

**AGREEMENT  
BETWEEN THE SANTA CLARA VALLEY WATER DISTRICT AND  
THE CITY OF PALO ALTO FOR WATER CONSERVATION PROGRAMS  
AND ADVANCED METERING INFRASTRUCTURE**

This Agreement (AGREEMENT), effective as of June 25, 2023, (EFFECTIVE DATE) between the Santa Clara Valley Water District, a special district created by the California Legislature (hereinafter referred to as VALLEY WATER) and the City of Palo Alto, a California chartered municipal corporation (hereinafter referred to as PALO ALTO), sets forth the respective roles of VALLEY WATER and PALO ALTO in regard to WATER CONSERVATION PROGRAMS (hereinafter referred to as PROGRAMS). VALLEY WATER and PALO ALTO may be referred to in this AGREEMENT individually as a "PARTY" or collectively as the "PARTIES."

**RECITALS**

**WHEREAS**, the PROGRAMS involve providing water conservation services and rebates, Advanced Metering Infrastructure (AMI) and Water Use Reports for properties located within PALO ALTO's service area; and

**WHEREAS**, VALLEY WATER administers PROGRAMS as described in Exhibit A; and

**WHEREAS**, PALO ALTO administers an AMI and WATER USE REPORTS PROGRAM per the AMI Guidelines specified in Exhibit B, and a RAIN BARREL DISTRIBUTION EVENT, during which PALO ALTO residents and businesses will have opportunity to purchase rain barrels at a discount funded by rebates from both PALO ALTO and VALLEY WATER without submitting a rebate application; and

**WHEREAS**, the AMI and WATER USE REPORTS PROGRAM educates customers about water conservation, drought, and water demand management within Palo Alto's service area; and

**WHEREAS**, the PROGRAMS are consistent with VALLEY WATER's and PALO ALTO's Urban Water Management Planning Act requirements; and

**WHEREAS**, the PROGRAMS goals are to save water and provide information on how to use water most efficiently; and

**WHEREAS**, VALLEY WATER and PALO ALTO wish to collaborate to implement PROGRAMS, AMI and WATER USE REPORTS PROGRAM, and the RAIN BARREL DISTRIBUTION EVENT in the service area as described in this AGREEMENT; and

**WHEREAS**, both PARTIES wish to cost share with each other on each of these PROGRAMS.

**NOW, THEREFORE**, in consideration of the recitals and mutual obligations of the PARTIES expressed in this Agreement, VALLEY WATER and PALO ALTO agree as follows:

**1. PALO ALTO's RESPONSIBILITIES**

- a. Administration of the AMI and WATER USE REPORTS PROGRAM per the AMI Guidelines, and any administrative updates implemented by Valley Water thereto (Exhibit B).
- b. Identify and provide data on PALO ALTO's AMI Implementation plan, including timeline, number of active meters and their AMI status.
- c. Collection and analysis of data to determine water savings.
- d. Administration of all funds for the AMI and WATER USE REPORTS PROGRAM.

- e. Provide water usage records and other data to VALLEY WATER to determine savings and cost effectiveness of the AMI and WATER USE REPORTS PROGRAM , subject to the disclosure requirement outlined in 1.e.1. below. This includes number of Water Use Reports sent by month and additional requirements described in Exhibit B.
  - 1. In accordance with Gov. Code 6254.16, customer name, home address and water usage records will only be made available to VALLEY WATER for those customer account holders from whom VALLEY WATER has obtained written authorization for the release of such information from PALO ALTO. In situations that release of such information as not been granted, then aggregate data will be provided.
- f. Invoice VALLEY WATER, on a bi-annual basis, for fifty percent of the contract cost (net any grant funding received by PALO ALTO) for PALO ALTO to send Water Use Reports to PALO ALTO residents, up to \$2.25 per connection. PALO ALTO shall not invoice VALLEY WATER for any amounts exceeding the annual cap set forth in Section 3.d. below. Only costs paid directly to Water Use Reports vendor shall be included in the bi-annual invoice.
- g. Invoice VALLEY WATER, on a bi-annual basis, \$10 for each AMI water connection meeting all of the following criteria as reflected in Exhibit B per Section 1.a. above. PALO ALTO shall not invoice VALLEY WATER for any amounts exceeding the annual cap set forth in Section 3.e. below.
- h. Provide VALLEY WATER bi-annually information on the number of leak alerts sent, estimated leak volumes and duration, and estimated water savings associated with leak alerts for each month.
- i. Work cooperatively with VALLEY WATER in appropriately advertising the PROGRAMS to targeted customers.
- j. Creation and distribution of outreach materials encouraging customer enrollment in leak alerts and active portal engagement.
- k. Make payment to VALLEY WATER within thirty (30) days of receipt of a bi-annual invoice from VALLEY WATER. When submitting an invoice, VALLEY WATER shall provide PROGRAM participation information. Parties may mutually agree in writing to extend the deadline for payment sixty (60) days of receipt of an invoice.
- l. Administer the RAIN BARREL DISTRIBUTION EVENT once annually or every other year.
  - 1. At the RAIN BARREL DISTRIBUTION EVENT, PALO ALTO residents and businesses will have opportunity to purchase rain barrels at a discount funded by rebates from both PALO ALTO and VALLEY WATER without submitting a rebate application.
  - 2. RAIN BARREL DISTRIBUTION EVENT rebates do not count toward the maximum rebate caps per site described in Exhibit A, Table A-2.
  - 3. RAIN BARREL DISTRIBUTION EVENT will meet all of VALLEY WATER's rain barrel rebate requirements as specified under the Landscape Rebate Program.
  - 4. Notify VALLEY WATER within a minimum of 60 days before each RAIN BARREL DISTRIBUTION EVENT.
  - 5. RAIN BARREL DISTRIBUTION EVENT's outreach materials will acknowledge VALLEY WATER's funding support and PROGRAMS.
  - 6. Invoice Valley Water within a minimum of 30 days after each RAIN BARREL DISTRIBUTION EVENT in accordance with the amounts listed in Exhibit A, Table A-3.
    - a. Include an attachment to the invoice with the following information: participating customer information, including customer name, site address, rain barrel purchase date, rain barrel quantity and size, total rebate amount in dollars, and total rebate amount owed by VALLEY WATER and PALO ALTO in dollars.
  - 7. Confirm VALLEY WATER has provided written authorization for all customer account holders whose data will be shared under this Agreement.

## **2) VALLEY WATER'S RESPONSIBILITIES**

- a. Administration of VALLEY WATER PROGRAMS as listed in Exhibit A, Tables A-1 and A-2 including, but not limited to,
  - 1. Processing the payment of the amounts set forth in Section 3 below, to eligible persons residing in PALO ALTO ("ELIGIBLE RESIDENTS"). This supplemental rebate amount shall be in addition to the customary amounts paid by VALLEY WATER.
  - 2. Payment of standard Landscape Rebate Program amounts to ELIGIBLE RESIDENTS within 8-12 weeks of approval of PALO ALTO's residential applicant's request.
- b. At least once per fiscal year, collect and analyze data to determine VALLEY WATER PROGRAM water savings and provide the results to PALO ALTO with PALO ALTO customer participation data
- c. Administration of all funds for VALLEY WATER PROGRAMS.
- d. Invoicing PALO ALTO, on a bi-annual basis, in accordance with PALO ALTO's REIMBURSEMENT RATES listed in Exhibit A.
  - 1. Invoices shall include an attachment with VALLEY WATER PROGRAM customer information for those SERVICE AREA customers who received services during the dates of the invoice.
  - 2. Customer information shall include the rebate number, invoice date, date of notice to proceed, rebate type, customer name, customer site type, customer address, area of converted landscape in square feet (if applicable), rainwater capture details (if applicable), including rain garden (roof square footage), rain barrel quantity, and cistern total gallonage, total rebate amount in dollars, total rebate amount owed by VALLEY WATER and PALO ALTO.
  - 3. In accordance with Gov. Code 6254.16, VALLEY WATER shall ensure that customer names, home addresses and utility usage data will only be made available to PALO ALTO for those customer account holders from whom VALLEY WATER has obtained written authorization for the release of information.
- e. Share in the cost of the AMI and WATER USE REPORTS PROGRAM. VALLEY WATER will pay 50 percent of the costs, up to \$2.25 per connection. The annual cap for this program is listed in Section 3.d below.
- f. Compensate PALO ALTO \$10 for each qualifying AMI water connection meeting the specifications in Section 1.g. above and Section 3.e below. The annual cap for this program is listed in Section 3.e below.
- g. Make payment to PALO ALTO within thirty (30) days of receipt of an invoice from PALO ALTO. When submitting an invoice, PALO ALTO shall provide a copy of the corresponding Water Use Reports' vendor invoice and program participation information to VALLEY WATER. Parties may mutually agree in writing to extend the deadline for payment sixty (60) days of receipt of an invoice.

### **3) NOT TO EXCEED COMPENSATION**

- a. The compensation to be paid to VALLEY WATER by PALO ALTO for PROGRAMS as described EXHIBIT A, Table A-1, shall not exceed \$200,000 per year or \$1,400,000 over the TERM.
- b. The compensation to be paid to VALLEY WATER by PALO ALTO for PROGRAMS as described EXHIBIT A, Table A-2, shall not exceed \$25,000 per year or \$175,000 over the TERM.
- c. The compensation to be paid to PALO ALTO by VALLEY WATER for the RAIN BARREL DISTRIBUTION EVENT program as described in EXHIBIT A, Table A-3 shall not exceed \$5,000 per year or \$35,000 over the TERM.
- d. The compensation to be paid to PALO ALTO by VALLEY WATER for the WATER USE REPORTS PROGRAM shall not exceed \$25,000 annually or \$175,000 during the term of the agreement.
- e. The compensation to be paid to PALO ALTO by VALLEY WATER for AMI shall not exceed \$175,000 per year or \$1,225,000 over the TERM.

- f. Either PARTY may adjust its contribution to any of the rebate amounts for any of the PROGRAMS described in EXHIBIT A, so long as that PARTY's total contribution for any individual program does not exceed the amounts described in Sections 3.a-3.e, respectively.
- g. Pay VALLEY WATER the annual retail agency licensing fee of \$1,000 for access to Droplet Landscape Rebate Program application portal.

#### **4) HOLD HARMLESS AND LIABILITY**

- a. In lieu of and notwithstanding the pro rata risk allocation, which might otherwise be imposed between the PARTIES pursuant to Government Code Section 895.6, the PARTIES agree that all losses or liabilities incurred by a PARTY shall not be shared pro rata but, instead, VALLEY WATER and PALO ALTO agree that, pursuant to Government Code Section 895.4, each of the PARTIES hereto shall fully indemnify and hold each of the other PARTIES, their officers, Board members, Council members, employees, and agents, harmless from any claim, expense or cost, damage or liability imposed for injury (as defined in Government Code Section 810.8) occurring by reason of the negligent acts or omissions or willful misconduct of the indemnifying PARTY, its officers, employees or agents, under or in connection with or arising out of any work, authority or obligation delegated to such PARTY under this AGREEMENT. No PARTY, nor any officer, Board member, Council member, employee or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of the other PARTIES hereto, their officers, Board members, Council members, employees, or agents, under or in connection with or arising out of any work authority or obligation delegated to such other PARTIES under this AGREEMENT.
- b. The rights, duties, and obligations of the PARTIES as set forth above in this Hold Harmless and Liability section will survive termination, suspension, completion, and expiration of this AGREEMENT.

#### **5) NO POWER TO INCUR ANY DEBT, OBLIGATION OR LIABILITY**

PARTIES shall have no power to incur any debt, obligation, or liability on behalf of other PARTY or otherwise act as an agent of the other PARTY.

#### **6) DOCUMENT REVIEW**

VALLEY WATER and PALO ALTO will, upon reasonable advance written notice, make available for inspection to the other PARTY records, books and other documents relating to the PROGRAMS.

#### **7) TERM**

The term of the Agreement is from June 25, 2023 to June 30, 2030, or until funds are depleted, whichever occurs first. The term of the Agreement may be extended by mutual written consent of the PARTIES. This Agreement shall be contingent upon approval of program funding each fiscal year by both VALLEY WATER's Board of Directors and by the City Council of PALO ALTO.

#### **8) NOTICE**

Any notice, payment, credit or instrument required or permitted to be given hereunder shall be deemed received upon personal delivery or five (5) days after deposit in any United States mail depository, first class postage prepaid and addressed to the PARTY for whom intended.

If to VALLEY WATER:

Santa Clara Valley Water District  
5750 Almaden Expressway  
San Jose, CA 95118

Attn: Conservation Programs

If to PALO ALTO:

Office of the City Clerk  
City of Palo Alto  
Post Office Box 10250  
Palo Alto, CA 94303

8. Either PARTY may change such address by notice given to the other PARTY as provided in this Section

#### **9) INSURANCE**

Each PARTY shall adhere to the insurance requirements that are specified in Exhibit C of this AGREEMENT. Either PARTY to this AGREEMENT may submit a letter of self-insurance to satisfy the insurance requirements of Exhibit C.

#### **10) ENTIRE AGREEMENT**

This AGREEMENT contains the entire AGREEMENT between VALLEY WATER and PALO ALTO relating to the PROGRAMS. Any prior agreements, promises, negotiations, or representations not expressly set forth in this AGREEMENT are of no force or effect.

#### **11) AMENDMENTS**

The Agreement may only be amended by written agreement executed by both PARTIES.

#### **12) ASSIGNMENT**

Neither PARTY is allowed to assign, sublet, or transfer this AGREEMENT or any of the rights or interests in this AGREEMENT without the written consent of the other PARTY.

#### **13) WAIVER**

A PARTY's waiver of any term, condition, covenant, or breach of any term, condition, or covenant shall not be construed as a waiver of any other term, condition, or covenant, or breach of any other term, condition, or covenant.

#### **14) SEVERABILITY**

The partial or total invalidity of one or more parts of this AGREEMENT will not affect the intent or validity or remaining parts of this AGREEMENT.

#### **15) GOVERNING LAW**

This AGREEMENT is a contract under the laws of the State of California and for all purposes must be interpreted in accordance with such laws. The federal and state courts within Santa Clara County, California shall have exclusive jurisdiction to adjudicate any dispute arising out of or related to this Agreement. Each PARTY expressly consents to the personal jurisdiction of and venue in such courts, and service of process effected upon it by registered mail sent to the address set forth herein for each PARTY.

#### **16) TERMINATION OF AGREEMENT**

This AGREEMENT may be terminated by either PARTY hereto for any reason upon thirty (30) days written notice to the other PARTY.

## **17) COUNTERPARTS**

This AGREEMENT may be executed in counterparts, each of which, when executed and delivered, will be deemed to be an original, and which taken together will be deemed to be one and the same instrument, and will be binding as executed.

## **18) SIGNATURES**

The individuals executing this AGREEMENT represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities. Unless otherwise prohibited by law or PALO ALTO policy, the PARTIES agree that an electronic copy of a signed contract, or an electronically signed contract, has the same force and legal effect as a contract executed with an original ink signature. The term “electronic copy of a signed contract” refers to a writing as set forth in Evidence Code Section 1550. The term “electronically signed contract” means a contract that is executed by applying an electronic signature using technology approved by the PARTIES.

## **19) CALIFORNIA ENVIRONMENTAL QUALITY ACT.**

The PARTIES’ approval of this Agreement is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15301 (Existing Facilities) and 15304 (Minor Alterations to Land).

## **20) COMPLIANCE WITH LAWS**

Each PARTY shall at all times in the performance of its obligations under this Agreement comply with all applicable laws as each currently exists and as may hereafter be amended.

## **21) EQUAL OPPORTUNITY**

### **a. Equal Opportunity Employer**

Valley Water is an equal opportunity employer and requires its public agency partners to have and adhere to a policy of equal opportunity and non-discrimination. In the performance of the Agreement, both PARTIES will comply with all applicable federal, state, local laws and regulations, and will not discriminate against any subcontractor, employee, or applicant for employment in the recruitment, hiring, employment, utilization, promotion, classification or reclassification, transfer, recruitment advertising, evaluation, treatment, demotion, layoff, termination, rates of pay or other forms of compensation, and selection for professional development training (including apprenticeship), or against any other person, on the basis of sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), race, religion, color, national origin (including language use restrictions), ancestry, religious creed (including religious dress and grooming practices), political affiliation, disability (mental and physical, including HIV or AIDS), medical condition (cancer and genetic characteristics), genetic information, marital status, parental status, gender, age (40 and over), pregnancy, military and veteran status, sexual orientation, gender identity and gender expression, the exercise of family and medical care leave, the exercise of pregnancy disability leave, or the request, exercise, or need for reasonable accommodation.

### **b. Compliance with Applicable Equal Opportunity Laws**

Each PARTY's policy must be in conformance with applicable state and federal guidelines including the Federal Equal Opportunity Clause, 41 Code of Federal Regulations, Part 60-1, §60-1.4; Title VII of the Civil Rights Act of 1964 as amended; the Americans with Disabilities Act of 1990; the Rehabilitation Act of 1973 (§503 and §504); the Age Discrimination Act of 1975 (42 U.S.C. §6101 et seq.); the California Fair Employment and Housing Act (Government Code §12900 et. seq.); and California Labor Code §1101 and §1102.

c. Investigation of Claims

Each Party must designate a specific position within its organization to be responsible for investigating allegations of non-compliance with the anti-discrimination and anti-harassment provisions of this Agreement. Each Party must conduct a fair, prompt, and thorough investigation of all allegations directed to that Party. In cases where such investigation results in a finding of discrimination, harassment, or hostile work environment, the responding Party must take prompt, effective action against the offender.

In WITNESS WHEREOF, the PARTIES have executed this AGREEMENT as of the EFFECTIVE DATE set forth above.

**CITY OF PALO ALTO**

APPROVED AS TO FORM:

\_\_\_\_\_  
Aylin Bilir  
Assistant City Attorney  
City of Palo Alto

\_\_\_\_\_  
Ed Shikada  
City Manager  
City of Palo Alto

**SANTA CLARA VALLEY WATER DISTRICT**  
**an independent special district created by the California Legislature**

\_\_\_\_\_  
Rick L. Callender, Esq.  
Chief Executive Officer  
Santa Clara Valley Water District

**EXHIBIT A**  
**WATER CONSERVATION PROGRAMS AND REIMBURSEMENT RATES**

The reimbursement rates for the PROGRAMS administered by VALLEY WATER and PALO ALTO are specified below.

PARTIES will be reimbursed for the PROGRAMS listed below, up to a Not-To-Exceed Amount Specified in the AGREEMENT.

**Table A-1 Water Conservation Program Rebate Matching Amounts from PALO ALTO**

<b>Program</b>	<b>PALO ALTO'S Reimbursement Rates</b>
Landscape Conversion Rebate (in addition to VALLEY WATER rebate)	\$2.00 per square foot, up to \$2,000 per residential site and \$20,000 per commercial, industrial, institutional, and multi-family site (5+ units)
Large Landscape Lawn to Mulch Rebate (in addition to VALLEY WATER rebate)	\$1.00 per square foot, up to \$10,000 per commercial, industrial, institutional, and multi-family sites (5+ units)
Graywater Conversion Rebate (in addition to VALLEY WATER rebate)	\$200 per site
Submeter Rebate (in addition to VALLEY WATER rebate)	\$150 per submeter

**Table A-2 Stormwater Program Rebate Matching Amounts from PALO ALTO**

<b>Program</b>	<b>PALO ALTO'S Reimbursement Rates</b>	
Rain Barrel Rebate (in addition to VALLEY WATER rebate)	Rebate cap: \$1,000 per residential site; \$5,000 per commercial site, industrial, institutional, and multi-family site.  Rebates may be applied to any combination of rebate types and amounts listed in Tables A-2 or A-3.	Cost of the rain barrel minus VALLEY WATER's rebate amount, up to a maximum of \$35.
Cistern (in addition to VALLEY WATER rebate)		\$0.50 per gallon
Rain Garden (in addition to VALLEY WATER rebate)		\$1 per square foot, up to \$300 per site

**Table A-3 Payments from VALLEY WATER for Rain Barrels Distributed by PALO ALTO**

<b>Program</b>	<b>VALLEY WATER's Reimbursement Rates</b>	
Rain Barrel DISTRIBUTION EVENT Rebate (in addition to PALO ALTO rebate)	Rebate caps do not apply	\$35.00 per rain barrel.



## **EXHIBIT B**

### **AMI AND WATER USE REPORT PROGRAM CRITERIA**

2023

Valley Water offers a cost sharing program for Advanced Metering Infrastructure (AMI) meters and Water Use Reports, as described below. This cost sharing program is intended for both residential, and commercial, institutional, or industrial (CII) sites. Water use reports are intended for residential customers at a minimum but expansion to CII is encouraged.

#### **General Administrative Requirements:**

1. Water retailers must provide documentation of the total number of meters (AMI and non-AMI) by account type (e.g., single-family residential, commercial, etc.) in the service area. Water retailers must include in the documentation:
  - a. a description of the retailer's account types, and
  - b. how they will provide Valley Water accurate and up-to-date meter counts once per fiscal year.
2. Water retailers must provide an approximate implementation plan for AMI deployment, including the anticipated schedule. An implementation plan could include relevant excerpts from planning documents such as Water Supply Master Plans, Urban Water Management Plans, etc.
3. Provide customers with Water Use Reports to provide a detailed and relevant account of their water usage. Water Use Reports must be sent to residential customers and are encouraged for CII customers. Water Use Reports may differ between water retailers, but there are some required criteria, as described below:
  - a. Their water usage history covering at least the most recent reporting and/or billing period;
  - b. A specific water-use comparison between the target property and water usage to similar properties in their service area;
  - c. Programmatic and behavioral recommendations to save water that are relevant to the property;
  - d. Easy access to an online water usage portal; and
  - e. Usage/leak alerts using industry best practices.
4. Water retailers must provide Valley Water with leak alert thresholds and report templates at least once per fiscal year unless no template changes occurred. The provision of other examples of program-related messaging (mailers and water-saving recommendations) is encouraged.
5. General administrative requirements affecting Water Use Reports, leak alert notifications, and leak alert thresholds may be adjusted for the purposes of conducting experiments to quantify water savings within specific service areas. Adjustments for this provision require written agreement between Valley Water and the water retailer. These adjustments are limited to a not-to-exceed period of 24 months.

There are two options for water retailers to cost share with Valley Water on the AMI and Water Use Report Program (water retailers may only choose one option). Each option will have an annual not-to-exceed cap relative to the full term of the agreement, and a budget for the full term of the agreement based on the number of qualifying meters. Valley Water funding will be available as Valley Water's budget allows, which is subject to annual Board approval (approximately every Spring). Please inform Valley Water of intent to participate in the program as soon as possible.

## **OPTION 1: AMI Conversion Combined with Water Use Reports**<sup>1</sup>

Valley Water will rebate \$10 per AMI conversion currently in operation annually for the next seven years and will fund 50 percent of the cost of the software linked to AMI, up to \$2.25 per connection per year, when combined with Water Use Reports. Valley Water's funding may be used for either capital and/or operations and maintenance costs. Funding for this option in years 2 through 7 will be contingent upon documentation of water savings achieved in the previous year(s).

### Requirements for Option 1:

1. AMI meters eligible for funding must have been active for seven years or less;
2. AMI meters must be read at a minimum of once an hour;
3. AMI meters must be linked to a customer-accessible water usage portal with online access;
4. AMI Alerts:
  - a. Data on leak and high usage alerts by account and zip code are required for the most recent invoicing period. In lieu of identifying leaks by account number, a unique-identifier system for each record in the dataset can instead be provided to aid Valley Water with long-term data querying and tracking.
  - b. Leak alert settings for continuous leaks must not exceed 5 gallons per hour for single-family residential accounts with a duration not to exceed 72 hours; and duration of burst leaks is not to exceed 8 hours. Depending on metering technology advancements, these thresholds can be adjusted with mutual agreement between Valley Water and retailers.
  - c. Leak alert settings (volume and duration thresholds) for continuous leaks or spikes in water use on CII properties must be set by the utility using industry best practices<sup>2</sup>
  - d. Utilities must have a plan in place for contacting customers with large leaks<sup>3</sup> who cannot be contacted through standard procedures (letters, emails, SMS, or phone calls). Retailers must have a process in place to contact customers whose irrigation does not comply with local restrictions.
5. If Water Use Reports through the online portal are optional, the water retailers shall provide an opt-out option, as opposed to requiring opt-in sign-ups to access Water Use Reports;
6. Water Use Reports must be sent out a minimum of four times per year indicated clearly in supporting documentation (Item 7);
7. Water retailers must coordinate with Valley Water to promote Valley Water's conservation programs through Water Use Reports;
8. Water retailers must provide to Valley Water the number of Water Use Reports sent, number of sites Water Use Reports were sent to, number of leak alerts sent, estimated leak volumes and duration, and estimated water savings associated with leak alerts. Data must be sent semi-annually, broken down by utility billing period, provide dates and durations of every leak alert, and include a total water savings estimate based on volume and duration of identified leaks. A data template may be provided by Valley Water.
  - a. Providing Valley Water access to an aggregated dashboard with the above content is preferred over reports or Excel files. Excel files are acceptable.

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<sup>1</sup> If a water retailer has previously received funding from Valley Water for AMI conversions, those conversions will not be eligible for additional funding.

<sup>2</sup> Individual customers may modify their individual use baseline and reset their notifications at their discretion. CII water use is more varied, making it more complex to analyze and making leaks harder to identify. Water retailers may choose to rely on long-term usage averages and multiples thereof to assess CII leak alert notifications and thresholds. CII leak alert notifications and thresholds should align with current industry best practices as demonstrated by primary research or applicable case studies. Custom CII leak alert notifications and thresholds should be provided to Valley Water in the water retailer's supporting documentation.

<sup>3</sup> "Large leaks" may be defined by the water retailer and defined in supporting documentation the water retailer provides Valley Water.

- i. If providing reports or Excel files, data must include the applicable cost-share agreement section reference that this requirement is fulfilling.
  - ii. Data must cover the period from the effective date of the contract through the most recent invoicing period. If providing reports or Excel files, data redundancy between the reports/files of subsequent invoicing periods should be avoided.
- b. Corresponding metadata describing variables, attributes, and analysis conducted to estimate water savings shall be provided or embedded within delivered data.

**OPTION 2: Water Use Reports Only**

Valley Water will rebate 50 percent of the cost of Water Use Reports, up to \$4.50 per connection per year. No AMI or meter type requirement. Valley Water currently has this program in place.

Requirements for Option 2:

1. Customer accessible water usage portal, with mobile and online access;
2. If Water Use Reports through the online portal are optional, the water retailers shall provide an opt-out option, as opposed to requiring opt-in sign ups to access Water Use Reports;
3. Water Use Reports must be sent out a minimum of four times per year indicated clearly in supporting documentation (Item 5);
4. Water retailers must coordinate with Valley Water to promote Valley Water's conservation programs through Water Use Reports;
5. Water retailers must provide to Valley Water the number of water use reports sent and the number of sites the reports were sent to. Data must be sent semi-annually, broken down by utility billing period. A data template may be provided by Valley Water.
  - a. Providing Valley Water access to an aggregated dashboard with the above content is preferred over reports or Excel files.
    - i. If providing reports or Excel files, data must include the applicable cost-share agreement section reference that this requirement is fulfilling.
    - ii. Data must cover the period from the effective date of the contract through the most recent invoicing period. If providing reports or Excel files, data redundancy between the reports/files of subsequent invoicing periods should be avoided.
  - b. Corresponding metadata describing variables, attributes, and analysis conducted to estimate water savings shall be provided or embedded within delivered data.

Valley Water staff will work with water retailers to create new cost sharing agreements or amend existing agreements to include the AMI and Water Use Report Programs.

## **EXHIBIT C** **INSURANCE**

Each PARTY represents and warrants that, at its sole cost and expense it will maintain for the duration of the AGREEMENT self-insurance against claims for injuries to persons or damages to property that may arise from, or in connection with its (and its agents, representatives', employees' or contractors)' performance of the services and/or operations herein and the indemnity provisions of this AGREEMENT.

### **A. Types of Coverage**

Coverage provided by said self-insurance programs shall apply to and be in lieu of maintaining General and Auto Liability and Workers' Compensation insurance, as well as Professional Liability Errors and Omissions insurance, when applicable.

### **B. Minimum Limits of Coverage**

Coverage for Commercial General and Auto Liability shall be for not less than \$1,000,000 per occurrence and aggregate. Coverage for Professional Liability Errors and Omissions shall not be for less than \$1,000,000 per claim and aggregate. Coverage for Workers' Compensation coverage shall be as required by the California Labor Code and include Employers Liability limits of not less than \$1,000,000 per accident.

### **C. Other Self-Insurance Provisions**

Each PARTY's self-insurance coverage applies to the other PARTY, its officers, employees, agents and contractors as respects: Liability arising out of activities performed by or on behalf of, the insuring PARTY; products and completed operations of the insuring PARTY; premises owned, leased or used by the insuring PARTY; and automobiles owned, hired or borrowed by the insurance PARTY. Said self-insurance applies fully to any indemnity for the insured PARTY, its officers, employees, agents and contractors.

Each PARTY's self-insurance coverage shall be primary as respects to insured PARTY, its officers, employees, agents and contractors. Any insurance or self-insurance maintained by insured PARTY, its officers, agents, or contractors shall be excess of insuring PARTY's self-insurance and shall not contribute with it.

### **D. Verification of Coverage**

Execution of this AGREEMENT shall constitute each PARTY's representation and warranty as to the coverage required by this AGREEMENT, and authority of the person signing the AGREEMENT to bind coverage on its behalf.

### **E. Contractors**

Each PARTY shall obtain separate evidence of insurance for each contractor/consultant hired to perform any services under this Agreement