

SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT

For the Agenda of: August 24, 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 Incentive Agreements over \$250,000

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 Teichert Construction Inc for \$125,000.
2. Authorize the APCO, in consultation with the District Counsel, to execute the attached agreement under the HDLEVIP with B&J Equipment for \$250,000.

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 Teichert Construction in the amount of \$125,000 will fund the repower of one scraper used in construction applications in the Sacramento region. Scrapers are used to move dirt and earth when preparing land for construction. The replacement of the old diesel engine with a Tier 3 replacement will reduce NOx emissions by 1.3 tons per year and Diesel Particulate Matter emissions by over 900 pounds per year.

Tier 3 diesel engines are the cleanest off-road diesel engines ever produced and represent over a 70% reduction in smog-forming and air toxics emissions.

The proposed agreement with B&J Equipment in the amount of \$250,000 will fund the repower of two scrapers used in construction applications in the Sacramento region. Scrapers are used to move dirt and earth when preparing land for construction. The replacement of the old diesel engines with Tier 3 replacements will reduce NOx emissions by 2.6 tons per year and Diesel Particulate Matter emissions by over 1,800 pounds per year.

Both Teichert Construction and B&J Equipment have exceeded the \$250,000 staff-level application approval limit, requiring approval by the Board for these and future projects in 2006. These scrapers will also be used as matching projects towards our annual Carl Moyer Program funding requirements.

Fiscal Impact

Sufficient funds have been identified in the 2006/2007 District budget to fund these proposed projects.

Attachments

Attachment A – Agreement VET-06-0201 (Teichert Construction)

Attachment B – Agreement VET-06-0147 (B&J Equipment)

Respectfully submitted,

Larry Greene
Air Pollution Control Officer

Reviewed By:

Kathrine Pittard
District Counsel

Attachments