

BOARD MEETING DATE: January 8, 2021

AGENDA NO. 5

PROPOSAL: Transfer Funds and Amend Contracts for the Commercial Electric Lawn and Garden Equipment Incentive and Exchange Program

SYNOPSIS: In October 2017, the Board recognized funds from the U.S. EPA's 2016 Targeted Air Shed Grant Program for the Commercial Electric Lawn and Garden Equipment Incentive and Exchange Program. Subsequently, in April 2018, the Board approved additional funding from Rule 2202 AQIP Special Revenue Fund (27), and execution of contracts with qualified manufacturers and suppliers of zero emission commercial lawn and garden equipment. In October 2019, the Board approved the transfer of funds from Rule 1111 Air Quality Investment Fund (27) to provide a Plus Up Discount for eligible lawn and garden equipment. Due to the continued high demand for the Plus Up Discount, staff is requesting to further augment funding in an amount not to exceed \$350,000 from Fund 27; transfer \$350,000 to the Advanced Technology, Outreach and Education Fund (17); and amend contracts to provide additional Plus Up Discount funds.

COMMITTEE: Technology, December 18, 2020; Recommended for Approval

RECOMMENDED ACTIONS:

1. Transfer up to \$350,000 from Rule 1111 Air Quality Investment Fund (27) into the Advanced Technology, Outreach and Education Fund (17); and
2. Authorize the Executive Officer to amend contracts with the following manufacturers to provide additional funding for the Plus Up Discount on eligible lawn and garden equipment in a total amount up to \$350,000 from the Advanced, Technology, Outreach and Education Fund (17): Husqvarna Group; Makita U.S.A., Inc.; Mean Green Products LLC dba Mean Green Mowers; Blount, Inc., dba Oregon; and Pacific STIHL.

Wayne Nastri
Executive Officer

Background

In October 2017, the Board recognized \$2,477,250 from U.S. EPA's 2016 Targeted Air Shed Grant Program for the Commercial Electric Lawn and Garden Equipment Incentive and Exchange Program. Subsequently, in April 2018, the Board approved additional funding in an amount of \$628,077 from Rule 2202 AQIP Special Revenue Fund (27) and execution of contracts with six qualified manufacturers and suppliers of zero emission commercial lawn and garden equipment. In October 2019, the Board approved to transfer \$750,000 from Rule 1111 Air Quality Investment Fund (27) to provide a Plus Up Discount of an additional 25 percent. In aggregate, the Commercial Electric Lawn and Garden Equipment Incentive and Exchange Program provides a total of 75 percent reduction in price for eligible lawn and garden equipment.

The Commercial Electric Lawn and Garden Equipment Incentive and Exchange Program replaces old gasoline- or diesel-powered commercial lawn and garden equipment with zero emission, battery-electric technology. A variety of makes and models of commercial-grade electric lawn and garden equipment are offered, including handheld trimmers, chainsaws, pruners, backpack and handheld blowers, and lawnmowers including ride-on, stand-on and walk-behind mowers. Local governments, school districts, nonprofit organizations and commercial gardeners and landscapers can participate. This program requires dismantling of the old equipment being replaced.

Since the inception of the Commercial Electric Lawn and Garden Equipment Incentive and Exchange Program in April of 2018, approximately 4,800 old gasoline- or diesel-powered commercial lawn and garden equipment have been replaced. Higher participation was observed after the Plus Up Discount was introduced less than a year ago with more than half of the equipment replaced during that time period. This program continues to get a high level of participation for most of the eligible equipment listed above.

Golden Eagle Distributing Corporation was one of the six initial contractors, but that contract was not extended due to limited activity and has expired.

Proposal

Staff is proposing to augment the funding in an amount not to exceed \$350,000 from Fund 27 for the Plus Up Discount. This additional amount will allow the Commercial Electric Lawn and Garden Equipment Incentive and Exchange Program to be implemented with a total of 75 percent discount for the remaining balance of the program. The program will continue to prioritize allocating the funding to the extent possible in disadvantaged communities by implementing coordinated and enhanced outreach efforts.

The actions are to transfer up to \$350,000 from Rule 1111 Air Quality Investment Fund (27) into the Advanced Technology, Outreach and Education Fund (17) and to amend contracts with five manufacturers/distributors to provide additional funding for the Plus Up Discount on eligible lawn and garden equipment.

Benefits to South Coast AQMD

The program's primary objective is to reduce emissions of criteria air pollutants, including NO_x, by replacing gasoline- or diesel-powered lawn and garden equipment with zero emissions equipment, prioritizing those replacements to the extent possible in disadvantaged communities within South Coast AQMD's jurisdiction.

Resource Impacts

Sufficient funding is available in Rule 1111 Air Quality Investment Fund (27) for the transfer to Advanced Technology, Outreach and Education Fund (17). Total contract modifications for the Plus Up Discount will not exceed \$350,000 from Fund 17.