

## CLEAN VEHICLES PROGRAM AGREEMENTS

### Background

The Clean Vehicles and Drayage Loan Programs are designed to offset the added cost of replacing or retrofitting older, high-emission, heavy-duty diesel and gasoline engines with cleaner, low emission engines. The primary goal of the programs is to reduce nitrogen oxides (NOx), a critical component in the formation of ground-level ozone.

Award amounts are primarily determined based upon the projected emissions that could be reduced by the project, factoring in usage patterns, engine specifications, and the fuel/technology types.

### Current Situation

Staff recommendations shown in the attached table are based on the maximum eligibility of the proposed project based on its potential emissions reductions and the availability of state and federal funding. As the specific replacement trucks are identified by each applicant, final state and federal funding amounts will reflect actual project performance but will not exceed the maximum amount of eligibility under Clean Vehicles and Drayage Loan guidelines as identified in the table below.

H-GAC has received thirteen proposals that meet emissions and cost-effectiveness criteria. H-GAC staff recommends contracting with the thirteen entities for a total amount not to exceed \$2,768,714 as shown in the attached table. Program funding is as follows:

- Federal funds for the Clean Vehicles program have been allocated by the Transportation Policy Council as part of the Congestion Mitigation/Air Quality (CMAQ) program. Recommended CMAQ grant amount: \$746,546.
- Funds from the EPA are distributed through the Drayage Loan Program in support of the Clean Vehicles program. These funds act as the Contractor's contribution to the project. Recommended Drayage Loan amount: \$2,022,168.

**Funding Source:** TxDOT (CMAQ), EPA (Drayage Loan)

**Budgeted:** Yes

### Action Requested

Request authorization to enter into agreements with recommended entities for the acquisition of cleaner vehicles; amount not to exceed \$2,768,714.

<b>Applicant</b>	<b>Project Summary</b>	<b>Proposed Total Project Cost</b>	<b>CMAQ Amount</b>	<b>Drayage Loan Amount</b>	<b>Total NOx Emission Reductions Received (tons/year)</b>
<b>Corona, Margarito</b>	Replace one existing heavy-duty engine	\$132,000	\$43,491	\$88,509	0.621
<b>Empire Truck Lines, Inc.</b>	Replace one existing heavy duty engine	\$128,714	\$63,857	\$64,857	1.134
<b>Gulf Winds International</b>	Replace eight existing medium-duty engines	\$1,056,000	\$170,716	\$885,284	2.439
<b>Marquez, Cecilio</b>	Replace one existing heavy-duty engine	\$132,000	\$23,632	\$108,368	0.338
<b>Martinez, Luis A.</b>	Replace one existing heavy-duty engine	\$132,000	\$16,198	\$115,802	0.231
<b>Medrano, Jorge Luis</b>	Replace one existing heavy-duty engine	\$132,000	\$52,171	\$79,829	0.745
<b>Mejia, Isbela C.</b>	Replace one existing heavy-duty engine	\$132,000	\$25,137	\$106,863	0.359

<b>Molina, Jorge R.</b>	Replace one existing heavy-duty engine	\$132,000	\$44,905	\$87,095	0.642
<b>Applicant</b>	<b>Project Summary</b>	<b>Proposed Total Project Cost</b>	<b>CMAQ Amount</b>	<b>Drayage Loan Amount</b>	<b>Total NOx Emission Reductions Received (tons/year)</b>
<b>Mosqueda, Manuel</b>	Replace one existing heavy-duty engine	\$132,000	\$53,459	\$78,541	0.764
<b>Nolasquez, Alejandro Jr.</b>	Replace one existing heavy-duty engine	\$132,000	\$45,710	\$86,290	0.653
<b>Romero, Mauricio</b>	Replace one existing heavy-duty engine	\$132,000	\$52,913	\$79,087	0.756
<b>Saucedo, Ricardo</b>	Replace two existing heavy-duty engines	\$264,000.00	\$115,472	\$148,528	1.65
<b>Simmons, James E.</b>	Replace one existing heavy-duty engine	\$132,000	\$38,885	\$93,115	0.556
<b>Total</b>	21 engines	\$2,768,714	\$746,546	\$2,022,168	10.888 TPY

<sup>1</sup> Cost effectiveness is in terms of the cost for the CMAQ-funded portion of the project per emission reductions (in tons of NOx over the project life).