

BOARD MEETING DATE: June 5, 2015

AGENDA NO. 4

PROPOSAL: Implement Programs in Clean Communities Pilot Study Communities under U.S. EPA Targeted Air Shed Grant

SYNOPSIS: On July 5, 2013, the Board approved funding reallocations for programs to implement the Clean Communities Plan in Boyle Heights and the City of San Bernardino under the U.S. EPA Targeted Air Shed Grant. Board actions are needed to implement four U.S. EPA Targeted Air Shed Grant programs including Air Filtration in Schools, Yard Equipment Exchange, Boiler and Process Heater Efficiency Upgrades, and Weatherization Program for Homes Adjacent to Freeways and Intermodal Facilities in Boyle Heights and the City of San Bernardino. Staff is recommending to 1) amend a contract with IQAir North America, adding \$435,632 to install air filtration systems at Murchison Street Elementary school in Boyle Heights; 2) execute contracts with Black and Decker, Inc. and The Greenstation to purchase up to 800 lawn mowers in an amount not to exceed \$164,000 to conduct two residential lawn mower exchanges; 3) execute a contract with the City of San Bernardino in an amount not to exceed \$57,000 for the differential cost of installing high efficiency condensing boilers; and 4) authorize the Executive Officer to enter into a Collaboration Agreement with Southern California Gas Company in an amount not to exceed \$500,000 to conduct a home weatherization program.

COMMITTEE: Administrative, May 8, 2015; Recommended for Approval

RECOMMENDED ACTIONS:

1. Authorize the Chairman to amend a contract with IQAir North America to install air filtration systems at Murchison Street Elementary school in Boyle Heights, adding \$435,632 from the Advanced Technology, Outreach and Education Fund (17);
2. Authorize the Chairman to execute a contract with the City of San Bernardino to cover the differential cost of installing high efficiency condensing boilers in an amount not to exceed \$57,000 from the Advanced Technology, Outreach and Education Fund (17);

3. Authorize the Chairman to execute contracts from the Advanced Technology, Outreach and Education Fund (17) with the following entities to conduct lawn mower exchanges in Boyle Heights and the City of San Bernardino:
 - a. Black and Decker, Inc. to purchase up to 400 lawn mowers in an amount not to exceed \$80,000;
 - b. The Greenstation to purchase up to 400 lawn mowers in an amount not to exceed \$84,000;
4. Authorize the Executive Officer to redistribute (add or reduce) funding among the two participating lawn mower vendors (Black and Decker, Inc. and The Greenstation) to address demand, not to exceed \$164,000.
5. Authorize the Executive Officer to enter into a Collaboration Agreement with Southern California Gas Company in an amount not to exceed \$500,000 from the Advanced Technology, Outreach and Education Fund (17) to conduct a home weatherization program in Boyle Heights and the City of San Bernardino.

Barry R. Wallerstein, D.Env.
Executive Officer

PF:SN:MM:RG

Background

On July 5, 2013, the Board approved funding allocations from U.S. EPA's Targeted Air Shed Grant Program for nine incentive programs to assist in the implementation of the Clean Communities Plan (CCP). These grant funds are to implement programs for reduction of toxic air contaminants and criteria air pollutants in the two Clean Communities Plan pilot areas of Boyle Heights and San Bernardino. SCAQMD staff has been working on implementation of four incentive programs for air filtration in schools, yard equipment exchange (residential and commercial), and boiler and process heater efficiency upgrades, that would occur in Boyle Heights and San Bernardino. The following summarizes each of these incentive programs and staff's recommendations.

Proposal

Installation of Air Filtration Systems in Schools

Over the past few years, SCAQMD staff has worked with Legacy LA, a youth-based organization in Boyle Heights that focuses on environmental issues in the Boyle Heights area. Youth representatives from Legacy LA reached out to the SCAQMD staff to install air filtration at Murchison Street Elementary School, which serves many of the residents in Ramona Gardens, the largest public housing project in the City of Los Angeles. Previously, SCAQMD had partnered with two non-profit community organizations, Mothers of East Los Angeles and the Center for Community Action and Environmental Justice, based in Boyle Heights and San Bernardino, and completed

installation of air filtration systems in 12 schools and one community center with funds from the Unocal Reformulated Gasoline Fund and the U.S EPA.

SCAQMD staff is recommending to amend a contract with IQAir North America to install air filtration systems at Murchison Street Elementary School in Boyle Heights. IQAir's current work includes the installation of air filtration systems in 40 schools near the Port of Los Angeles (TraPac air filtration program), three schools near the Ports of Los Angeles and Long Beach (SCAQMD air filtration pilot study), seven schools near the Ports of Los Angeles and Long Beach (SCAQMD Valero air filtration program), seven schools in Boyle Heights (MELA air filtration program), five schools and a community center in San Bernardino (CCAIEJ air filtration program), and seven schools in the Coachella Valley (AB 1318 grant). IQAir was selected through competitive processes as the contractor for the TraPac air filtration program and for the AB 1318 projects.

Lawn Mower Exchange

For the past 12 years, the SCAQMD has conducted lawn mower exchange events in which over 53,000 gasoline-powered lawn mowers were exchanged for cordless zero-emission electric lawn mowers. Cordless zero-emission electric lawn mowers are eligible for funding under the U.S. EPA Targeted Air Shed Grant. Previously, SCAQMD staff conducted two yard equipment exchange events in Boyle Heights and San Bernardino, representing 1,399 lawn mowers and 1,365 leaf blowers. To date, over \$750,000 has been spent on yard equipment exchanges in the two pilot study communities funded under the U.S. EPA Targeted Air Shed Grant: \$380,000 in San Bernardino and \$366,000 in Boyle Heights.

On September 5, 2014, the Board approved the release of three Program Announcements to solicit competitive bids from cordless electric lawn mowers to conduct the 2015 Lawn Mower Exchange Program. Proposals were received from Black & Decker, Inc. and The Greenstation; these vendors had lawn mowers featured in lawn mower exchange events for the past two years. These two vendors were selected for the regularly scheduled 2015 Lawn Mower Exchange Program. SCAQMD staff is recommending the purchase of additional lawn mowers from these vendors for a lawn mower exchange event to take place in Boyle Heights in the fall of 2015 and in the City of San Bernardino shortly following. Subsidies offsetting the price of the different lawn mower models will vary between \$195 - \$225 per lawn mower. This will result in a subsidized price to residents of both communities of \$50 or \$100 per lawn mower, depending on the selected model.

This action is to execute contracts from the Advanced Technology, Outreach and Education Fund (17) with Black and Decker, Inc. and The Greenstation to conduct lawn mower exchanges in Boyle Heights and the City of San Bernardino in amounts not to

exceed \$80,000 for The Greenstation and \$84,000 for Black and Decker, Inc. with authorization to redistribute funding between the two vendors based on demand.

Boiler and Process Heater Efficiency Upgrades

Newly purchased non-condensing boilers have thermal efficiencies of up to 86%, whereas condensing boilers have thermal efficiencies typically greater than 90%. The higher thermal efficiency improvement reduces operating costs through a decrease in fuel use and also yields reductions in criteria pollutants along with greenhouse gases. For the Boiler and Process Heater Upgrade, SCAQMD staff has been working with The Energy Network, a public utility funded program to assist local governments with identifying and implementing energy efficiency projects for their own facilities. The Energy Network has been working with the City of San Bernardino to improve the efficiency of its aging heating, ventilation and air conditioning system at City Hall. The City of San Bernardino has many restrictions on its expenditures and has limited funds that would only support the purchase of non-condensing boilers. Additional funding of \$57,000 would allow the City to purchase the high efficiency condensing boilers and further reduce its fuel use. As a result, criteria pollutants would be decreased, along with greenhouse gases emissions. This action is to execute a contract with the City of San Bernardino to reimburse the differential cost of installing high efficiency condensing boilers, upon receipt of an invoice and verification of installation of the equipment, in an amount not to exceed \$57,000 from the Advanced Technology, Outreach and Education Fund (17).

Weatherization Program for Homes Near Freeways and Intermodal Facilities

Weatherization of leaky homes will reduce residential exposure to criteria pollutants and diesel particulate matter (DPM). Certain homes in the CCP study areas are adjacent to freeways and heavily used intermodal facilities with trucks and locomotives. Weatherization of homes along freeways and intermodal facilities will improve indoor air quality for the residents, minimize exposure to criteria pollutants such as NO₂, CO and PM, and reduce energy usage.

Southern California Gas Company (SoCalGas) has an existing low-income assistance program for households in its service territory. This program, known as the Energy Savings Assistance Program (ESAP) offers no-cost energy-saving home improvements and furnace repair or replacement services for qualified limited-income renters and homeowners. Under the ESAP program, qualifying households receive a home assessment, and at no cost to the homeowner a contractor then implements qualifying measures. These measures include attic insulation, door weather-stripping, caulking, and minor repairs to doors and windows. Other measures that are performed under the ESAP program address lower energy usage but may not have a direct impact on indoor air quality or reduction to criteria and DPM emissions. These measures include installation of faucet aerators, low-flow showerheads, water heater blankets, evaporative

cooler covers, air conditioning covers, furnace repair/replacement, and water heater repair/replacement.

SoCalGas has an existing network of contractors that are qualified to conduct work under the ESAP program. SCAQMD's weatherization program proposes to conduct additional measures not currently performed under the ESAP program. These include attic air sealing of penetrations from the attic into the living spaces below, installation of baffles around eave vents and roof vents in the attic, sealing around penetrations into the living space through exterior walls (utility lines, dryer vents, etc) and installation of a CO monitor.

Under a Collaboration Agreement with SoCalGas, existing contractors in the two CCP pilot study areas will perform all weatherization and air sealing measures. For homes adjacent to freeways and intermodal facilities that qualify for the ESAP program, SoCalGas qualified contractors will perform SCAQMD measures, in addition to qualified measures under the ESAP program. SCAQMD will provide cost sharing, where SCAQMD will pay 25 percent, through the Air Shed Grant, and SoCalGas will pay 75 percent of all qualified weatherization measures approved by SCAQMD. Cost sharing will allow for more homes to participate in this program. For SCAQMD-approved measures that cannot be funded under ESAP because the measure(s) are not covered under the program or the home does not qualify for the ESAP program, the SCAQMD will pay 100 percent, through the Air Shed Grant.

This action is to authorize the Executive Officer to enter into a Collaboration Agreement with SoCalGas in an amount not to exceed \$500,000 to conduct a home weatherization program in Boyle Heights and San Bernardino. Partnership with SoCalGas will leverage an existing utility program by focusing implementation of this program on households located in high DPM exposure areas within the CCP pilot study areas. In addition, this partnership will allow for implementation of weatherization measures utilizing SoCalGas' qualified contractors with knowledge and experience in performing weatherization measures, overseeing work with residential customers, and conducting audit/home inspection programs to ensure these measures are performed satisfactorily.

Sole Source Justification

Installation of Air Filtration Systems in Schools

Section VIII.B.3 of the SCAQMD Procurement Policy and Procedure identifies four major provisions under which a sole source award may be justified using federal funding. This request for sole source award to IQAir qualifies under the following provision: a. – The item is only available from a single source. These technologies are not commercially available, “off-the-shelf” solutions, but instead require a total systems approach for successful implementation. As the developer of the technology, IQAir is

the only vendor qualified and able to oversee the successful installation of these systems.

Benefits to SCAQMD

The installation of air filtration systems in schools, the yard equipment exchange program, boiler and process heater efficiency upgrades and the weatherization program for homes near freeways and intermodal facilities support the implementation of the Clean Communities Plan to identify strategies to reduce children's exposure of criteria and toxic pollutants and ultrafine PM, help residents accelerate clean air efforts in these communities, and help offset the costs of pollution reduction strategies while also promoting more livable neighborhoods. Health studies have determined that fine and ultra-fine particles, including potent air toxic diesel particulate matter, present the greatest air pollution health risk to Southern California communities. Air filtration systems will be installed at no cost to host schools. Residents in Boyle Heights and San Bernardino will be eligible to receive cordless zero-emission electric lawn mowers at a significantly reduced cost compared to participants of the regular 2015 Lawn Mower Exchange Program. The Boiler Efficiency Upgrade will support accelerating clean air efforts to reduce criteria pollutants along with greenhouse gases emissions. It would also improve fuel efficiency and assist to offset some of the costs of pollution reduction strategies while at the same time incorporate newer equipment and technologies in the area. Weatherization of homes along freeways and intermodal facilities will improve indoor air quality for the residents, minimize exposure to criteria pollutants such as NO₂, CO and PM, and reduce energy usage.

Resource Impacts

The proposed action will not have an impact on SCAQMD financial resources. Funding will be provided under the U.S. EPA Targeted Air Shed Grant program recognized by the Board on March 4, 2011. Existing staff resources are sufficient to implement these programs.