

Agenda Date: August 21, 2014
Agenda Placement: Admin
Estimated Time: N/A
Continued Item: No

Board Agenda Item

TO: Air Pollution Control District Board

FROM: Dave Van Mullem, Air Pollution Control Officer

CONTACT: Jim Fredrickson, 961-8892

SUBJECT: Off-Road Equipment Replacement Program

RECOMMENDATION:

Approve \$500,000 in additional spending authority for the District's Off-Road Equipment Replacement Program.

SUMMARY:

The recommendation increases the current Off-Road Equipment Replacement Program authority of \$2,000,000 by approving an additional \$500,000 in Carl Moyer or Innovative Technologies Group (ITG) funds to replace off-road equipment with new equipment powered by low emissions engines. This \$500,000 program allocation does not change the District's fiscal year 2014/2015 budget amount for ITG.

DISCUSSION:

On October 21, 2010, your Board authorized the District to implement a new Off-Road Equipment Replacement Program (ORERP) to enhance the District's current Carl Moyer Air Quality Standard Attainment Program. The ORERP reduces emissions by replacing old, high polluting vehicles or equipment with new, cleaner vehicles or equipment earlier than required by regulation or through normal attrition. Your Board established the initial spending authority at \$500,000 in 2010 and based on a high level of interest in the program from businesses throughout the county, your Board authorized additional spending authority in 2011, 2012, and 2013. Of the \$2,000,000 in spending authorized by your Board to date, there is a balance of \$313,065. Please refer to Table 1 below for the program summary:

TABLE 1 – OFF-ROAD EQUIPMENT REPLACEMENT PROGRAM SUMMARY

Initial Board Approved Program	10/21/2010	\$500,000
Board Approved Spending Increase	8/18/2011	\$500,000
Board Approved Spending Increase	8/16/2012	\$500,000
Board Approved Spending Increase	10/17/2013	\$500,000
Total Program Spending Allocation:		\$2,000,000
Program Funds Liquidated to date:		(\$1,686,935)
Remaining Program Balance to date:		\$313,065
Average Program Cost-Effectiveness (CE) (\$/ton):		\$13,957

Since 2011, \$1,686,935 has been used to fund 21 Off-Road Equipment Replacement Projects. Due to the popularity of the program, we anticipate that future ORERP projects will exceed the current \$2,000,000 Board approved program spending authority during fiscal year 2014/2015. Therefore, we recommend that your Board authorize an additional \$500,000 in program spending so that we can continue to implement the program without interruption. We will continue to follow the California Air Resources Board Carl Moyer Program guidelines when selecting future ORERP projects.