

CITY OF LOS ANGELES

CALIFORNIA



ANTONIO R. VILLARAIGOSA
MAYOR

October 5, 2011

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WILLIAM P. WEEKS
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#2 BOS

Mayor Antonio R. Villaraigosa
Room 305
City Hall
Attn: Pamela Finley

City Council
Room 395
City Hall

Subject: AUTHORITY TO APPLY FOR GRANT FUNDING FROM THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT TO SUPPORT THE BUREAU OF SANITATION'S CLEAN FUEL PROGRAM FOR SOLID RESOURCES COLLECTION VEHICLES

As recommended in the accompanying report of the Director of the Bureau of Sanitation, which this Board has adopted, the Board of Public Works requests that the City Council, subject to concurrence of the Mayor, authorize the Director of the Bureau of Sanitation, or his designee, to apply for grant funding; to conduct all negotiations; to provide additional information; and to execute and submit all documents, including, but not limited to, applications, agreements, or amendments, subject to the approval of the City Attorney as to form and legality, which may be necessary to secure the awarded amount from the South Coast Air Quality Management District (SCAQMD) to support the Bureau of Sanitation's Clean Fuel Program for Solid Resources Collection Vehicles in response to its program announcement, PA2012-03 Heavy-Duty Natural Gas Trucks Projects.

FISCAL IMPACT

Failure to apply for grant funds from the SCAQMD will limit funding available to support the Bureau of Sanitation's Clean Fuel Program. The receipt of grant funds will offset the purchase cost to replace older Class 8 (greater than 33,000 lbs. Gross Vehicle Weight Rating) diesel trucks in the Bureau of Sanitation's fleet of solid resources collection vehicles. Applying for the SCAQMD program announcement will have no impact to the General Fund since the General Fund does not support the Clean Fuel Program.

Respectfully submitted,

William P. Weeks, Executive Officer
Board of Public Works

WPW/mp



DEPARTMENT OF PUBLIC WORKS

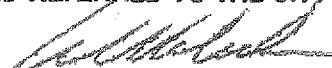
BUREAU OF SANITATION
BOARD REPORT NO. 2
October 5, 2011

ADOPTED BY THE BOARD
PUBLIC WORKS OF THE CITY
of Los Angeles California

AND REFERRED TO THE MAYOR

OCT - 5 2011

AND REFERRED TO THE CITY COUNCIL


Executive Officer

CD: ALL

AUTHORITY TO APPLY FOR GRANT FUNDING FROM THE SOUTH COAST AIR
QUALITY MANAGEMENT DISTRICT TO SUPPORT THE BUREAU OF SANITATION
CLEAN FUEL PROGRAM FOR SOLID RESOURCES COLLECTION VEHICLES

RECOMMENDATIONS

1. Approve and forward this report forthwith, with transmittals, to the Mayor and the City Council, with the recommendation that the City Council, subject to concurrence of the Mayor, authorize the Director of the Bureau of Sanitation (BOS), or designee, to apply for grant funds from the South Coast Air Quality Management District (SCAQMD) in response to its program announcement, PA2012-03 Heavy-Duty Natural Gas Trucks Projects.
2. Request the City Council to adopt the Resolution (Transmittal No. 1) authorizing the Director of Bureau of Sanitation or designee to submit an application and all supporting documents to apply for grant funding for the Clean Fuel Program, and if awarded grant funding to return to the Mayor and the City Council to obtain approval for the acceptance of these funds and authorization to negotiate and execute the associated grant agreements.

FISCAL IMPACT STATEMENT

Failure to apply for grant funds from the SCAQMD will limit funding available to support the BOS Clean Fuel Program. The receipt of grant funds will offset the purchase cost to replace older Class 8 (greater than 33,000 lbs. Gross Vehicle Weight Rating) diesel trucks in the BOS' fleet of solid resources collection vehicles. Applying for this SCAQMD program announcement will have no impact on the General Fund since the General Fund does not support the Clean Fuel Program.

TRANSMITTALS

1. Copy of the proposed Resolution.

DISCUSSION

On September 9, 2011, the South Coast Air Quality Management District (SCAQMD) released the program announcement for PA2012-03 Heavy-Duty Natural Gas Truck Projects. The SCAQMD is encouraging owners of existing Class 8 diesel collection vehicles to replace these with new, lower emitting natural gas engines, certified by CARB at or below 0.2 g/bhp-hr for oxides of nitrogen (NOx) and 0.01 g/bhp-hr for particulate matter (PM).

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Grant funding is limited under this program and projects will be funded in order starting at the top of the competitively ranked list until all funds are allocated.

While this grant funding is available and being that the City of Los Angeles has committed to air pollution reduction through its Clean Fuel Program for its fleet of solid resources collection vehicles, BOS is requesting authorization to submit an application to the SCAQMD's PA2012-03 to replace ten diesel collection vehicles with ten natural gas vehicles, certified by CARB at 0.2 g/bhp-hr NOx or less and 0.01 g/bhp-hr PM or less. Grant applications are accepted from September 9, 2011, until October 11, 2011.


If selected for award, the City may receive a maximum of \$25,000 per qualifying vehicle with a maximum of \$250,000 per fleet operator. This maximum amount may be increased if the solicitation is not fully subscribed. Should all ten qualifying vehicles be eligible, a maximum of \$250,000 may be awarded to this air quality improvement project. Replacement of older diesel vehicles with new 2010 compliant natural gas engines is estimated to cost at \$300,000 each. Successfully securing SCAQMD funding for this project will offset the purchase cost by 8.3%.

Since the implementation of the Clean Fuel Program by the BOS for the solid resources collection fleet, BOS has successfully been awarded about \$20 million from various external sources for various air quality improvement projects related to the Clean Fuel Program.

STATEMENT AS TO FUNDING

Applying to this SCAQMD program announcement will have no impact on the General Fund since the General Fund does not fund the Clean Fuel Program. Funds to purchase ten new natural gas collection vehicles are identified in the Solid Waste Resources Revenue Bond Series 2009A (Dept 50, Fund 51W, Account 50F303). If successfully awarded, the purchase cost will be offset by a maximum of \$250,000 from the SCAQMD – a savings of about 8.3%.

Respectfully submitted,


ENRIQUE C. ZALDIVAR, Director
Bureau of Sanitation

Statement as to Funds Approved by:


VICTORIA A. SANTIAGO, Director
Office of Accounting

Prepared by:
Ish Lontok, SRSSD
(213) 485-3607

9/29/11

RESOLUTION

TRANSMITTAL 1

WHEREAS, the Bureau of Sanitation (BOS) was directed by Mayor Antonio Villaraigosa to convert the City of Los Angeles fleet of Solid Resources Collection Vehicles (SRCV) to clean-burning natural gas powered vehicles; and

WHEREAS, the Los Angeles City Council has adopted the Clean Fuel Policy and this initiative is a commitment to provide better environment, health, and quality of life to all City of Los Angeles residents; and

WHEREAS, solid resources collection fleets operating in the South Coast Air Basin, regulated by the South Coast Air Quality Management District fleet rule 1193 requires operators when procuring or leasing these vehicles acquire alternative-fuel heavy-duty SRCV to reduce toxic and criteria air pollutant emissions; and

WHEREAS, the South Coast Air Quality Management District (SCAQMD) released the program announcement for PA2012-03 Heavy-Duty Natural Gas Truck Projects on September 9, 2011, to co-fund projects to replace Class 8 (greater than 33,000 lbs. Gross Vehicle Weight Rating) diesel solid resources collection vehicles with those equipped with new natural gas engines that are certified at more stringent emissions standard; and

WHEREAS, the BOS has decided to participate and submit a qualifying project to SCAQMD's PA2012-03 Heavy-Duty Natural Gas truck Projects with the proposed replacement purchase of ten eligible existing heavy-duty SRCV with new 2010 compliant natural gas engines which are certified at or below 0.2 g/bhp-hr for oxides of nitrogen (NOx) and 0.01 g/bhp-hr for particulate matter (PM); and

WHEREAS, the BOS Clean Fuel Program has been awarded over \$20 million from various external agencies for many air quality improvement projects related to the Clean Fuel Program; and

NOW THEREFORE BE IT RESOLVED, that the City Council, with concurrence with the Mayor, hereby authorizes the Bureau of Sanitation to submit an application to the SCAQMD's PA2012-03 Heavy-Duty Natural Gas Truck Projects; and

BE IT FURTHER RESOLVED, that by adoption of this Resolution, with the concurrence of the Mayor, that the City Council authorizes the Director of the Bureau of Sanitation, or designee, to apply for grant funding for the Clean Fuel Program for the purpose of securing an award under the SCAQMD's PA2012-03 Heavy-Duty Natural Gas Truck Projects with the maximum amount of \$250,000.

PRESENTED BY _____

SECONDED BY _____