



5.5 Consideration and Action on Supplemental Funding for the District's Turf Removal Program and Drip Conversion Program

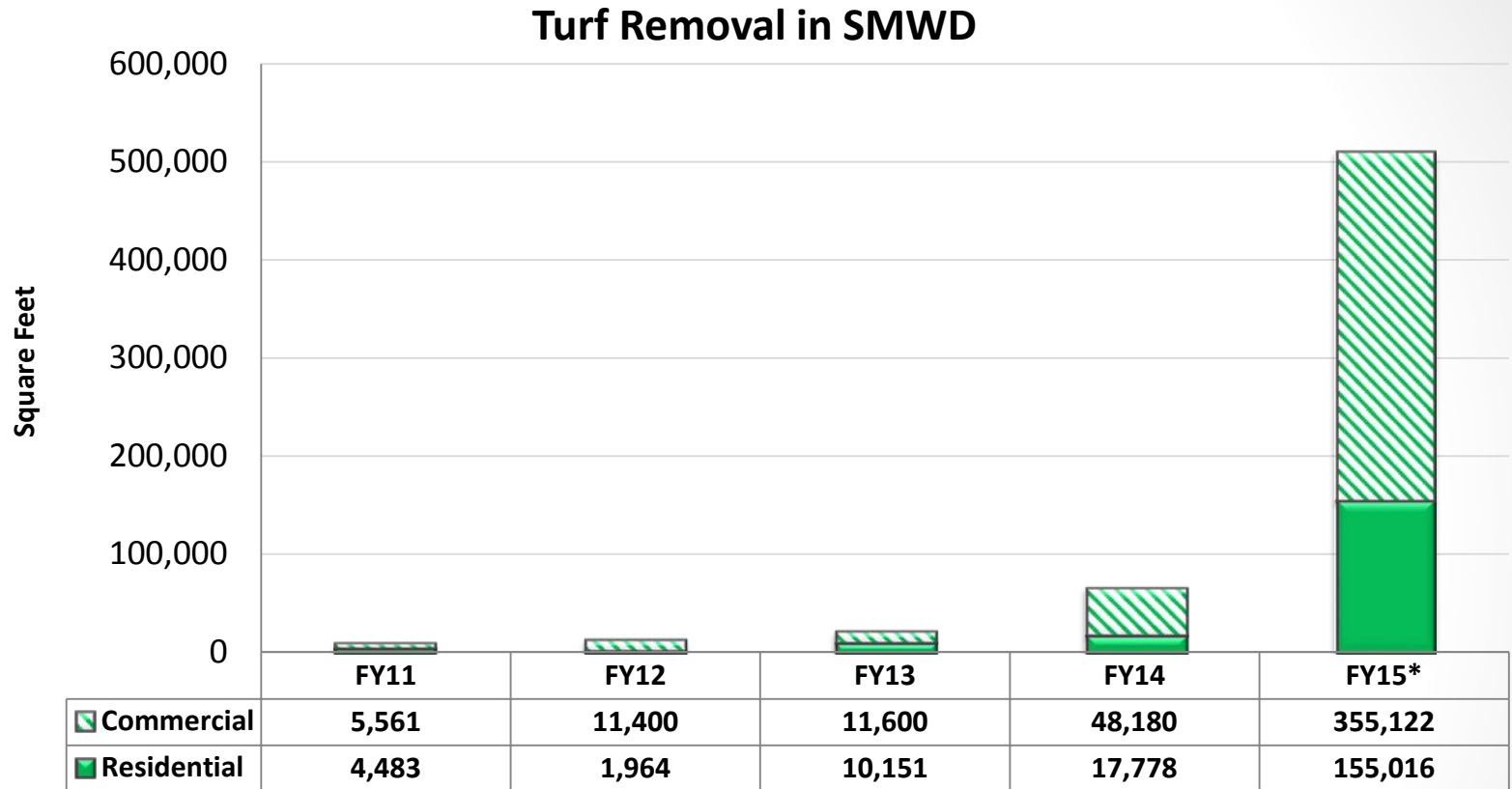
Recommendation: Authorize supplemental funding for turf removal and retrofit projects in an amount not to exceed \$1,000,000.

- Backfill funding for customers whose expected rebate is less than anticipated due to changes in MET's turf program: \$339,500
- Enter into agreements for turf removal including potential of a capital loan program: \$500,000
- Supplemental drip irrigation rebate program: \$160,000

Committee Status: This item was not reviewed by a committee.

Previous Related Actions: The District approved one million dollars for supplemental turf funding on May 11, 2015.

5.5 Supplemental Funding for Turf Removal – cont'd



- CALIFORNIA: Goal 50,000,000 SF turf removed
- SMWD: >500,000 SF turf removed in FY15
 - 1% of California's goal
- 0.06% SMWD as percent of area of California

5.5 Supplemental Funding for Turf Removal – cont'd

MET's Turf Program Changes Effective May 12th

- Previous Rebate = \$2/SF, unlimited area, per meter
- New Rebate
 - Residential = \$2/SF up to 3,000 SF (\$6,000)
 - Over 90% of residential applicants < 3,000 SF
 - Commercial = \$1/SF up to 25,000 SF per PROPERTY
 - Public Agency = \$2/SF up to 3,000 SF & \$1/SF up to additional 44,000 SF
 - Discrepancy on cutoff for old/new funding level
 - We understood it was application submittal date (1 PM on 5/12/15)
 - In truth, cutoff was if a customer had a “Letter to Proceed” prior to 1 PM on 5/12

5.5 Supplemental Funding for Turf Removal – cont'd

SMWD Supplemental Funding Proposal

- Customer's receiving \$2/SF will not receive supplemental funding.
- Customer's that applied prior to May 12th will receive additional funding of up to \$1/SF to backfill the rebate customers had expected to receive.
 - 19 Applicants
 - 256,425 SF
 - \$339,500
- Commercial customer's subject to MET's new rebate level and cap can enter into agreement with the District for supplemental funding based on specific objectives.
 - 20 new commercial applicants @ \$1/SF up to 25,000 SF
 - \$500,000
 - Alternative rebate payment schedules can be explored (e.g. On-Bill Financing)

5.5 Supplemental Funding for Turf Removal – cont'd

SMWD Supplemental Funding Proposal

- \$839,500 Supplemental Turf Funding
 - \$339,500 Backfill
 - \$500,000 new commercial funding
- This provides ~\$160,500 to supplement MWDOC's drip conversion rebate in addition to a smaller turf removal program in the event MET's turf program ends and MWDOC grant funds continue the turf rebate but at a much reduced level.