

# SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT

For the Agenda of: April 27, 2006

To: Board of Directors  
Sacramento Metropolitan Air Quality Management District

From: Larry Greene  
Air Pollution Control Officer

Subject: Authorization for the Air Pollution Control Officer to Approve Four Incentive Agreements over \$250,000 under the Heavy-Duty Low Emission Vehicle Program

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## **Recommendation**

Approve the attached resolution and authorize the Chair of the Board of Directors to sign it on behalf of the Sacramento Metropolitan Air Quality Management District (District).

## **Purpose**

The purpose of this resolution is to:

1. Authorize the Air Pollution Control Officer (APCO), in consultation with the District Counsel, to execute the attached agreement under the Heavy-Duty Low Emission Vehicle Incentive Program (HDLEVIP) with Wood Brothers Inc for \$727,200.
2. Authorize the APCO, in consultation with the District Counsel, to execute the attached agreement under the HDLEVIP with Schwabb Sales for \$443,600.
3. Authorize the APCO, in consultation with the District Counsel, to execute the attached agreement under the HDLEVIP with Joe Muller & Sons for \$257,092.
4. Authorize the APCO, in consultation with the District Counsel, to execute the attached agreement under the HDLEVIP with Payne Farms for \$115,173.

## **Authority**

Health and Safety Code Section 40961 identifies the District as the local agency within the boundaries of the Sacramento district with the primary responsibility for the development, implementation, monitoring, and enforcement of air pollution control strategies, clean fuel programs, and motor vehicle use reduction measures.

Health and Safety Code Section 41062(a) directs the district to develop air quality improvement strategies that include demonstration programs and incentives to encourage the use of control measures providing equivalent emission reductions within the District.

Under Health and Safety Code Section 41082, the District may undertake programs which may include financial assistance to fleet operators for the purchase, conversion, or operation of low-emission motor vehicles, financial assistance or other incentives to encourage the sale and distribution of clean burning fuels.

The District is authorized by Health and Safety Code Sections 41062(a) and 41082 to implement programs to reduce transportation emissions, including programs to encourage the use of alternative fuels and low-emission vehicles.

### **Previous Actions**

On February 5, 1998, your Board approved Resolution No. 98-0007, which authorized the creation of the HDLEVIP for the purpose of reducing emissions from heavy-duty mobile sources within the Sacramento Federal Nonattainment Area.

On April 22, 1999, your Board approved Resolution No. 99-0025, which requires proposed HDLEVIP projects exceeding \$250,000 to be approved by the Board.

### **Description**

The proposed agreement with Wood Brothers Inc in the amount of \$727,200 will fund the repower of 6 scrapers used in construction applications in the Sacramento region. These scrapers are used to move dirt and earth when preparing land for construction. The replacement of the old diesel engines with Tier 2 replacements will reduce NOx emissions by 15.1 tons per year and Diesel Particulate Matter emissions by over 1,400 pounds per year.

The proposed agreement with Schwabb Sales in the amount of \$443,600 will fund the repower of 3 scrapers used in construction applications in the Sacramento region. These scrapers are used to move dirt and earth when preparing land for construction. The replacement of the old diesel engines with Tier 2 replacements will reduce NOx emissions by 8.6 tons per year and Diesel Particulate Matter emissions by over 800 pounds per year.

The proposed agreement with Joe Muller & Sons in the amount of \$257,092 will fund the installation of 20 electric agricultural irrigation pumps replacing 20 existing diesel engine agricultural irrigation pumps. These irrigation pumps are used during the irrigating season to supply water to crops in Yolo County. The replacement of the diesel pumps with the electric pumps will reduce NOx emissions by 7.8 tons per year and Diesel Particulate Matter emissions by over 600 pounds per year.

The proposed agreement with Payne Farms in the amount of \$115,173 will fund the installation of 14 electric agricultural irrigation pumps replacing 14 existing diesel engine agricultural irrigation pumps. This agreement will put Payne Farms over the \$250,000 staff approval level due to cumulative applications in 2006, requiring Board approval for this agreement and any additional agreements. These irrigation pumps are used during the irrigating season to supply water to crops in Yolo County. The replacement of the diesel pumps with the electric pumps will reduce NOx emissions by 3.7 tons per year and Diesel Particulate Matter emissions by over 900 pounds per year.

The replacement of agricultural water pump diesel engines is partly made possible by Pacific Gas & Electric's Agricultural Internal Combustion Engine Conversion Incentive Program (AG-ICE). AG-ICE provides a discounted electricity service rate to agricultural operations willing to scrap their diesel powered irrigation pumps and replace them with electric irrigation pumps; thus giving participating agricultural operations an incentive to operate cleaner equipment.

**Fiscal Impact**

Sufficient funds have been identified in the District budget to fund these proposed projects. Staff also anticipates funding these projects within the 2005/2006 and 2006/2007 fiscal years. These projects will be funded using funds from the Carl Moyer Memorial Fund as shown below:

<b>Funding Source</b>	<b>Amount</b>
Carl Moyer Memorial Fund (Y8)	\$1,543,065

**Attachments**

- Attachment A – Agreement VET-06-0086 (Wood Brothers Inc)
  - Attachment A – Agreement VET-06-0096 (Schwabb Sales)
  - Attachment A – Agreement VET-06-0076 (Joe Muller & Sons)
  - Attachment A – Agreement VET-06-0093 (Payne Farms)
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Respectfully submitted,

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Larry Greene  
Air Pollution Control Officer

Reviewed By:

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Kathrine Pittard  
District Counsel

Attachments