



Item No.: 4B-Supp  
Date of Meeting: 10/02/18

# ILA with City of Seattle for Clean Truck Fund

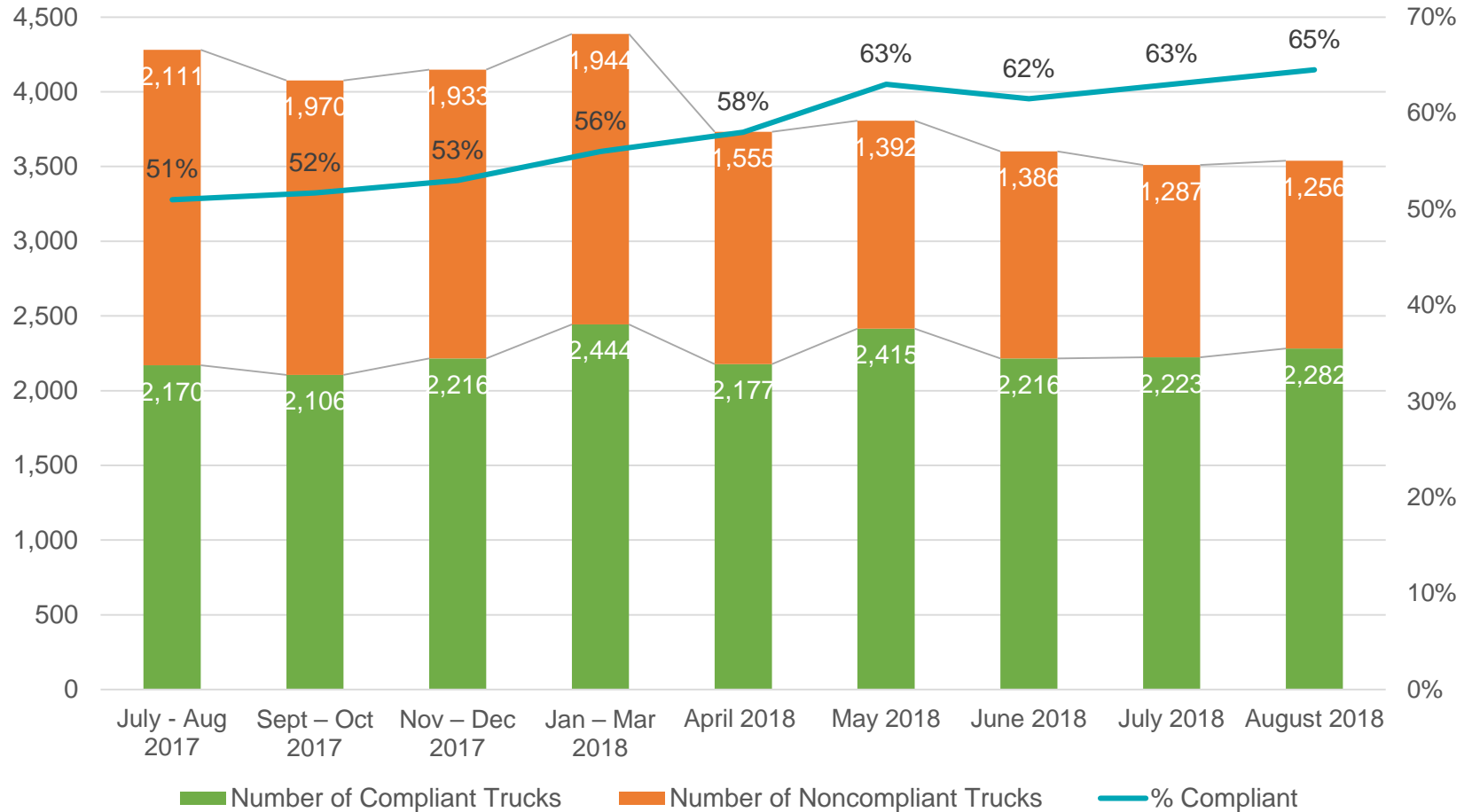
# Action Requested

**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 the City of Seattle to receive a contribution in the amount \$150,000, for the Clean Truck Fund, Master Identification No. 201050.02.**



# Clean Truck Compliance Update



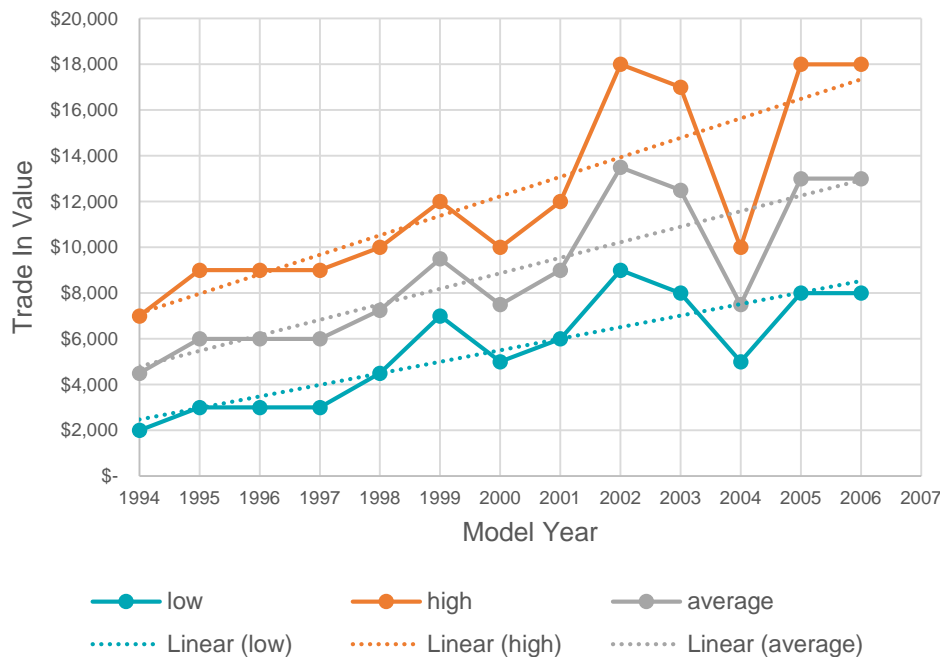
# Scrapping Bonuses

- This contribution 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 Ecology requires truck scrapping.
- Each bonus will be a \$6,000 incentive and will scrap at least **25 trucks**, removing **0.9 tons** of PM2.5 a year, and **11.3 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, non-compliant 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	Use
WA State Department of Ecology – VW State Fund	\$1,200,000	LLR and Bonuses
NWSA	\$1,000,000	LLR and Admin
WA State Clean Diesel Grant	\$234,000	Bonuses
PSCAA	\$200,000	LLR
City of Seattle (this request)	\$150,000	Bonuses
SCAQMD DERA 2017 Administrative Costs	\$25,000	LLR
<b>Total Funding</b>	<b>\$2,809,000</b>	

Use	Amount	Source
Available for Loan Loss Reserve (LLR)	\$2,182,500	WA State, NWSA, PSCAA, SCAQMD
Available for Admin – 10% cap of LLR (includes financial counselor costs)	\$242,500	NWSA
Available for Scrap Bonuses	\$384,000	Clean Diesel Grant, COS

- Master Identification No. 201050.02 has been assigned to the Clean Truck Fund.
- No additional matching funds from the NWSA are required for this request.
- The contribution will be recorded as a deferred commitment on the balance sheet.



# Next Steps

- Open to participants of the Clean Truck Fund.
- Once a recipient has been identified and the truck has been scrapped, NWSA staff will review the documentation and provide the scrap bonus.
- The funds will be invoiced by the NWSA by October 31, 2018, and paid within 30 days of receiving the NWSA's invoice for payment.
- The ILA will be effective upon the signature of both Parties and will terminate within 90 days after the end of the Clean Truck Fund (2026), unless mutually extended by the Parties.



# Action Requested

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