

## **SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT**

For the Agenda of: October 25, 2007

To: Board of Directors  
Sacramento Metropolitan Air Quality Management District

From: Larry Greene  
Air Pollution Control Officer

Subject: Authorization for Air Pollution Control Officer to Sign a Contract for \$200,000 in CMAQ funds with Cascade Sierra Solutions after approval by the SACOG Board and to Sign a Contract for \$100,000 in EPA funds with Cascade Sierra Solutions after approval by the US EPA.”

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### **Recommendations**

1. Approve the attached resolution, which:
  - a. Authorizes the Air Pollution Control Officer (APCO) to sign the supplemental agreement with California Department of Transportation (Caltrans) to receive a \$200,000 Congestion Mitigation and Air Quality Improvement (CMAQ) grant.
  - b. Authorizes the APCO, in consultation with District Counsel, to enter into agreements with Cascade Sierra Solutions (CSS) in a form similar to the attached sample contract, for the use of the \$200,000 (CMAQ) funds, and requiring CSS to provide the match funds for the grant.
  - c. Authorizes the APCO to sign a grant agreement with the United States Environmental Protection Agency (EPA) to receive a \$100,000 grant and to sign a separate agreement with CSS, in a form similar to the attached sample contract, for the use of the EPA funds.
  - d. Authorizes an amendment of the District 2007-08 budget by up to \$300,000.
  - e. Directs the Clerk of the Board to forward the fully executed Resolution and associated agreements to the interested parties.

### **Background**

On May 24, 2007, the AQMD Board approved Resolution AQMD 2007-020, which authorized the District to enter into an agreement with CSS, under which the District would give CSS \$200,000 to help fund a store front center for heavy-duty diesel trucks emission control and fuel saving technologies. The District anticipated funding the agreement with CMAQ funds. Caltrans and Federal Highway Administration (FHWA) ultimately did not approve the District grant, and the Board later approved local funds in the amount of \$200,000 for the CSS store front center program. In addition, the Board subsequently approved CSS to distribute voucher funds for a \$1,000,000 Pilot Retrofit Voucher program for an On-Road Heavy-Duty Project.

Following meetings with the Sacramento Area Council of Governments (SACOG) and Caltrans, staff submitted a new request to SACOG for \$200,000, to fund the CSS marketing and outreach program for the store front center. These funds are anticipated to be approved by SACOG, Caltrans and FHWA by December 2007. CMAQ grant recipients are required to provide 11.47% of the grant amount in match funds. CSS will provide the match funds to satisfy the grant requirement.

In August 2007, the District submitted a separate proposal to EPA for up to \$100,000 to fund CSS staff and additional marketing and outreach at the store front center. EPA is expected to act on this funding request in the first quarter of 2008. Staff is seeking Board's authorization to accept the \$100,000 and enter into an agreement with CSS to use the funds to provide staff and additional marketing and outreach at the Sacramento store front center.

Additional information regarding CSS and the store front center program was provided to the Board in the May 24, 2007 staff report for Resolution 2007-020.

### **Authority**

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

Health and Safety Code Section 41014 authorizes the SMAQMD to conduct public education, marketing, demonstration, monitoring, research and evaluation programs or projects concerning transportation emission control measures.

On February 5, 1998, the SMAQMD Board approved Resolution No. 98-007, which authorized the District to create the Heavy-Duty Low Emission Vehicle Incentive Program for the purpose of reducing emissions from heavy-duty mobile sources operating within the Sacramento Federal Ozone Non-Attainment Area.

### **Roles**

SMAQMD, which has a Master Agreement in place with Caltrans and has extensive experience in administering EPA grant funds, will oversee expenditures related to this project and serve as the conduit for the funding identified. SMAQMD will enter into an agreement with CSS to accept their local match funding for this grant and delineate the obligations of CSS and SMAQMD.

### **Potential Fiscal Impact**

This project will be funded by CMAQ and EPA, if approved. The Budget Amendment will increase both Revenue and Expenditures, as follows: 1) Up to \$200,000 in CMAQ funding; 2) up to \$100,000 (EPA) funds; for a total revenue increase of up to \$300,000. The Professional Services expenditure account will be increased up to \$300,000.

CSS will provide the 11.47% of the required local match share of the CMAQ grant.

SMAQMD staff submitted its original "Authorization to Proceed" to Caltrans District 3 on April 17, 2007 for the CSS Showcase. A re-submittal of the "Authorization to Proceed" is not required to reprogram these funds. Caltrans and the FHWA will review the SMAQMD's proposal for approval following action by SACOG's October Board meeting.

Attachments: (1) Original Approval  
(2) Sample Contract

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Respectfully submitted,

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Larry Greene  
Air Pollution Control Officer

Approved as to form:

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Kathrine Pittard  
District Counsel