

Agenda Report

TO: City Council

DATE: June 7, 2004

THROUGH: Finance Committee (June 7, 2004)

FROM: City Manager

SUBJECT: Air Quality Improvement Program Grant from the South Coast Air Quality Management District

RECOMMENDATION

It is recommended that City Council:

- 1) Authorize the City Manager to execute a grant agreement, amendments, and any other documents necessary to secure and implement such grant; and
- 2) Recognize and appropriate grant funds in the amount of \$210,666 to the Department of Public Works, Street Maintenance and Integrated Waste Management Division, Budget Account #764120, for the conversion of eight City refuse trucks from diesel to compressed natural gas.

BACKGROUND

Over the past several years, the South Coast Air Quality Management District (AQMD) has introduced a series of Rules designed to reduce the amount of fuel-related toxic air contaminants released into the atmosphere. On December 8, 1995, Rule 2202, On-Road Motor Vehicle Mitigation Options was adopted with an effective date of June 19, 1998. This Rule applies to any employer with 250 or more employees. Its intended purpose is to provide employers with a menu of options to reduce mobile source emissions generated from employee commutes to comply with federal and state Clean Air Act requirements of Health & Safety Code Section 40458 and Section 182(d)(1)(B) of the federal Clean Air Act.

One of the compliance strategies under Rule 2202 allows employers to invest in the Air Quality Improvement Program (AQIP) with monies received by the AQMD placed in a restricted account to be used by AQMD to fund programs that result in equivalent emission reductions that would otherwise have been achieved by full participation in a rideshare program. Currently, each City of Pasadena employee not participating in a City Trip Reduction/Ride Share program contributes \$35 per month to this fund.

The City of Pasadena was presented with an opportunity to partner with Clean Energy and apply for an AQIP grant in response to the SCAQMD Request for Proposal, #9596-23. Clean Energy proposed to assist City staff with the preparation of a grant application requesting \$300,000 to retrofit ten of the City's C-10, model year 2000, Caterpillar Diesel Refuse Truck to compressed natural gas (CNG). Pasadena would benefit by reducing NOx emissions otherwise discharged into the City's atmosphere by more than 2.2 tons per year.

The Governing Board of the South Coast Air Quality Management District at its March 5, 2004 board meeting awarded the City of Pasadena a grant in the amount of \$210,666 to convert eight of the requested ten diesel-powered refuse trucks to CNG.

Staff became aware of this grant opportunity the same week that applications were due and submitted an application without Council approval. Any acceptance of the approved grant funding is contingent upon Council approval.

FISCAL IMPACT


Receipt of this grant will increase appropriation in the Refuse Fund by \$210,666. Funds will be appropriated to the Residential Operations Account #764120 and will provide 100 percent of the funding for the conversion of eight diesel-powered refuse trucks to CNG. No matching funds are required.

Respectfully submitted,



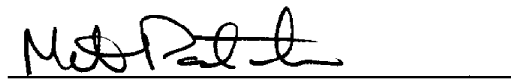
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