

Customer Participation Agreement
Moulton Niguel Water District
NatureScape Turf Replacement Program

The Turf Replacement Direct Install Program (“Program”) is being offered by the Moulton Niguel Water District (“District”) to provide residential customers (“Applicant” or “Customer”) with a comprehensive, time-saving approach to turf grass replacement and to achieve measurable water savings. Customers receive:

1. Pre-Qualifying Assessment
2. Landscape Consultation and Design
3. Turf Removal
4. Landscape Installation
5. Post-Installation Site Visit and education on the care and upkeep of plants

These services will be provided by the Contractors selected for the Program by the District. The Program provides full funding for the Pre-Qualifying Assessment and 50% of the cost for the design consultation. The District also provides up to \$3 per square foot of turf replaced to cover a portion of total project costs, including labor and material costs associated with Turf Removal and Landscape Installation. Some of the anticipated benefits of this Program are reduced water use, improved irrigation efficiency, landscape sustainability, and money savings on the water bills.

Program Eligibility Requirements

Applicants are required to meet certain criteria in order to participate in the Program. Eligibility requirements will include, but are not necessarily limited to the following, as determined from time to time, at the sole discretion of the District:

1. Applicant must be a residential customer of the District in good financial standing. (No delinquencies on District bills in the last 12 months.)
2. Applicant must own the home located at the service address requesting turf replacement.
3. Applicant must not have received a prior rebate for turf removal for the front yard and may not currently have synthetic turf in the front yard.
4. Applicant must have a minimum of 250 square feet of irrigated turf grass in the front yard to participate (subject to change by District).
5. Turf may be living or dead at the time of application, however, bare earth areas with no sign of turf are ineligible. Turf grass must still be in place at the time of application for the rebate

to be approved. Projects that are underway or already completed prior to submittal of the program application are not eligible.

6. District funding for the Turf Removal and Landscape Installation components of the Program is capped at 3,000 square feet of turf replacement (\$9,000 maximum) per service address. Applicant is responsible for the remaining portion of total project costs.
7. The turf replacement program is specifically intended for front yards; however, side and backyards may also be included in the turf replacement program project area, as long as the total project size does not exceed the maximum square footage requirements and Customer converts their front yard as well.
8. Customer may apply to the Program a maximum of two times.
9. Applicant must be present at the service address at ALL times when Contractor(s) are present and performing work under the Program. Contractors may perform work under the Program during regular business hours from 8 am to 5 pm, Monday through Friday. Occasionally, Contractor(s) may schedule appointments on a Saturday. Customer is required to keep all scheduled appointments, unless 24 hours of notice is given to Contractor. Customer may be subject to a cancellation fee, or other applicable fees and charges, should they miss a scheduled appointment without notice to the Contractor.
10. At the time of application, Applicant shall submit photos of turf in front yard (and side or backyard, if applicable). Additionally, Applicant shall submit a photo of their existing irrigation controller which clearly identifies the make and model of their device. Photos must be taken recently and provide an accurate depiction of site conditions.
11. Applicant must consent to modify their existing irrigation system controller before the end of the project period, if necessary, to provide appropriate irrigation for the new landscape through the addition of a smart irrigation controller. Rebates are available to assist with some landscape modifications. Customer is responsible for applying for rebates. Visit www.socalwatersmart.com to apply. Such rebates are not included in this Program.
12. If Applicant receives \$600 or more of program benefits (e.g. Pre-Qualifying Assessment, District's portion of Landscape Consultation and Design fees, and Turf Replacement Incentive), Applicant will be required to sign and submit an IRS W9 tax form. Water conservation rebates are not considered tax exempt and the District is therefore obligated to process 1099 forms for all rebate program participants who received \$600 or more in rebate program benefits. In order to do so, the District will need a complete W-9 for the payee name listed on the Participation Agreement including the social security number and/or EIN as required to be furnished under authority of law. Social security numbers and/or EIN's provided within the W-9 will be kept confidential in accordance with all

applicable privacy laws and are not divulged to any organization or individual outside of the rebate program. A separate form will be sent to the customer to ensure your information is kept private.

13. Applicant shall provide the District and Contractor(s), all as defined herein, with the right of ingress and egress to and from, over and across, Applicant's property and access to Applicant's property for the Pre-Qualifying Assessment, Landscape Consultation and Design, Turf Removal process, new Landscape Installation, Post-Installation Site Visit and access to Applicant's irrigation system including, but not limited to, electrical lines and outlets, irrigation lines, valves and sprinkler heads.

Pre-Qualifying Assessment

Applicant shall allow Contractor to inspect and assess the irrigation system and service location to confirm the site satisfies the minimum eligibility requirements of the Program. Applicant must be present for the entirety of the Pre-Qualifying Assessment and allow a minimum of 90 minutes for completion of work. Contractor will use assessment findings to determine whether Applicant qualifies for continued participation in the Program and to determine the maximum incentive funding amount. In the event the Applicant does not pass the Pre-Qualifying Assessment, the customer's application will be cancelled. At a minimum, the Pre-Qualifying Assessment will include site photographs, measurement of the turf to be removed, and an irrigation system assessment. Contractor shall provide Applicant with a copy of the assessment results.

1. Applicant must consent to receive a Pre-Qualifying Assessment to ensure a properly working irrigation system with no major leaks, adequate irrigation system pressure, and that valves that are in good condition.
2. Applicant will be contacted by Contractor to schedule the Pre-Qualifying Assessment. At the agreed upon date and time, Contractor will meet Applicant at Applicant's service address to perform the assessment. Prior to performing any and all work, Contractor will confirm that Applicant has signed the Customer Participation Agreement ("Agreement").
3. If Contractor determines that the property does not qualify for the Program, by either having less than 250 square feet of turf grass in the front yard, or no turf grass is present, dead or alive, the application will be cancelled.
4. During the assessment, Contractor will measure the areas of turf that will be removed to determine the customer's maximum incentive. The amount of turf area eligible for incentive funding will be noted on the Pre-Qualifying Assessment Form. Customer will sign the Pre-Qualifying Assessment Form attesting to the approved square footage.

5. Contractor will use criteria developed by the District to determine whether the Applicant is eligible to proceed to the Landscape Consultation and Design portion of the Program, or if the application must be cancelled. Site conditions that may prevent further participation in the Program include, but are not limited to, less than 250 square feet of turf grass in the front yard, no turf grass dead or alive, broken irrigation lines, sprinkler heads, nozzles, or valves. Identified issues will be documented in Contractor's assessment report.
6. If Contractor determines that Applicant is eligible to continue participating in the Program, **Applicant will be required to provide Contractor with a non-refundable down-payment equal to the value of 50% of their Landscape Consultation and Design fees before Contractor commences work on the landscape design.**
7. If the Pre-Qualifying Assessment determines that Applicant must modify their existing irrigation system for the appropriate irrigation of the new landscape, Applicant shall be responsible, at his/her sole cost and expense, for modifying their irrigation system. Such modifications may be necessary, to provide appropriate irrigation for the new landscape through the addition of micro-spray, drip, or high efficiency spray nozzles. Rebates are available to assist with some irrigation modifications. Customer is responsible for applying for rebates. Visit www.socalwatersmart.com to apply. Such rebates and any irrigation system modification are not included in this Program.
8. Customers who do not pass the Pre-Qualifying Assessment will be removed from the Program. Customer may submit a new application for the Program once all necessary repairs have been made. Customers may apply a maximum of two times.

Landscape Consultation and Design

Landscape Consultation and Design fees vary based on total project size. Applicant is required to pay 50% of Landscape Consultation and Design fees and the District will pay the remaining 50% of the fees.

1. Customer agrees to complete and submit a W9 upon passing the Pre-Qualifying Assessment.
2. Contractor will provide Applicant with a design consultation which will discuss the turf removal method, potential landscape layouts, a native plant palette, and estimated project costs.
3. Contractor will design new native landscape so that when mature, at least 75% of the rebated portions of the landscape will consist of plant material. Minimum plant requirements are necessary to promote ecological and environmental benefits.

4. Once a conceptual plan for the new landscape is agreed upon, Contractor will provide Customer with a landscape design and a listing of material and labor costs required to complete the project. The final determination regarding whether a particular conceptual plan is in compliance with the Program shall rest with the Contractor. In the event Applicant and Contractor cannot reach an agreement on the conceptual plan, Applicant may cancel his/her application. Contractor will also furnish Customer with details related to project timeline and turf removal method. A digital copy of the landscape design will be provided to the District.
5. Customer is responsible for obtaining any design and/or construction approval from their Homeowners' Association (HOA) and must comply with all city and local landscape ordinances. Customer will notify the District and Contractor if HOA design approval process exceeds 30 days.
6. Contractor will schedule an appointment with the Customer to deliver the final landscape design, **sign Contractor's Home Improvement Agreement, and collect the Customer's deposit for their portion of total project costs.** Delivery of conceptual landscape design is contingent upon customer furnishing the District with a completed W9 form.
7. If Customer does not respond to District or Consultant outreach attempts within 30 days after notification of a completed design, then District will determine that Customer has abandoned the Program. The District will retain a copy of the customers' landscape design for a period of two years.

Turf Removal, Landscape Installation, & Post-Installation Site Visit

At the request of Customer, Contractor will perform turf removal, the installation of the new native plants, and post-installation site visit. District agrees to fund up to \$3 per square foot of turf grass removed within the total project area. District turf replacement incentive shall not exceed \$6,000. Customer is responsible for remaining project costs. Customer and District costs will be determined by Contractor's estimate of total project costs as they pertain to the approved landscape design.

1. Contractor will begin the turf removal process using one of the District approved methods agreed upon with the Customer (e.g. sod cutting or herbicides). Any other turf removal method will need to be approved by the District. Dump fees are solely the responsibility of the Customer, as well as any permitting requirements.
2. Customer acknowledges that the Program only provides funding for the removal of turf grass. No funding is provided for the removal of existing trees, shrubs, other plant material, or hardscape. Customer may elect to have other non-turf plant material removed at their own expense.

3. Customer agrees to pay progress payment after the completion of turf removal.

4. The entire landscape installation must be completed within 14 days of turf removal from the site. Customer must be present at the service address and allow Contractor to perform all actions necessary to complete the project, including irrigation retrofit, site grading, and the installation of new plants, mulch, landscape materials, and appropriate hardscapes. Permission to exceed the 14 day period must be expressly granted by the District.

5. Newly converted landscapes must have an average plant factor of **0.3** or less and may only include native plants. The Program does not allow for fescue or Bermuda grass, or any invasive species. A list of invasive species is available for download on the District's website www.mnwd.com.

6. Turf grass may not be replaced with artificial or synthetic turf.

7. Irrigation for the new landscape may only include micro irrigation (e.g. microspray, drip), or high efficiency nozzles. It is required that Customer utilize a smart irrigation controller to manage the water needs of their new landscape. Rebates for smart controllers can be found at www.socalwatersmart.com.

8. Ground cover of exposed soil surfaces to be determined at the discretion of landscape designer based on best horticultural practices. Acceptable ground cover may include mulch, organic material, rock, or decomposed granite.

9. New landscape must be permeable to air and water and designed to retain as much water as reasonably possible. Pavers and brick patios or pathways cannot be cemented or grouted, and pavers must be no larger than two feet by two feet.

10. Turf removal and landscape installation must be completed within 90 days of application approval. Extensions may be granted on a case-by-case basis by the District.

11. District will not pay for, nor be responsible for, any costs under this Agreement in connection with sub-standard work. The District's Water Efficiency staff will perform quality control inspections after turf replacement projects are completed to determine whether there has been proper installation, but only for the purpose of determining whether District's payments have been applied to acceptable work. Contractor(s) will be responsible for correcting any errors in installation at Contractor's expense.

12. Contractor will provide education to Applicant on how to establish and maintain the new landscape, including but not limited to, watering frequency, station run times, and landscape

establishment timeline. Contractor will provide Applicant a phone number for landscape maintenance questions.

13. Applicant must consent to receive a Post-Installation Site Visit to ensure Customer is provided with education on how to properly care for and maintain plants and landscape. Post Installation Site Visit will include site photographs of new landscape.

Applicant Responsibility

1. Participation in the Program is voluntary. Customer acknowledges that they freely accept the terms of the Agreement. By voluntarily electing to participate in the Program and signing below, Customer hereby acknowledges and agrees that District, Contractor and subcontractors, if any, make no representations or warranties regarding the operation of, or the results from, the native landscape and equipment (except to the extent of applicable warranties and separate contractual arrangements between Customer and Contractors/subcontractors).
2. District and Contractor have no responsibility for the regular supervision of landscapes or the day-to-day operation of the installed landscape and equipment. The management of landscapes and equipment remains the responsibility of the Customer and is outside of the Program.
3. Upon installation, care and ownership of the new native landscape and all peripheral equipment becomes the responsibility of Customer. Customer will be responsible for properly disposing of the removed materials.
4. Customer agrees to maintain the new landscape for a minimum of 5 years. If Customer fails to comply with this requirement, Customer will reimburse District for all or part of the Program incentive payments made by District under this Agreement.

Agreement

By signing below and participating in the Program, you (“Customer” or “Applicant”) agree to all of the terms in this Customer Participation Agreement and applicable policies and documents of the District which apply to this Program, as said materials may be revised from time to time.

1. You agree that any and all plants, materials, and equipment, including any sprinkler nozzles, drip kits, or other irrigation equipment, which you obtain through the Program (collectively, “Plants/Equipment”), shall be deemed to be solely owned by you and are not the District’s property. The District does not make any representation or warranty as to the condition or performance of the Plants/Equipment.

2. You agree that you are solely responsible for the proper operation, maintenance, and repair of your landscape and irrigation system and the equipment received through this Program. You agree that it will be your responsibility to contact the product manufacturer, distributor, or installer for any assistance or regarding any defect, failure of performance or warranty.
3. You understand that you are solely liable for any damage to you and your property and any other person(s) or property(ies) which may be caused by the installation, maintenance, operation or repair, improvement, alteration or use of the Plants/Equipment, turf removal, and any other activities under this Agreement.
4. You agree that the District has no liability associated with your voluntary participation in this Program.
5. You understand that the District does not endorse, recommend or make any representations as to specific brands, products, contractors or dealers, nor do they guarantee material or workmanship.
6. You agree to waive and release the District and its respective officers, consultants and employees from, and agree to indemnify, defend and hold the District and its respective officers, agents and employees harmless from, any and all claims and causes of action, damages, injuries or other liabilities related to or arising out of the installation, improvement, alteration, use, maintenance or repair of the Plants/Equipment, turf removal or any other activities in connection with this Program.
7. You understand that the Contractor and/or subcontractors has been selected to conduct the assessment, turf removal, landscape installation, and post-installation follow-up for the District. Any work performed by the Contractor outside the scope of the Program is at your sole risk and expense. District is not responsible for the acts or omissions of Contractor and/or subcontractors or other personnel while present on your property during performance of activities under the Program.
8. If any provision of this Agreement, or the application of any provision to any person or circumstance, shall be held invalid, the remainder of this Agreement, or the application thereof to persons or circumstances other than those as to which it is held invalid, shall remain in full force and effect.