



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Peter Jensen  
Larry D. Lisenbee

**SUBJECT:** SEE BELOW

**DATE:** January 25, 2006

Approved

*Kay Winer*

Date

*1/26/06*

**SUBJECT: BAAQMD GRANT ACCEPTANCE FOR THE TRANSPORTATION  
FUND FOR CLEAN AIR REGIONAL FUNDS**

## RECOMMENDATION

1. Adoption of a resolution authorizing the City Manager to execute all documents necessary to effectuate a grant from the Bay Area Air Quality Management District (BAAQMD) to be used to retrofit diesel powered vehicles operated by the City of San José in an amount not to exceed \$206,550, not including the required local match of \$22,950, with a project completion date of January 2007.
2. Adoption of the following Appropriation Ordinance and Funding Source Resolution amendments to the Vehicle Operations and Maintenance Fund:
  - a. Establish an appropriation to the General Services Department for the Clean Air Heavy Vehicles Retrofit project in the amount of \$206,550.
  - b. Increase the estimate for Earned Revenue by \$206,550.

## BACKGROUND

On September 27, 2005 the Council adopted Resolution #72908 authorizing the City Manager to submit a grant application to the Bay Area Air Quality Management District and all necessary documentation for a grant to support a pilot program to retrofit 18 diesel powered heavy trucks to reduce diesel particulate emissions, in an amount not to exceed \$206,550 with a required local match of \$22,950.

## ANALYSIS

The Fleet Management Division of the General Services Department has been a leader in the implementation of alternate fuel and emission reduction technology since the early 1970's. Significant enhancements in after-market technology to reduce heavy truck diesel emissions,

such as California Air Resources Board (CARB) approved emission control equipment in conjunction with the use of ultra-low sulfur diesel fuel, are now available for implementation. Implementation of recent technological advancements in diesel exhaust after-treatment may significantly reduce emissions without compromising the operational performance of the vehicle being modified.

Upon Council approval for acceptance of the grant, staff will retrofit a sample of the City's fleet of existing diesel powered trucks with CARB approved emission control equipment in conjunction with the use of use of ultra-low sulfur diesel fuel to validate this new emission technology's suitability to the City's fleet. The sample vehicles are later model year diesel trucks, which are not equipped with the latest clean air technology but are anticipated to be in the fleet for several more years. Similar units were selected to reduce the complexity of the retrofits and minimize vehicle downtime during the retrofit process. This pilot program will play a key role in testing and evaluating this new technology for future compliance with heavy truck emission reduction standards anticipated to be mandated by the State of California.

The total procurement and installation cost for the diesel emission control equipment for 18 diesel powered heavy trucks is estimated to be \$229,500. The \$22,950 local share match will be covered within the existing non-personal/equipment appropriation for vehicle maintenance and operations. Staff is currently developing the specifications for the diesel exhaust control system for this upgrade and installation for the vehicles identified.

### **OUTCOME**

Council action will provide approval to execute all documents necessary to effectuate a grant from the Bay Area Air Quality Management District (BAAQMD) to be used to retrofit 18 diesel powered vehicles operated by the City of San José. The implementation of such technology for the City's diesel powered heavy truck fleet aligns with the City Council's support of clean air objectives.

### **PUBLIC OUTREACH**

Not applicable.

### **COORDINATION**

This memorandum has been coordinated with the City Attorney's Office, Department of Transportation and Environmental Services Department.

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**COST IMPLICATIONS**

If Council approves acceptance, the funds would offset \$206,550 in anticipated future costs of the City complying with the heavy truck emission reduction standards anticipated to be mandated by the State of California. The local match amount of \$22,950 will be provided through the existing appropriation for City vehicle maintenance and operations.

**BUDGET REFERENCE**

Fund #	Appn #	Appn. Name	RC#	Total Appn.	Amt. For Contract	2005-2006 Adopted Operating Budget	Last Budget Action (Date, Ord. No.)
552	0592	Non-Personal/ Equipment	001100	\$2,471,616	\$22,950	Page X1 -80	

**CEQA**

Not a project.



PETER JENSEN  
Director of General Services



LARRY D. LISENBEE  
Budget Director

I hereby certify that there will be available for appropriation in the Vehicle Maintenance and Operations Fund in the Fiscal Year 2005-2006 moneys in excess of those heretofore appropriated therefrom, said excess being at least \$206,550.



LARRY D. LISENBEE  
Budget Director