



Agenda Report

MEETING DATE: Tuesday, April 26, 2022

TO: City Council

FROM: PUBLIC WORKS & UTILITIES DIRECTOR DI RENZO

ALEX YASBEK, ENVIRONMENTAL PROJECTS MANAGER

SUBJECT: ACCEPTANCE OF \$300,000 IN GRANT FUNDING FOR AN ELECTRIC REFUSE COLLECTION TRUCK FROM THE MONTEREY BAY UNIFIED AIR POLLUTION CONTROL DISTRICT

STATEMENT OF ISSUES:

The City applied for and was awarded \$300,000 in grant funding to offset the cost of an electric refuse collection truck. The grant is from the Monterey Bay Unified Air Pollution Control District and is funded through the collection of motor vehicle registration fee surcharges (AB2766 program). The operation of an electric refuse collection truck will save the City significant costs in avoided fuel and maintenance expenses while generating fewer greenhouse gasses than the equivalent diesel-powered refuse collection truck.

RECOMMENDED ACTION:

Staff recommends that the City Council adopt a resolution accepting the \$300,000 AB2766 Public Agency EV Replacement Grant from the Monterey Bay Unified Air Pollution Control District, authorize the City Manager Pro Tempore to execute all agreements and any amendments which may be necessary and appropriate such funds to the Special Grants Fund [0260].

DISCUSSION:

The City is embarking on a pathway to convert to electric vehicles in an effort to reduce the greenhouse gas emissions and the environmental impact of the City fleet. Electric vehicles will be powered by carbon free (and largely renewable) electricity sourced from Central Coast Community Energy. Electric vehicles cost less to operate and require less maintenance than comparable fossil fuel powered vehicles; however, they tend to be more expensive than traditional vehicles to purchase.

Accepting the grant requires the City to retire an equivalent diesel-powered refuse collection truck.

The electric refuse collection truck is the first heavy-duty vehicle that the City will purchase and represents a commitment to meeting the City's climate action goals and a commitment to improved air quality.

The City is pursuing additional grant funding to cover the remaining cost of the vehicle and required charging infrastructure. One such grant is from Central Coast Community Energy that may cover an additional \$250,000 of the total vehicle cost.

STRATEGIC PLAN:

This project is consistent with Strategic Plan Goal:

3 - Infrastructure & Environment

FINANCIAL IMPACT:

Accepting a grant of this amount will essentially offset the incremental cost of an electrical refuse truck which tends to cost approximately \$650,000-\$700,000 per vehicle as opposed to \$375,000 for a diesel-powered refuse truck. Proceeds of this grant are to be appropriated to the Solid Waste Enterprise Fund.

ALTERNATIVE ACTION:

Council may choose not to accept the grant award. Without the grant award it is unlikely that the City will pursue purchasing an electric vehicle at this time.

ATTACHMENTS AND/OR REFERENCES:

None.