

Item No.: 4E-Supp
Date of Meeting: July 17, 2018



**THE NORTHWEST
SEAPORT ALLIANCE**
Gateway to Solutions

Interlocal Agreements with Puget Sound Clean Air Agency

Action Requested

1. Request Managing Members of the Northwest Seaport Alliance (NWSA) authorization for the Chief Executive Officer or their delegate to enter into an Interlocal Agreement to receive a \$200,000 contribution for work associated with the Clean Truck Fund from the Puget Sound Clean Air Agency (PSCAA).
2. Request Managing Members of the Northwest Seaport Alliance (NWSA) authorization for the Chief Executive Officer or their delegate to enter into an Interlocal Agreement with the Puget Sound Clean Air Agency (PSCAA) to transfer to the NWSA the responsibility for implementing the tasks required of PSCAA in Agency Contract 2018-035 (SCAQMD Agreement #C18221) between PSCAA and the California South Coast Air Quality Management District (SCAQMD).



Background – Clean Truck Fund Contribution

- The Puget Sound Clean Air Agency and its Board have approved a \$200,000 contribution to the Clean Truck Fund in their Fiscal Year 2019 budget.
- Upon the closure of the CTF (~2025), the NWSA shall return all \$200,000 less any monies used to cover loan principal amounts, or portions of loan principal amounts, that have been defaulted on by a loan recipient.
- PSCAA shall determine, in consultation with the NWSA, the amounts of defaulted monies that need not be returned to PSCAA.
- If for any reason the NWSA is unable to form and launch the CTRLF before November 1, 2018, the NWSA shall return all PSCAA funds (in the amount of \$200,000) by November 30, 2018.
- The Clean Truck Fund is on schedule to launch in mid-July.



Background – SCAQMD DERA 2017

- This project will transfer ten 2011-2014 MY trucks from Southern California to the Pacific Northwest and scrap 10 pre-2007 PNW trucks.
- The NWSA will help match truck owners in the PNW to Southern California fleets. Southern California fleet owners receive a \$100,000 grant toward a near zero truck and retain the proceeds of selling their truck in the PNW, capped at \$30,000. Retail value of second-hand trucks is approximately \$45,000-\$60,000.
- The NWSA will receive \$2,500 per truck to administer the program which will be put back into the Clean Truck Fund for the loan loss reserve.
- The project will be complete by December 31, 2018.



Financial Implications

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*	\$216,000
PSCAA (this request)*	\$200,000
City of Seattle (pending FY19 budget approval)	\$150,000
SCAQMD DERA 2017 Administrative Costs (this request)**	\$25,000
Total Funding	\$2,791,000

* Pending Managing Member authorization.
**Does not include full value of the DERA grant (\$1M)



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