

**ITEM:        CONSENT CALENDAR**

**7.            CONSIDER INCREASE IN BUDGETED FUNDS ALLOCATED TO THE  
LAWN REBATE PROGRAM**

<b>Meeting Date:</b>	<b>May 17, 2010</b>	<b>Budgeted:</b>	<b>No</b>
<b>From:</b>	<b>Darby Fuerst, General Manager</b>	<b>Program/ Line Item No.:</b>	<b>Conservation Programs 4-2-2-C</b>
<b>Prepared By:</b>	<b>Stephanie Pintar</b>	<b>Cost Estimate:</b>	<b>\$45,000 (Reimbursable)</b>

**General Counsel Approval:** N/A

**Committee Recommendation:** The Administrative Committee reviewed this item on May 6, 2010, and recommended approval.

**CEQA Compliance:** N/A

---

**SUMMARY:** Staff is requesting authorization to increase the budgeted amount for the “Cash for Grass” Lawn Rebate budget from \$15,000 to \$45,000 during Fiscal Year (FY) 2009-2010. Any remaining funding will be rolled over into the FY 2010-2011 budget, as the funding is reimbursed by California American Water.

The Board authorized a Rebate for lawn removal upon adoption of Ordinance No. 140 in November 2009. The program has been increasing in participation and will exceed the amount budgeted in the FY 2009-2010 budget. Funding in the amount of \$45,000 to implement the program was included in the conservation budget approved by the California Public Utilities Commission in 2009. The program will roll into the general Rebate Program once funding has been expended. The District currently has applications pending for about \$35,000 in Lawn Rebates and has issued \$4,300 in Lawn Rebates.

Rebates for lawn removal have been available since January 1, 2010, for removal of lawn and replacement with either drought tolerant landscape or permeable surfaces. Prior to receiving a Rebate, the applicant must have a pre-inspection (prior to lawn removal) and a post-inspection (after removal). A deed restriction is recorded on the property prior to issuing the Rebate. The deed restriction prohibits replacement of the Lawn for 15 years.

Between January 1, 2010, and April 30, 2010, the District received 23 Lawn Rebate applications. Five have been processed, meaning that the deed restrictions have been prepared, the lawn removal and replacement has been verified, and the Rebate is pending recordation of the deed restriction. The others are pending materials being installed, site inspections, and/or receipts from the owner before they can be processed to the next step.

Lawn removal Rebate applications through April 2010 were mostly for smaller grass areas. Twenty percent of the Rebate applications were for larger lawn areas than the maximum Rebate

area, although those areas were not significantly higher. The maximum area for a Rebate is 2,000 square-feet. Staff anticipates the number of applications increasing as irrigation season begins and the higher rates are received. Staff will be recommending an increase in the maximum area to encourage larger lawn removals when a Rebate program amendment ordinance is introduced in June 2010.

**RECOMMENDATION:** Upon adoption of this item with the Consent Calendar, the FY 2010-2011 budget will be adjusted to increase the lawn rebate funding from \$15,000 to \$45,000.

**IMPACT TO STAFF/RESOURCES:** Funding is available through reimbursement by California American Water in the conservation budget approved by the CPUC in May 2009. Funds for this additional expenditure of \$30,000 were not in the Fiscal Year 2009-2010 budget, although they have been approved for reimbursement by the CPUC.

#### **EXHIBITS**

None