

Agenda Report

TO: City Council

DATE: November 18, 2002

THROUGH: Legislative Policy Committee (November 5, 2002)

FROM: City Manager

SUBJECT: Authorization to Execute a Grant Agreement to the South Coast Air Quality Management District for a Particulate Matter Retrofit Program Grant

RECOMMENDATION

It is recommended that the City Council authorize the City Manager to execute a grant agreement, amendments, and any other documents necessary to secure and implement such grant.

BACKGROUND

In 1999, the AQMD released its Multiple Air Toxics Exposure Study II (MATES II), which identified diesel fuel particulates as a toxic air contaminant and the number one contributor to cancer risk among air pollutants. As a result, the AQMD introduced a series of Fleet Rules designed to reduce the amount of diesel particulates released into the atmosphere.

On July 12, 2002, the SCAQMD published a Program Announcement introducing the Particulate Matter Retrofit Program. The Particulate Matter Retrofit program provides funds to purchase and install particulate traps for existing diesel vehicles using low sulfur diesel fuel. The particulate trap performs the same function as a catalytic converter. It limits the emission of particulate matter (carbon) into the atmosphere. The particulate traps are only compatible with low sulfur diesel because the sulfur content of regular diesel fuel erodes the trap material and components and causes it to fail.

The City of Pasadena currently owns approximately 100 diesel operated heavy-duty vehicles and has identified 23 as candidates for particular traps. Staff requested \$138,000 to fund the purchase of the traps. The grant will cover the purchase, installation, and sales tax up to an amount of \$6,000 per trap. The City will switch to low sulfur diesel fuel to accommodate the use of the particulate traps. Although low sulfur fuel costs more than

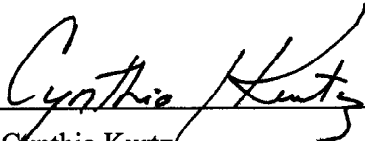
regular diesel fuel, the regular diesel fuel, the additional fuel costs of approximately \$25,000 per year will be shared by all departments using diesel vehicles.

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


FISCAL IMPACT

If awarded, this grant will provide 100 percent funding for the particulate traps requested to date. The increase for low sulfur diesel fuel is approximately \$250 per vehicle annually. The impact for fiscal year 2003 (program implementation to begin in March 03) will be approximately \$85 per vehicle.

Respectfully submitted,


Cynthia Kurtz
City Manager

Prepared by:



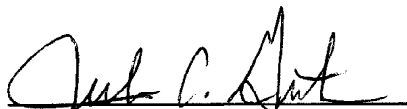
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