



## Legislation Text

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**File #:** 19-289, **Version:** 1

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*Report Prepared by: Bill Osmer, Public Works Manager - WWTP*

**SUBJECT:** Approval of Application to the San Joaquin Valley Air Pollution Control District (SJVAPCD) Agricultural Tractor Replacement Incentive Program for the Replacement of One (1) Tractor at the Wastewater Treatment Plant (WWTP) and Accepting and Increasing Revenue in the Amount of \$155,000 for Future Reimbursement from the SJVAPCD Incentive Program, if Approved

### REPORT IN BRIEF

Considers approving an application to the San Joaquin Valley Air Pollution Control District (SJVAPCD) Agricultural Tractor Replacement Program for the replacement of one tractor at the Wastewater Treatment Plant (WWTP).

### RECOMMENDATION

**City Council** - Adopt a motion:

A. Approving an application to the San Joaquin Valley Air Pollution Control District (SJVAPCD) Agricultural Tractor Replacement Program for the replacement of one tractor at the Wastewater Treatment Plant (WWTP); and,

B. Accepting and increasing revenue in the amount of \$155,000 in Fund 674 - Fleet Replacement for future reimbursement from the SJVAPCD Incentive Program if approved; and,

C. Authorizing the City Manager or the Assistant City Manager to sign the necessary documents and the Finance Officer to make the necessary budget adjustments.

### ALTERNATIVES

1. Approve, as recommended by staff;
2. Approve, subject to conditions outlined by Council;
3. Continue to a future meeting;
4. Deny.

### AUTHORITY

Charter of the City of Merced, Section 200.

### CITY COUNCIL PRIORITIES

As provided for in the adopted budget.

## **DISCUSSION**

The San Joaquin Valley Air Pollution Control District (SJVAPCD) Agricultural Tractor Replacement Program ("incentive program") provides funds for the replacement of in-use, off-road mobile equipment that are engaged in agricultural operations. The replacement of two (2) or more old, like equipment with one (1) new replacement equipment is eligible for funding. Funds are provided on a first come, first serve basis with no matching funds needed. An executed agreement with the SJVAPCD is required prior to purchase of any replacement equipment. Old equipment submitted as part of the program must be destroyed and rendered permanently in-operable after the new replacement equipment is placed into operation.

The City of Merced has several tractors at the Wastewater Treatment Plant (WWTP) used for agricultural purposes in the adjoining Land Application area. Two of these tractors are now up for replacement based on the City's Fleet replacement schedule and operational life, equipment numbers L-845 and L-1036.

The cost of purchasing a new replacement tractor is approximately \$316,000. Tractor L-1036 has a budgeted allocation of \$175,000 in replacement funds. Staff anticipates receiving reimbursement from the incentive program in the amount of \$155,000, which will cover the deficit in the replacement funds for L-1036. Tractor number L-845 has sufficient allocated replacement funds and will be replaced according to standard operating procedure through the procurement process. Upon replacement, L-845 will be temporarily kept in service and submitted, in addition to L-1036, to the SJVAPCD tractor buy back program for the replacement of a new tractor.

Staff is seeking Council approval for the future acceptance of the incentive funding, and authorize the City Manager to sign the Ag Tractor Replacement Program application form.

## **IMPACT ON CITY RESOURCES**

No appropriation of funds is needed. Funding from the incentive program will be credited back to Fund 674 -Fleet Replacement for the Wastewater Treatment Plant. The appropriation and purchase will come to the City Council for approval at a later date.

## **ATTACHMENTS**

1. Incentive Program Application (L-845)
2. Incentive Program Application (L-1036)