

## SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT

For the Agenda of: September 28, 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

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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, in consultation with the District Counsel, to execute agreement VET-06-0227 in a format substantially similar to the attached sample agreement with Kiewit Pacific for \$1,600,000.

### **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 Kiewit Pacific in the amount of \$1,600,000 will fund the repower of six 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 almost 22 tons per year and Diesel Particulate Matter emissions by over 1,200 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. This project exceeds the \$250,000 staff-level application approval limit, requiring approval by the Board. Additionally, because these projects are located in Environmental Justice areas, their funding will satisfy our AB 1390 requirements for Year 8 Carl Moyer Program funding.

**Fiscal Impact**

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

**Attachments**

Agreement VET-06-0227 (Kiewit Pacific)

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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