

## SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT

For the Agenda of: August 23, 2007

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 an Incentive Agreement with Lassen Forest Products for more than \$250,000 and approve an Amendment to the District and Emission Technology Program FY 2007/2008 Budgets

---

### **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 an agreement with Lassen Forest Products, Inc. (VET-07-0160) for \$580,728 in a format substantially similar to the attached sample agreement.
2. Authorize the District to increase the Emission Technology FY 2007/2008 budget by \$580,728 in Carl Moyer Program Multidistrict Funds.
3. Authorize the District to increase the District FY 2007/2008 budget by \$29,036 for administrative costs (5% of the project costs).

### **Authority**

Health and Safety Code Section 40961 identifies the District as the local agency within the boundaries of the Sacramento County 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 including financial assistance to fleet operators for the purchase, conversion, or operation of low-emission motor vehicles, and financial assistance or other incentives to encourage the sale and distribution of clean burning fuels.

## **Previous Actions**

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

On April 28, 2005, your Board approved Resolution No. 2005-031, which requires Board approval of all grants to a single entity exceeding \$250,000 on a per project or cumulative basis.

## **Description**

The proposed agreement with Lassen Forest Products Inc. in the amount of \$580,728 will fund the replacement of 6 existing pre-1990 heavy duty diesel trucks with new 2008 heavy duty diesel trucks. These trucks are used to deliver processed forest products through out Northern California. The replacement of the heavy duty diesel trucks will reduce NOx emissions by 8.25 tons per year and Diesel Particulate Matter emissions by 844 pounds per year.

## **Fiscal Impact**

The project will be funded under a \$2,209,764 grant from ARB under the Carl Moyer Multidistrict Fund program. The grant approval specifically allocated \$580,728 for the Lassen Forest Product, Inc. project and \$29,036 for the District's administrative costs. Accordingly, the Emission Technology Program FY 2007/2008 budget will be increased by \$580,728 in Carl Moyer Multidistrict funds, and the District FY 2007/2008 budget will be increased by \$29,036 for administrative costs. The remaining \$1.6 million from the ARB grant is addressed in the August Board reports for Cascade Sierra Solutions and the Pilot Voucher program.

## **Attachments**

Agreement VET-07-0160 (Lassen Forest Products Inc.)  
Carl Moyer Multidistrict Grant Letter

---

Respectfully submitted,

---

Larry Greene  
Air Pollution Control Officer

Reviewed By:

---

Kathrine Pittard  
District Counsel

Attachments