

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
ACTION ITEM

Item No.	<u>4E1</u>
Date of Meeting	<u>July 17, 2018</u>

DATE: July 3, 2018

TO: Managing Members, The Northwest Seaport Alliance

FROM: John Wolfe, Chief Executive Officer

Sponsor: Jason Jordan, Director, Environmental and Planning Services

Project Manager: Sara Cederberg, Environmental Senior Project Manager

SUBJECT: Authorize the NWSA CEO to enter into an Interlocal Agreement to receive a \$200,000 contribution from the Puget Sound Clean Air Agency to support the Clean Truck Fund

A. 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 Interlocal Agreements (ILAs) with other public agencies.

Request authorization for the NWSA CEO 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).

B. BACKGROUND

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. The purpose of this ILA is to provide \$200,000 from PSCAA to help launch the NWSA's Clean Truck Fund (CTF). The monies will be used as loan loss reserve in addition to the \$1,000,000 from the NWSA and \$1.2 million from the State of Washington.

As approved by the Managing Members at the June 5, 2018, meeting, the CTF will provide market rate loans to truck owners serving marine terminals so that those owners can replace their older trucks and purchase trucks with 2007 and newer engines, in compliance with the goals of the Northwest Ports Clean Air Strategy and the NWSA Clean Truck Program.

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.

C. FINANCIAL SUMMARY

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*	\$25,000
Total Funding	\$2,791,000

* Pending Managing Member authorization.

Master Identification Number 201050.02 has been assigned to the Clean Truck Fund.

D. NEXT STEPS

1. The funds will be invoiced by the NWSA by August 31, 2018, and paid within 30 days of receiving the NWSA's invoice for payment.
2. The ILA will be effective upon the signature of both Parties and will terminate 90 days after the completion of the Clean Truck Fund, unless mutually extended by the Parties.

E. ATTACHMENTS TO THIS REQUEST

- Interlocal Agreement 2018-040-0