

Item No.: 4B-Supp
Date of Meeting: 08/14/18



**THE NORTHWEST
SEAPORT ALLIANCE**
Gateway to Solutions

ILA with Dept of Ecology to Accept Clean Diesel Grant – Clean Truck Fund

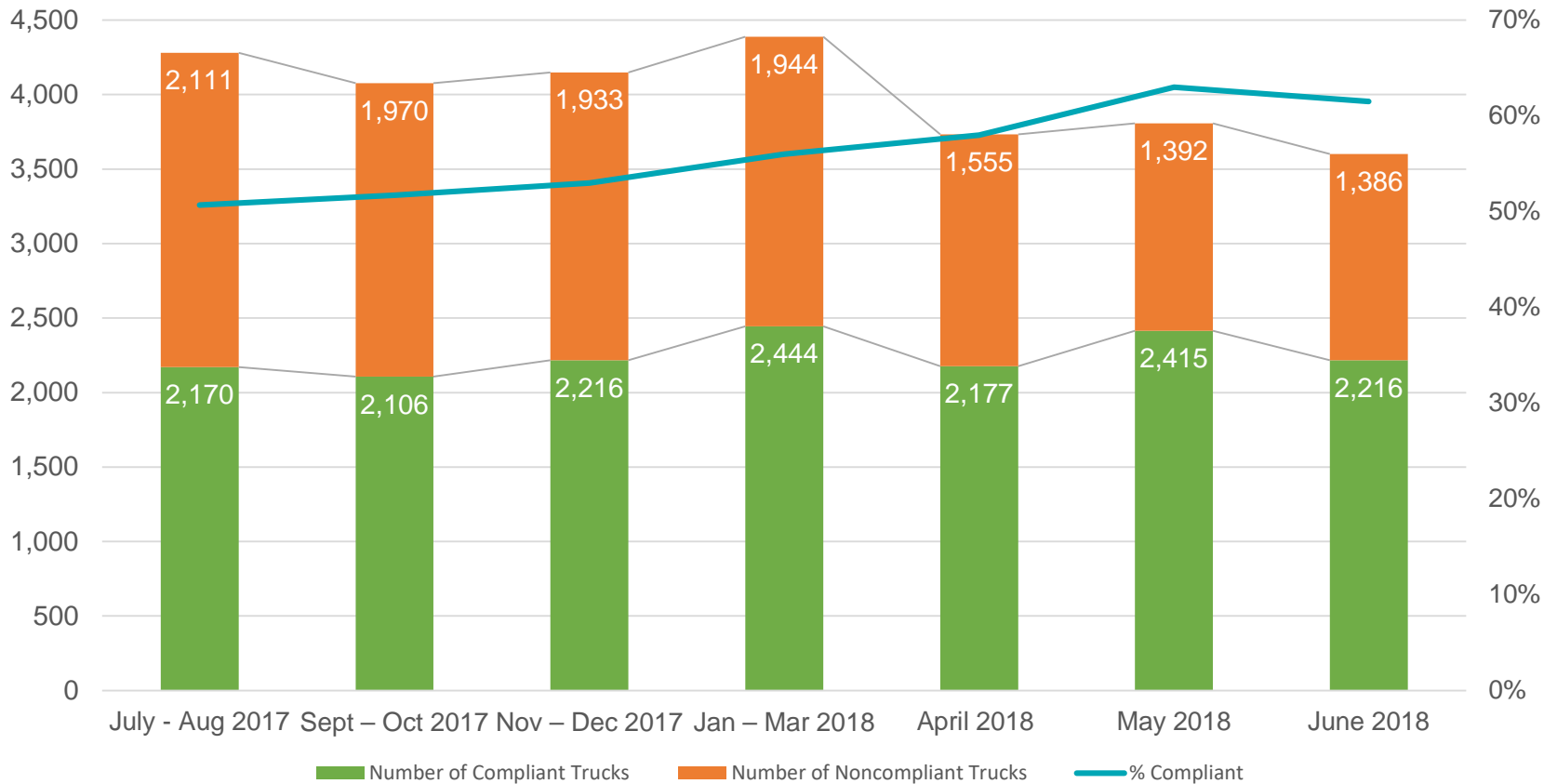
Action Requested

As referenced in NWSA Resolution No. 2016-04, Exhibit A, Delegation of Authority Master Policy, Paragraph 8.b.i. requires authorization from Managing Members to enter into an ILA with another public agency.

Request authorization for the NWSA CEO or his delegate to enter into an Interlocal Agreement (ILA) with Washington State Department of Ecology (Ecology) to receive a Clean Diesel Grant in the amount \$234,000, for the Clean Truck Fund, Master Identification No. 201050.02.



Clean Truck Compliance Update



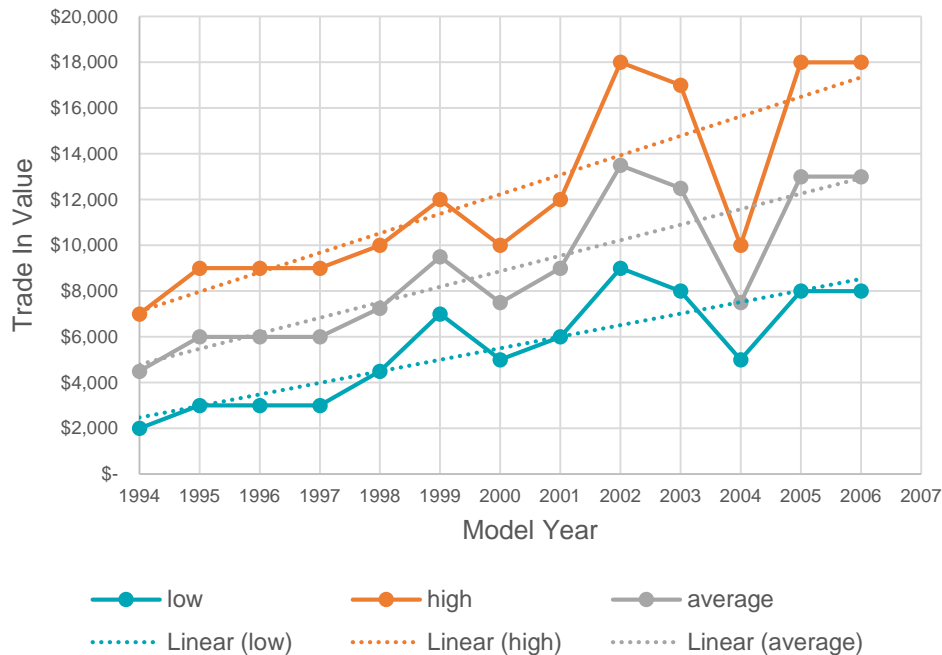
Clean Diesel Grant – Scrapping Bonuses

- This Clean Diesel Grant will incentivize truck owners enrolled in the Clean Truck Fund to scrap their non-compliant trucks (MY 1994-2007) and purchase a compliant 2007 MY+ truck. Note: the \$1.2M grant from Washington requires truck scrapping.
- Assuming a \$6,000 incentive, NWSA is required to scrap at least **39 trucks** under this grant, removing **1.2 tons** of PM2.5 a year, and nearly **17 tons** over their remaining life.
- Scrap bonuses will supplement the difference between trade-in value and the value of the scrap metal for a scrapped truck.



Project Description – Scrapping Bonuses

Ritchie Brothers Auction Values:
Freightliner Day Cabs, West Coast,
April 2017 - April 2018



- Scrap bonus will be \$6,000
- Average scrap metal worth \$1,500-\$2,000
- In June, noncompliant trucks by make:
 - 345 '94 - '02 Freightliners
 - 297 '94 - '07 Kenworths
 - 159 '94 - '07 Volvos



Funding – Clean Truck Fund

NWSA Clean Truck Fund	
Funding Source	Contribution
WA State Department of Ecology – VW State Fund	\$1,200,000
NWSA	\$1,000,000
WA State Clean Diesel Grant (this request)	\$234,000
PSCAA	\$200,000
City of Seattle (pending Managing Member approval)	\$150,000
SCAQMD DERA 2017 Administrative Costs	\$25,000
Total Funding	\$2,809,000

- Master Identification No. 201050.02 has been assigned to the Clean Truck Fund.
- No additional matching funds from the NWSA are required by Ecology for this request.



Next Steps

- Launch in late August.
- Open to first participants of the Clean Truck Fund.
- Once a recipient has been identified, and the truck has been scrapped, NWSA staff will certify and document truck destruction, and provide proof to Ecology.
- Truck owner would receive scrapping bonus plus scrap value as down payment, then receive Ecology-backed loan.
- NWSA will invoice Ecology after December 31, 2018.



Action Requested

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