

This presentation premiered at WaterSmart Innovations

watersmartinnovations.com



Creating Local Funding for Landscape Water Use Efficiency

WaterSmart Innovations

October 8, 2010

Tim Barr

Western Municipal Water District



Tom Ash

HydroPoint Data Systems, Inc.

Where is Western Municipal Water District?



Y Change How Programs R Funded?

- **dwindling resources available for retrofit programs**
 - more grant competition for less money
 - shrinking agency budgets
- **still need to achieve landscape water use efficiency**
 - embrace technology and get greatest bang for agency buck
- **become “independent” from outside funding sources**
 - Found new partners: the ultimate beneficiary, the end user, the rate payer

Why On Bill Financing 4 A Landscape Program...

- **High potential for savings**
 - 70% of M&I water used in urban landscaping
 - Large single family residential lots
 - Lots of soggy turf (commercial and residential)
- **Past success with direct install of smart controllers**
- **Partner with the end user**
- **Spread WUE budget dollars farther**
- **Customers asked for help**



Western's Program Objectives



- Target inefficient customers
- Target functional irrigation systems
- Introduce customers to reliable technologies
- Provide high-quality professional installation

Western's Program Objectives

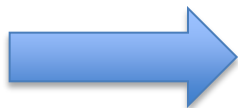
- Provide follow-up assistance and education
- Create a relationship between customers and experts
- Have happy customers
- Replenish the program budget
- **Do not add to existing staff workload**



Why HydroPoint Data Systems/WeatherTRAK?

- Reliable Technology
- Greater Customer Satisfaction

Product	Pre-APR	Post-APR	TIR	Waste
Contr 1	2.62	2.42	1.0	+142%
Contr 2	2.47	1.67	1.0	+67%
Contr 3	1.81	1.68	1.0	+68%
Contr 4	1.43	1.38	1.0	+38%
Contr 5	1.42	1.34	1.0	+34%
Contr 6	1.06	1.13	1.0	+13%
Contr 7	1.03	.94	1.0	-6%
Contr 8	.76	.66	1.0	-34%



Source: Table 55, *Evaluation of Weather-Based "Smart" Controller Programs*



smart yard

save blue ≈ make green

HydroPoint Data Systems, Inc:

Chris Spain

Lori Tonelli

Ben Slick

Arsenio Perez

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Carlos Perez

Rachel Ayala

Lourdes Evans

Sharon Thompson

Rob Longaker

Tracey Bradley

Sam Boyd

Caroline Nordahl

Licensed Contractors/Install Team

Tom Carrasco (EC)

Dan Peters (HCL)

Ty Jaglowski (EC)

Casey Peters (HCL)

Juan Rodriguez (EC)

Western Municipal Water District:

Tim Barr

Pam Pavela

Mallory Gandara

What is Smart Yard?

- **Sustainable community** water efficiency program that will save **1 billion gallons of water** while it reduces homeowner water bills
- Approved by Western's Board of Directors to **reduce local dependence on imported water**
- **First-of-its-kind**, innovative OBF program with public agency/private company relationship
- **Financially sustainable** – no reliance on external subsidies or grants

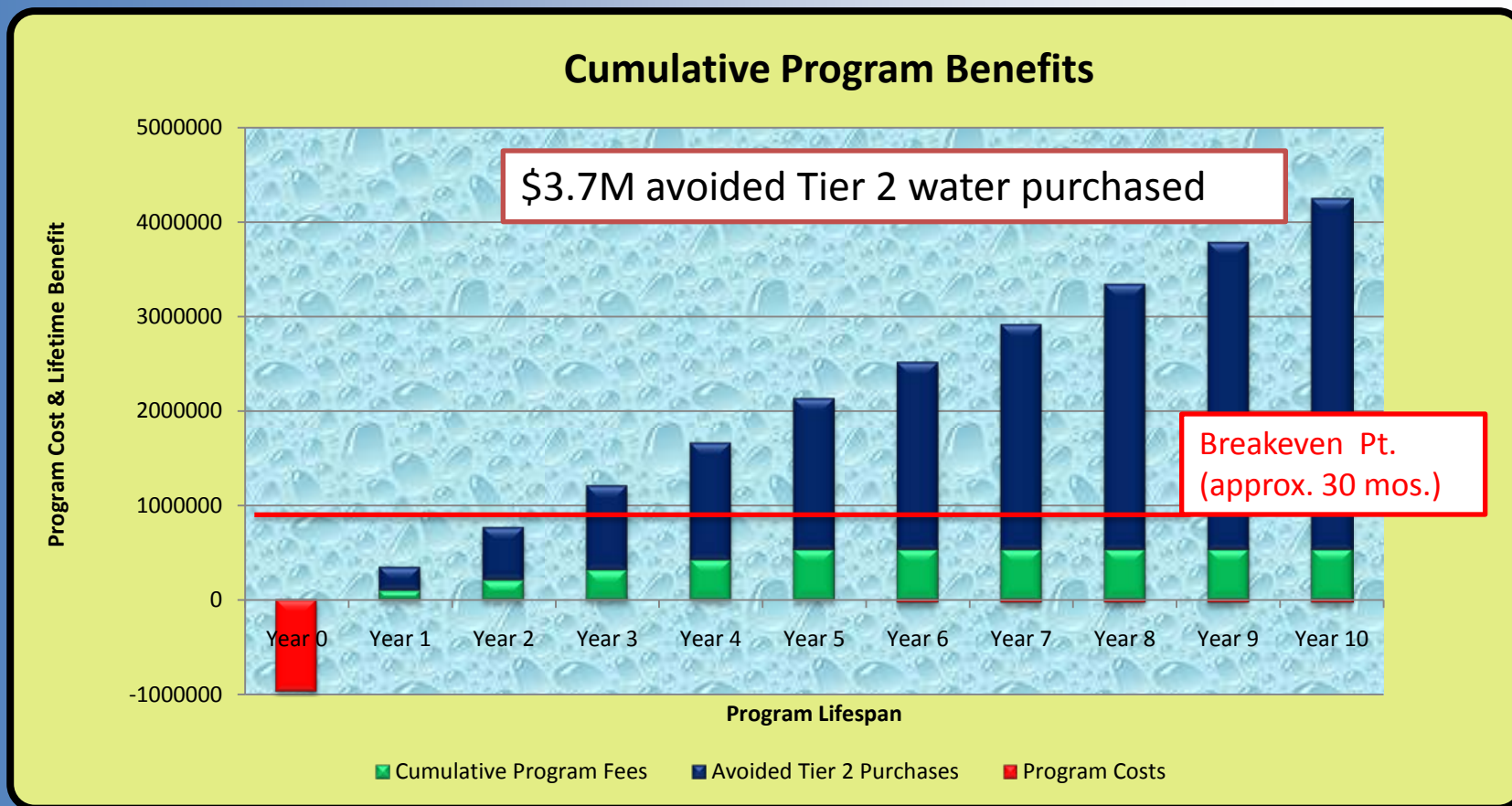
What is Smart Yard?

- **Innovative Program Built on Years of Experience**
 - Extensive research informed program basics
 - Focus groups shaped local messaging
- **525 Smart Controllers to be Installed at SFR Sites**
 - 50% instant rebate of all program costs (\$600+ value)
 - 50% balance is paid with interest-free fee on water bill
 - Water bill savings typically exceed fees
- **HydroPoint Executes All Aspects of Program**
 - From marketing and smart controller installation through ongoing weather data and customer services
- **Win, Win, Win Outcomes**
 - Western gains most cost-effective source of “new” water
 - Western reduces reliance on imported water
 - Homeowners reduce water bills

Customer Co-Funded Controller Program

- Direct retail service area – (Western billing)
- Voluntary participation
- No up-front cost to customer
- Program fee placed on the monthly water bill
- Project self-funding, financed by:
 - Customer fee covers program cost (60%)
 - Customer fee offset by water bill savings
 - Avoided import water cost savings (\$3.7 million)
 - Very quick return on District investment

Benefits – Avoided Tier 2 Purchase



Implementation Plan

- ◆ **Target high volume residential users**
- ◆ **Complete turnkey program managed by HydroPoint team:**
 - Program marketing and outreach
 - Site assessment and qualification
 - Professional controller installation
 - Customer education and training
 - Follow up visits
 - Ongoing customer service
- ◆ **Cost includes all hardware & services for 5 years**
- ◆ **Customer agrees to pay fixed monthly fee on water bill**
 - Participation agreement and liability waiver
 - Balance due upon account close

Program Cost

Program Timeline	Description	Western Investment	Customer Repayment of Loan	Estimated Water Savings
	Program			
FY 2010	Implementation	\$960,000	\$0	-
FY 2011	1 st Year	-\$115,200	\$115,200	326 AF
FY 2012	2 nd Year	-\$115,200	\$115,200	326 AF
FY 2013	3 rd Year	-\$115,200	\$115,200	326 AF
FY 2014	4 th Year	-\$115,200	\$115,200	326 AF
FY 2015	5 th Year	-\$115,200	\$115,200	326 AF
Lifetime investment (10 years)		\$384,000	\$576,000	3,255 AF
Cost per AF		\$118	\$177	-

Smart Yard Website (WesternSmartYard.com)



smart yard™
save blue ≈ make green

WESTERN MUNICIPAL WATER DISTRICT

SIGN UP NOW | 1-888-799-6167

FAQs | SPONSORED BY WESTERN | TESTIMONIALS | HOW IT WORKS

Reduce your water bill
Protect your landscape health

- Save **\$250 to \$1,500+** on your water bill
- **\$600+** instant rebate
- No upfront costs. Zero money down!

How Much Can You Save?
Enter your residential street address

Get a free estimate of how much \$ you can save.
No home visit required for estimate.

Go

Smart Yard is a sustainable community water use efficiency program that will save 1 billion gallons of water and reduce water bills for you and your neighbors.

<p>Sponsored By</p>  <p>WESTERN MUNICIPAL WATER DISTRICT</p> <p>Program Funding</p>	<p>How It Works</p>   <p>Smart Controller</p>	<p>Testimonials</p> <p><i>"WeatherTRAK cut my water bill in half."</i></p> <p>- John Koeller, Homeowner</p> <p>Customers</p>	<p>Call Us Now</p> <p>1-888-799-6167 Se Habla Español</p>  <p>Questions?</p>
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Reduce your water bill

Protect your landscape health

- Save **\$250 to \$1,500+** on your water bill
- **\$600+** instant rebate
- No upfront costs. Zero money down!

How Much Can You Save?

7079 WESTPORT, RIVERSIDE, CA 92506

Get a free estimate of how much \$ you can save.
No home visit required for estimate.

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Sponsored By



Program Funding

How It Works



Smart Controller

Testimonials

"WeatherTRAK cut my water bill in half."

- John Koeller,
Homeowner

Customers

Call Us Now

1-888-799-6167

Se Habla Español



Questions?

1 Check Your Eligibility

2 Estimate Your Savings

3 Your Smart Yard Instant Rebate

Sign Up Now!

Step #1: Check if You're Eligible

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Are you the homeowner?

Yes

Do you have a working irrigation system?

Yes

Congratulations!

You are eligible to participate in the Smart Yard Program.

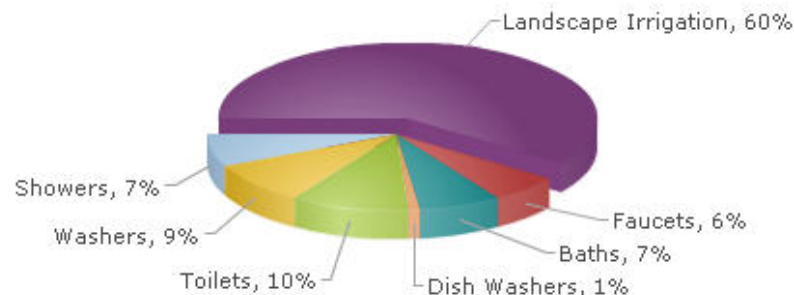
Estimate Your Savings

Next

What is Smart Yard?

Smart Yard addresses one of the greatest areas of water waste:
Outdoor landscape irrigation.

Typical Residential Water Use



WeatherTRAK Smart Irrigation technology:
proven to automatically eliminate irrigation waste
and improve landscape health.

Sponsored By



Program Funding

How It Works



Smart Controller

Testimonials

"WeatherTRAK cut my water bill in half."

- John Koeller,
Homeowner

Customers

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Questions?

1 Check Your Eligibility

2 Estimate Your Savings

3 Your Smart Yard Instant Rebate

Sign Up Now!

Step #2: Estimate Your Savings

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Turf %: Shrub %:

Do you have a pool?

Number of irrigation controllers on your site:

of Stations for each irrigation controller:

Controller #1

- Estimate Your 5 Year Savings Using 2010 Rates
- Estimate Your 5 Year Savings Using Annual 5% Rate Increases

Review Your Instant Rebate **Next**

Your Estimated Smart Yard Savings

\$1,350.00 2009 Water Bills

\$22.93 Monthly Savings

\$0.00 UPFRONT COSTS

~~\$-9.99~~ MONTHLY PAYMENTS

\$155.28 ANNUAL NET SAVINGS

\$845.00 5 YEAR NET SAVINGS

\$776.68 5 YEAR NET SAVINGS with RATE INCREASES

Re-Calculate

Your 2009 water bill total is an estimate based on lot size versus actual water use. Please check your bills for actual usage.

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Program Funding

How It Works

 WeatherTRAK®



Smart Controller

Testimonials

"WeatherTRAK cut my water bill in half."

- John Koeller,
Homeowner

Customers

Call Us Now

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Se Habla Español



Questions?

1 Check Your Eligibility

2 Estimate Your Savings

3 Your Smart Yard Instant Rebate

Sign Up Now!

Step #3: Your Instant Rebate

7079 WESTPORT, RIVERSIDE CA 92506

Your Smart Yard Total List Price	\$1,199.40
Your Instant Rebate	-\$600.00
Your Smart Yard Price (over 5 years)	\$599.40
Interest Free Monthly Payment	\$9.99

Your Smart Yard Package

Smart Yard Equipment (Includes all required hardware)

- 1 – WeatherTRAK 12-Station Smart Irrigation Controller
- 1 – Wireless Rain Sensor
- 1 – Antenna

Licensed Contractor Services (Includes all required services)

Site Assessment, Controller Installation, Controller Programming, Home Owner Training, Follow Up Inspection

WeatherTRAK Services

5 Years Daily Weather ET Updates, 5 Years Bi-Lingual Customer Support

Get Started Today

Go!

Your Smart Yard Summary

- Includes All Required Costs
- Zero Money Down
- Interest Free Monthly Payment
- 5 Year Term
- Satisfaction Guaranteed
- No additional costs required
- 50% Instant Rebate from Western

\$12.94 Monthly Savings

\$0.00 UPFRONT COSTS

-\$9.99 MONTHLY PAYMENTS

\$155.28 ANNUAL NET SAVINGS

\$645.00 5 YEAR NET SAVINGS

\$776.68 5 YEAR NET SAVINGS
with RATE INCREASES

Sponsored By



How It Works



Testimonials

"I saved \$500."

- Dave Hansel

Call Us Now



866.343.4334

1 Check Your Eligibility

2 Estimate Your Savings

3 Your Smart Yard Instant Rebate

[Sign Up Now!](#)

Get Started Today

7079 WESTPORT, RIVERSIDE CA 92506

Request a call to review your savings and schedule your installation!

First Name:

Last Name:

Daytime Phone:

Email Address:

[Frequently Asked Questions](#)

A Smart Yard Consultant
will Contact You

CALL
ME

Act Now!

- Limited Supply
- Sign Up Now & No Payments for Next 6 Months
- Get Installed Before Peak Irrigation Season

Why Smart Irrigation?

- Automatically Eliminate Landscape Overwatering
- Reduce Water Use
- Lower Water Bills
- Improve landscape health
- Exemptions from water day restrictions
- Peace of mind while away from home

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How It Works

 WeatherTRAK®



Testimonials

*"WeatherTRAK cut
my water bill in half."*

- John Koeller,
Homeowner

Call Us Now

1-888-799-6167

Se Habla Español




Next Steps

- **Request For Call**
 - User gets their Smart Yard estimate report
 - Smart Yard consultant calls to schedule site visit
- **Site Visit by Licensed Landscape Contractor**
 - Review site to ensure good fit
 - Installs and programs controller
- **Post Installation**
 - 7 days later - welcome call
 - 30 to 60 days later – follow up Inspection
 - On-line tutorials/ bi-lingual customer phone service
 - Assistance workshops

Marketing Program Activities

Smart Yard Go Live Press Release Distribution	April 13
Website Go Live	April 13
Homeowner Direct Mailer	April 13-16
Earth Night Booth	April 22
John Rossi's Letter to Homeowners	April 23
Pump Station Banners	May 4
Water Bill Inserts	May 11, 18, 25 & June 1
Additional Press Stories (Water Awareness Month)	May 1 - 31

WMWD Activites Calendar Q1 '10 - Q3 '10	Q1 '10		Q2 '10											
	March		April				May				June			
	3/23	3/30	4/6	4/13	4/20	4/27	5/4	5/11	5/18	5/24	6/2	6/8	6/15	6/22
														
CAMPAIGNS														
Press Relations														
Story Exclusive to Janet Zimmerman (Michelle)				4/13										
Program Announcement (PR Newswire Distribution)				4/14										
WMWD Program Success PR							5/5				6/2			6/29
Proactive Regional/Local Press Outreach			4/14	4/21	4/28	5/5	5/12	5/19	5/25	6/2	6/9	6/16	6/23	6/30
Daily Rapid Reaction - Ongoing			4/14			→				→				
Telemarketing Activity														
HPDS Customer Support and follow-up on installations			4/14			→				→				
WMWD On Hold Message			4/14			→				→				
Direct Mail														
Physical Mail Drop - Letter from John Rossi			4/17											
Program Success Stories							5/5				6/16			
Email Campaign														
HOA Newsletter							5/5							
Drop to 5,000 WMWD Customers (with email addresses)				4/21										
WMWD Water Bill Inserts														
Program Advertising / Inserts on Individual Water Bills			4/14	4/21	4/28	5/5								
Signage At Cashier Desk, Lobby Easels			4/14			→				→				
Training														
WMWD All Hands and Ops Meetings (Chris Spain)		4/2												
Water District Open House (Earth Day in Garden event)				4/23										
WesternSmartYard Website														
westernsmartyard.com site Testing			4/8											
Go Live (www.westernsmartyard.com)			4/14			→				→				
WMWD Website Cross-Promotion														
Free Sprinkler Nozzles w/ SmartYard				4/21		→				→				
Advertising / Promotion														
Outdoor Banners at WMWD Pump Stations			4/14			→				→				
PSA Announcements/Movie Theater Ad/Sports Events			→			→				→				
Local/Regional Print Ad			→			→				→				

Marketing Collateral Sample



The image shows a marketing collateral sample for the 'smart yard' program. It features a white background on the left with the Western Municipal Water District logo at the top left. Below the logo, the text reads 'Water efficiency has never been easier.' In the center, there is an image of the smart yard device, which is a small, rectangular, light-colored unit with a screen and buttons. Below the device, the text reads 'smart yard™', 'save blue ≈ make green', and 'westernsmartyard.com'. To the right of the white background is a photograph of a person sitting in a wooden Adirondack chair in a lush, green garden, looking out over a field. The entire sample is framed by a blue border.

Three Key Program Points

- **Turn-Key Program**
 - Western staff needs only to be enthusiastic and know the phone number and the website
 - (888) 799-6167
 - WesternSmartYard.com
- **How It Works for Homeowners**
 - 50% instant rebate of all program costs (\$600+ value)
 - 50% balance is paid with interest-free fee on water bill
 - Water bill savings typically exceed payments
- **Why WeatherTRAK**
 - Smart controller and billing service use the same proven high-resolution ET data

Program Information

- Program launch April 13, 2010
- First Install on May 1, 2010
- 1,908 calls to 888-799-6167 (thru 10/7)
- 1,438 Web forms completed (thru 10/7)
- Scheduled Site Visits 672 (thru 10/7)
- Installs to date 436 (thru 10/7)
- Disqualifications 83 (thru 10/7)

Program Statistics – June 2010

- ◆ **Study Sample = 167 sites**
- ◆ **Estimated total reduction = 14.3% - 1.07 M gallons**
- ◆ **Eto Change = +16.4%**

- ◆ **Weather Adjusted*****
- ◆ **120 sites ahead cumulatively by 32.0%**
- ◆ **47 sites behind cumulatively by 9.2%**

- ◆ **120 sites saved an average of \$37.24**
- ◆ **47 sites paid an average of \$5.37 more than they should have!**

Program Statistics – July 2010

- ◆ **Study Sample = 167 sites**
- ◆ **Estimated total reduction = 16.6% - 1.64 M gallons**
- ◆ **Eto Change = -13.6%**

- ◆ **Weather Adjusted*****
- ◆ **86 sites ahead cumulatively by 21.5%**
- ◆ **73 sites behind cumulatively by 24.9%**

- ◆ **86 sites saved an average of \$32.08**
- ◆ **73 sites paid and average of \$28.57 more than they should have!**

Program Statistics – August 2010

- ◆ **Study Sample = 167 sites**
- ◆ **Estimated total reduction = 20.4% - 1.81 M gallons**
- ◆ **ETo Change = +4.6%**

- ◆ **Weather Adjusted*****
- ◆ **119 sites ahead cumulatively by 34.9%**
- ◆ **42 sites behind cumulatively by 31.1%**

- ◆ **119 sites saved an average of \$49.12**
- ◆ **42 sites paid an average of \$21.31 more than they should have!**

smart yard™
save blue ≈ make green

