to become charter signatories to the MOU. There are currently over 400 CUWCC members.²³

In 2010, the District amended its signatory status to become a wholesale as well as a retail water agency signatory to the MOU.

Best Management Practices

As an MOU signatory, the District is obligated to make “good faith efforts” to meet coverage requirements for the BMPs for efficient urban water usage as set forth in the MOU. Every two years, water agencies that are signatories to the MOU are required to fill out and submit online BMP reports on conservation program activities as they relate to individual BMPs. The District submitted its latest reports for FYE 2013 and FYE 2014 in December 2015.

A BMP is defined by the MOU as a policy, program, practice, rule, regulation or ordinance or the use of devices, equipment or facilities which meets either of the following criteria:

- An established and generally accepted practice among water suppliers that results in more efficient use or conservation of water; or,
- A practice for which sufficient data are available from existing water conservation projects to indicate that significant conservation or conservation-related benefits can be achieved; that the practice is technically and economically reasonable and not environmentally or socially unacceptable; and that the practice is not otherwise unreasonable for most water suppliers to carry out.

The BMPs listed below are incorporated into the MOU:

²³ CUWCC website, www.cuwcc.org.

- BMP 1: Utility Operations
 - BMP 1.1: Conservation Coordinator
 - BMP 1.2: Water Waste Prevention
 - BMP 1.3: Wholesale Agency Assistance Programs
 - BMP 1.4: System Water Audits, Leak Detection and Repair
 - BMP 1.5: Metering with Commodity Rates For All New Connections and Retrofit of Existing Connections
- BMP 2: Education Programs
 - BMP 2.1: Public Information Programs
 - BMP 2.2: School Education
- BMP 3: Residential Programs
 - BMP 3.1: Residential Landscape Water Survey Program
 - BMP 3.2: Residential Leak Assistance Program
 - BMP 3.3: High Efficiency Clothes Washers
 - BMP 3.4: WaterSense Specification Toilets
- BMP 4: Commercial, Institutional, Industrial
- BMP 5: Landscape

BMPs 1 and 2 are considered “Foundational” because they are essential water conservation activities and are adopted for implementation by all signatories to the MOU as ongoing practices with no time limits. The remaining BMPs are considered “Programmatic” and provide minimal levels of activity in order to achieve coverage. Coverage requirements for the current BMPs are meant to achieve conservation-related activity and water savings goals over a ten-year period ending in 2018.

Compliance with the Programmatic BMPs can be accomplished in one of three ways:

1. Accomplishing the specific BMP measures;
2. Accomplish a set of alternative measures which achieves equal or greater water savings, referred to in the MOU as the Flex Track Menu; or
3. Accomplish a GPCD water savings goal.

The latter option is similar but not identical to the GPCD target required in the Water Conservation Act of 2009.

A water agency may also achieve coverage for an individual BMP by doing one of the following:

- File for an exemption from the BMP based on “good faith” efforts, lack of cost-effectiveness, inadequate funds, or lack of legal authority to implement the BMP; or,
- Provide evidence that the agency has implemented an “at least as effective as” conservation activity that would provide equal water savings to implementing the BMP.

Retail agencies are required to achieve coverage for all the BMPs except BMP 1.3. Wholesale agencies are required to achieve coverage for all the Foundational BMPs except BMPs 1.2 and 1.5. Coverage reports are issued by CUWCC upon submittal of annual reports by its Group 1 members. The District’s coverage reports for 2013 and 2014 are incorporated as Appendix M.

6.1.2 Assembly Bill 1420

Under AB 1420 (2007), effective January 1, 2009, the terms of, and eligibility for, a water management grant or loan made to an urban water supplier and awarded or administered by DWR and the State Board shall be conditioned on the implementation of the Demand Management Measures (DMMs) incorporated into the Urban Water Management Planning Act. Under State Law, achieving compliance under the CUWCC’s BMPs is equivalent to implementing the DMMs.

DWR must consider whether an agency is implementing or has scheduled to implement the DMM activities that an agency has identified in its UWMP in evaluating applications for grants and loans financed by specified bond funds. This requirement sunsets on July 1, 2016.

6.1.3 The Water Conservation Act of 2009

Enacted in November 2009 as part of an historic package of bills concerning California water management, SBX 7-7 establishes a statewide urban per capita water use reduction of 20 percent by 2020. This initiative applies to all urban retail water suppliers serving a minimum of 3,000 customers or supplying 3,000 AFY or more. Urban retail water suppliers were required to establish a baseline GPCD and report it in their 2010 UWMPs by July 1, 2011.

Beginning in 2010, an urban retail water supplier must establish a baseline and continue to implement required DMMs under AB 1420. On July 1, 2016, compliance with SBX 7-7 will replace compliance with AB 1420 as a condition eligibility of all state water management grants and loans. Awarding of state grants and loans will then be contingent on meeting or exceeding the 20 percent water use reduction target by 2020. An interim reduction target of 10 percent must also be met by December 31, 2015, as certified in each urban agency's 2015 UWMP.

For baseline criteria and establishment of the District compliance's with this legislation, see Section 3.6.1; for District compliance with its 2015 Interim Urban Water Use Target, see Section 3.6.3.

6.1.4 Assembly Bill 1881

AB 1881 (Laird 2006), the Water Conservation in Landscaping Act, requires statewide land use agencies to update and adopt local landscaping ordinances by January 1, 2010. The adopted landscaping ordinances must be "at least as effective as" the State Model Water Efficient Landscape Ordinance (MWELO) developed by DWR. In 2015, Governor Brown issued an executive order (B-29-15) requiring significant changes to the MWELO.

Key elements in the updated MWELO include: applying a water budget approach to large new and redeveloped landscapes which require a permit, reducing the ETo adjustment factor used in the calculation of a landscape's budget, increasing the public's awareness of the importance of water use efficiency in landscaping, requiring "smart" (e.g., weather-based) irrigation controllers, and adopting and enforcing statewide prohibitions on overspray and runoff.

The District is not a land use agency and is not required to implement AB 1881. However, the District was directly engaged with its local land use agencies in the process of developing a model landscape ordinance for the Chino Basin region through the Inland Empire Landscape Alliance, convened by IEUA. The District also assisted the City of Montclair in adapting the regional ordinance for adoption into the City Code. The District will continue to work with the City and its other land use agencies in updating and implementing their ordinances for applicable new and rehabilitated developments.

6.2 DEMAND MANAGEMENT MEASURE IMPLEMENTATION

As mentioned earlier, the District has maintained its compliance with the BMPs, as demonstrated in its most recent 2013-2014 coverage reports included as Appendix M of this Plan. According to Section 10631(i) of the Urban Water Management Planning Act, submission of CUWCC BMP coverage reports meets the Act's requirement to describe the water supplier's DMM implementation process.

The District has chosen the GPCD compliance option for achieving all of the Programmatic BMP water savings goals. The method of determining GPCD compliance under the MOU differs slightly from that of the Water Conservation Act of 2009, but not enough to be consequential to the District's plans to maintain compliance under both requirements.

6.3 DEMAND MANAGEMENT PLANNING

The following is a general description of the District's demand management strategies to maintain compliance with the Water Conservation Act of 2009 and with the DMMs/BMPs under the GPCD compliance option.

6.3.1 Regional Conservation Programs

A significant portion of the District's water conservation efforts are conducted through regional programs. The District, through IEUA, has access to MWD's extensive array of conservation programs. In addition, the District is a member of two major regional conservation groups: IEUA's Regional Conservation Workgroup, which facilitates and supplements MWD programs in the IEUA service area; and the Water Education Water Awareness Committee (WEWAC), which manages a number of regional water education and public information programs. The District also has a strong working relationship with CBWCD, which provides conservation and education programs for District customers.

MWD's Regional Conservation Programs

MWD currently provides financial support for local water projects and water conservation projects implemented by its member agencies that contribute to an increase in the reliable regional water supplies available to the region. The District participates in many MWD regional programs through its MWD member agency, IEUA, as described below.

IEUA's Regional Conservation Workgroup

IEUA coordinates a comprehensive regional conservation program through its Regional Conservation Workgroup. The Workgroup, comprised of representatives from each of IEUA's eight member retail agencies, advises IEUA on the implementation of conservation and education programs funded through a per-AF surcharge on imported water purchased by the member agencies from IEUA. The program also receives funds through retail meter revenues collected by IEUA. These funds are used to leverage additional funding from MWD, DWR, and the U.S. Bureau of Reclamation, resulting in an annual conservation budget which is consistently over \$1 million.²⁴ The District actively works through the Regional Conservation Workgroup to advocate for conservation and education programs that will be of direct benefit to District customers.

²⁴ In FYE 2017 IEUA will change this funding structure to a fixed member agency meter equivalent unit charge.

From FYE 2011 through 2015, the IEUA region has achieved 3,630 AF in annual savings and 34,610 AF in lifetime savings, and the District has achieved 169 AF in annual savings and 1,713 AF in lifetime savings from IEUA's regional conservation programs over the same time period.²⁵ The programs are described below. For District device/rebate numbers and savings by program, please see Appendix N.

- **MWD's SoCal WaterSmart Rebate Program:** See above. The Workgroup often supplements MWD's rebate amounts with local funds to increase regional participation in the program.
- **Residential Landscape Transformation Program:** Provides contractor services to replace 500-1,000 square feet of turf with water efficient landscaping. Participants provided nominal co-pay of \$0.30 per square foot.
- **Regional Residential Large Landscape Retrofit Program:** Provides outdoor irrigation evaluations and retrofits of landscape devices for ¼-acre and larger sites.
- **FreeSprinklerNozzles.com Voucher Program:** Provides voucher for free high efficiency irrigation spray nozzles through a web-based portal.
- **Turf Rebate:** In FYE 2015, MWD committed an unprecedented \$340 million to turf removal incentives for FYE 2015 and 2016.

In addition, IEUA provides the following additional agency support, conservation, and education programs to the District and its customers through the Workgroup process:

- **Regional Landscape Training Workshops:** Residential workshops on the basics of efficient irrigation systems, the benefits of properly watering and fertilizing landscaping, landscape design techniques and plant identification.
- **Water Saving Garden Friendly:** Public-private partnership with Home Depot to promote water efficient plants through decals, plant sales, and workshops.
- **Garden-In-Every School[®] Program:** Installs water wise gardens in elementary schools.
- **National Theatre for Children:** Live theatre, student curriculum and teacher guides for elementary schools.
- **Shows That Teach:** Educational and motivational school assembly programs that focus on water education.

²⁵ IEUA Annual Water Use Efficiency Programs Report, FY 2014-2015.

- **Water Discovery Field Trip Program;** Free school field trips to Chino Creek Wetlands and Educational Park to promote the public understanding of the value of natural treatment wetlands, the creation of habitat for endangered/sensitive species and environmental stewardship.
- **Water Conservation Outreach Campaign:** Conservation and drought outreach messaging via monthly ads in local newspaper and movie theaters.
- **BMP Support Grant:** An annual grant of \$2,000 to each member agency for a BMP-related program or project.
- **Regional Water and Landscape Conservation Fair:** Held annually in October, the Fair is a community awareness partnering event with CBWCD, IEUA, and its member agencies created to educate the public on the importance of using water efficiently.

IEUA has just developed its third Regional Water Use Efficiency Business Plan to guide its water use efficiency programs through 2020. The plan focuses on assisting retail water agencies in developing budget-based tiered rate structures to incentivize efficient water use. The District developed its budget-based tiered rate structure in 2010 (see Section 6.3.2). Additional identified water use efficiency programs include:

- **Customer Engagement Software and Data Analytics:** Tools for water agencies to identify customers with excess water usage and communicate with customers on how their usage compares against accepted water use efficiency standards. Also offers customers the ability to track usage against a budget through web-based and mobile interfaces.
- **Regional Residential Small Landscape Retrofit Program:** Provides outdoor irrigation evaluations and retrofits of landscape devices for 500-square-foot and larger sites.
- **High Efficiency Nozzle Direct Installations:** Retrofitting pop-up spray heads with high efficiency nozzles. District began program independently in 2015 (see Section 6.3.2).

Water Education Water Awareness Committee

The Water Education Water Awareness Committee (WEWAC) is a voluntary consortium of 14 local water agencies formed to promote the efficient use of water and to increase public awareness of the importance of water in southern California. WEWAC was founded originally as the “West End Water Awareness Committee” by the District and other local water agencies in the west end of San Bernardino County in 1986 during a severe drought, and it has since grown to include agencies in Los Angeles County (hence the change in the organization’s name).

WEWAC implements the following annual education and public outreach programs:

- **EduGrant Program** – Provides \$600 grants to local educators for water-related classroom activities. District staff help organize the program and select grant recipients.
- **Project WET Workshops** – Free workshop to introduce local educators to the Project WET (“Water Education for Teachers”) *Curriculum & Activity Guide*, a collection of field-tested, innovative, interdisciplinary, water-related lessons and activities aligned with the California Content Standards. The District pays substitute costs for the first five teachers from schools within its service area who register. District staff receive Project WET facilitator training and help organize and run the workshops.
- **Water Awareness Broadcast Media and Digital Art Contest** – Competition among local junior high and high school students to produce a broadcast media or digital art public communication focused on water conservation and awareness.
- **Water Scholar Program** – provides financial support to high school seniors planning to attend a two- or four year college in the following school year.
- **WEWAC Website** – The WEWAC website, www.UseWaterWisely.com, provides education resources in an attractive and engaging way. Includes signup for the monthly *Next Wave* email newsletter, a water quiz, links to other online resources, and information on WEWAC education programs.
- **Quakes Messaging** – Messages on how to use water efficiently posted on the video board during Rancho Cucamonga Quakes minor league baseball games.

As noted above, District staff are actively engaged in assisting in the implementation of WEWAC programs.

Chino Basin Water Conservation District

CBWCD was established in 1949 to protect and replenish the Chino Groundwater Basin with rainfall and storm water runoff from the San Gabriel Mountains. CBWCD uses an extensive system of percolation ponds and spreading grounds to augment the natural capacity of the region to capture runoff for the recharge of the groundwater basin. CBWCD also promotes water conservation through public education programs, water conservation services, and a newly completed Water Conservation Center – all provided free of charge to residents within its service area. Finally, CBWCD provides funding through its Public Sector Program for onsite retrofits of parks and school yards within its service area to use recycled water.

The District's retail service area lies fully within CBWCD's service area, providing District customers with full access to all CBWCD conservation, education, and funding programs and resources. CBWCD and the District work closely together to promote these programs and communicate their availability to District customers.

The following are brief descriptions of CBWCD's conservation, education, and funding programs and resources which provide direct benefit to the District's conservation programs:

- **Landscape Evaluation and Audit Program (LEAP)** – Certified irrigation system evaluators visit customers' properties, conduct a landscape irrigation evaluation, and provide a comprehensive evaluation report. Partially funded through IEUA.
- **Landscape Design Room** – Resources to assist in retrofitting to water efficient landscaping. Appointments for a free consultation with conservation specialists.
- **Gardening Workshops** – Free gardening workshops for both professionals and homeowners. CBWCD contracts with IEUA to hold workshops exclusively for its member agencies, upon request.
- **Qualified Water Efficient Landscaper (QWEL) Training** – Professional bilingual training on water efficient principles for irrigation systems and landscape design. QWEL is an EPA WaterSense labeled certification.
- **Drought-Tolerant Demonstration Garden** – Showcases a variety of water efficient plants growing in their native environment. Free, open 7 days a week (excluding holidays), guided and unguided tours available.
- **Earth Day Festival** – Annual event for 1,000-1,200 fifth-grade students from local schools. District provides sponsorship funding, hosts water education display booths, and provides educational materials to teachers and students.
- **Education Grants** – Scholarships of up to \$5,000 to local students focusing on water related majors.
- **Poster-Art Contest** – Annual themed contest for K-6th grade and 7th-12th grade categories. Cash prizes.
- **Recycled Water Conversion Incentive Program** – Funding for conversion of city parks and school yards to recycled water.
- **Mulch Giveaways** – Free mulch, self-help, available twice a week.

Regional Compliance with Water Conservation Act of 2009

Many of the District's conservation activities are implemented on a regional basis through IEUA's Regional Conservation Workgroup. The Water Conservation Act of 2009 provides a regional compliance option, where a group of agencies that regionally coordinate conservation efforts can set collective urban water use targets and determine regional methods to achieve said targets through a Regional Alliance.

IEUA's eight retail member agencies formed a Regional Alliance, together with IEUA, in 2011. All member agencies within IEUA's service area have agreed to the formation of a Regional Alliance, and will continue to cooperatively participate in developing programs and meeting regional and local water conservation goals. The District is an active participant in regional conservation programs and supports the Regional Alliance's effort to exceed its collective water use reduction goal of 20 percent by 2020 through regional conservation programs and aggressive recycled water development, as described in IEUA's 2015 UWMP.

6.3.2 District Conservation Programs

In the late 1980s, faced with a significant drought, the District provided regional leadership in helping to form WEWAC to communicate to the region's water users the need to conserve limited water resources. In 1996, the District initiated its comprehensive conservation incentive programs with free toilet distributions, in partnership with IEUA. Since then, the District has generated over 570 AFY in water savings, or 6,890 AF over the lifetime of the incentivized high efficiency devices. This represents over 6% of the District's current retail water demand. The District has also developed ongoing and effective public information and outreach campaigns.

In addition to the District's leadership, active engagement, and full utilization of regional conservation programs to benefit its customers, the District has also developed District-specific programs to address the particular needs and generate additional water savings and value for its customers.

Budget-Based Tiered Rate Structure

In August 2010, the District implemented a budget-based tiered rate structure for its single-family residential customers. A budget rate structure relies on a calculation of the indoor and outdoor water needs for each individual customer per billing period which, added together, form the customer's "budget." Customers who stay within their budget will pay lower rates than those who exceed their budget, thus incentivizing efficient use.

The District has revised its budget allocation criteria twice, in 2012 and most recently in 2016, to better align with state efficiency standards. Table 6-1 shows the current default values and formulas that the District uses to determine each customer's water budget. These default values represent a sufficient allocation of water to cover efficient indoor and outdoor water needs. If, due to special circumstances, individual customers require greater amounts of water to meet their indoor or outdoor needs, they may seek a budget variance. In 2016, the District expanded its budget rate structure to include customers with dedicated irrigation meters.

**Table 6-1:
Budget-Based Tiered Rate Structure Assumptions – 2016**

Residential Tier	Residential Formulas
Tier 1	4 persons * 55 gallons * 30.4 days / 748 gallons
Tier 2	Lot Size – Residential Structure Footprint – Hardscape (25% Remaining Lot) * 38 inches
Tier 3	50% of Tier 1 + 50% of Tier 2
Tier 4	All usage above Tier 3
Irrigation Tier	Irrigation Formulas
Tier 1	Lot/Irrigated Size * 45 inches
Tier 2	All usage above Tier 1

Budget-based rate structures are widely considered to be a very effective way to incentivize water customers to use water efficiently. A recent University of California Riverside study of one budget rate structure concluded that it achieved a 15 percent water savings.²⁶ Additionally, the District dedicates revenues received through its highest penalty tier for conservation program expenses.

Mandatory Year-Round Water Use Efficiency “Best Practices”

In May 2010, the District Board of Directors adopted Ordinance 33 (Appendix O), establishing water use efficiency “best practices” and staged water shortage demand management measures (for more information on these stages, see Section 7.2 below). Under Ordinance 33, District customers are required to implement the following water use efficiency “best practices” on a permanent, year-round basis:

- Set automatic irrigation timers to water only before 8:00 a.m. or after 8:00 p.m. and for 15 minutes or less per cycle (exceptions: hand-watering, drip irrigation, weather-based or soil moisture sensing irrigation controllers);
- No runoff from excessive watering;

²⁶ Kenneth Baerenklau, Kurt Schwabe, and Ariel Dinar, “Allocation-Based Water Pricing Promotes Conservation While Keeping User Costs Low.” Agricultural and Resource Economics Update 17(6), 2014.

- No watering during rain;
- Repair leaks within seven days of discovery;
- Use shutoff nozzle to wash vehicles, or use commercial wash that recycles;
- No hosing or washing paved surfaces (except when required for health and safety reasons, and then only with a high-pressure washer);
- Restaurants provide water service only on request;
- Hotels provide option for no daily linen service; and,
- Water recycling systems for conveyer and in-bay automatic vehicle washes, decorative water features, and cooling towers and evaporative cooling systems.

Recycled water customers are exempt from these practices, but they must follow the water use requirements under the District’s Ordinance 31 (Appendix L) governing recycled water use within the District’s service area.

The District’s enforcement of year-round water use efficiency best practices is dictated by established courtesy notice and enforcement procedures, as well as by water supply conditions and staff availability. If violations are reported by customers or witnessed by District staff, the District provides one or more courtesy notices by door hanger, phone call, or letter, informing the customer about the violation and requesting that it be addressed in a timely manner. If the violation is witnessed again by District staff after at least seven (7) days, the District initiates official notifications by letter. If the customer receives two such notifications and the violation is still not addressed after at least seven (7) days from receipt of the last and final notice, the customer is subject to fines and possible flow restriction on the schedule in Table 6-2.

**Table 6-2:
 Best Practice Notifications and Penalties**

	First Violation	Second Violation	Third Violation	Fourth Violation	Fifth Violation
Best Practices	Written Notice	Final Written Notice	\$50 Fine	\$100 Fine	\$150 Fine; Flow Restrictor

Customers have the right to request in writing a waiver for hardship or special circumstances. A staff review board reviews written waivers and grants or revokes waivers. Review board appeals may be heard by the District Board of Directors.

Residential Nozzle Retrofit Program

In 2014, the District contracted with ConServ Construction, Inc. to provide customers with a free irrigation survey and nozzle retrofit program. This program, funded through Tier 4 revenues from its budget-based tiered rate structure (see above), targets customers who exceed their budget or otherwise are identified as high users.

The program provides a site visit, evaluation of the customer's irrigation system, and installation of high-efficiency spray nozzles, as well as a consultation on the many existing regional and local conservation programs would best meet the customer's needs and help reduce water use to within their budget allocation.

Enhanced Conservation Program

In response to Governor Brown's declaration of drought emergency and mandatory conservation order, and in conjunction with a declared Significant Water Supply Shortage under Ordinance 33 (see Section 3.1), the District launched an Enhanced Conservation Program to assist customers in achieving immediate and lasting water savings.

Transferred \$250,000 from reserves into its conservation program budget, the District funded the following enhanced programs:

- Enhanced rebates for turf removal, high-efficiency toilets, and weather-based irrigation controllers;
- Enhanced irrigation retrofits to supplement local and regional installations of high-efficiency irrigation technologies;
- A public sector assistance program that provided matching funds to public sector partners in reducing near-term water use while achieving long-term savings; and
- Enhanced promotions through additional customer communications and consultant assistance on developing effective promotional strategy and materials.

Drought Response Clinics

Also in response to the Governor's mandatory conservation actions, the District initiated a series of "clinics" to assist customers with a variety of options to reduce their water use. Customers who attend the clinics receive one-on-one assistance with conservation programs and attend bilingual gardening mini-classes and demonstration garden tours to learn more about water-efficient plants. Customers were able to sign up for free landscape irrigation evaluations, free sprinkler nozzles, free weather-based irrigation controller installations, and free comprehensive landscape retrofits, depending on their qualifications. Customers were also provided with information on available rebates for toilets and clothes washers, as well as tips on how to change water use habits to avoid waste.

“Water Is Life” Art Poster Contest

The District has conducted an annual “Water is Life” Art Poster Contest since 2002 for students in Kindergarten through 12th grade that attend schools located within the District's service area. Winners in several grade categories are selected by District staff and members of the Board of Directors. The winning entries of the District's contest are entered into MWD's regional contest which selects 36 posters to feature in a calendar.

Bruce J. Lance, Jr. Water Scholarship

In 2013, the District recognized Bruce Lance's 44 years of service as its general counsel by establishing the “Bruce J. Lance, Jr. Water Scholarship” for Montclair High School graduating seniors who plan to attend college. Two \$500 scholarships are awarded annually. Applicants are required to write an essay on the importance of water.

Website and Email Newsletter

The District's website, www.mvwd.org, has a special conservation section which features conservation programs and resources, a “Watch the Water” news section, rotating water savings tips, a form for reporting water wasters, a garden class signup form, and a full listing of programs and resources for teachers and students. Figure 6-1 shows the website section's current front page. The District has also developed an email newsletter, the e-Waterline, which delivers information from the website conservation section directly to customer inboxes.

6.3.3 Potential Customer Sector and Economic Impacts

Conservation has multiple benefits, one of which is the value of conservation to the District's ratepayers, in that it saves them from paying higher rates. The District's conservation strategies are equally targeted to all of its customer sectors, and any economic benefits are expected to be borne equally by all customer sectors. That said, conservation can negatively impact the District through decreased revenues. The District protects itself from such impacts through use of a budget-based tiered rate structure (see Section 6.3.2), which matches the District's revenue needs to efficient water use, as well as through the balanced use of the District's diverse water supply portfolio.

The District expects a long-term reduction in water demands as customers become more efficient. In the future, the District may be required to reduce demands even further by either state regulatory action or other unforeseen situations, resulting in insufficient revenues to meet projected expenses. In order to protect the District financially in such circumstances, the District recently adopted “demand reduction rates” as part of its normal rate adoption process in order to ensure financial stability and high quality water service. These rates are set in four stages representing rate adjustments to address a 10 percent, 20 percent, 30 percent, and 40 percent reduction in demand below baseline levels. Implementation of demand reduction rates would require separate action by the Board of Directors before they take effect, and do not apply to recycled water customers.

**Figure 6-1:
District Website Conservation Section**

