

**REPORT TO THE
CITY COUNCIL**
City of Salinas, California

DATE: July 12, 2016

FROM: Gary Petersen, C. A. E.
Public Works Director

THRU: Robert C. Russell, P. E.
City Engineer

BY: Victor Gutierrez,
Assistant Engineer

SUBJECT: **ELECTRIC VEHICLE (EV) REPLACEMENT INCENTIVE PROGRAM
GRANT**

RECOMMENDATION:

It is recommended that the City Council approve and accept the grant and ratify agreement between the Monterey Bay Unified Air Pollution Control District (MBUAPCD) and the City to replace one city vehicle, and authorize the direct purchase of one 2016 Nissan Leaf (electrical vehicles) from State Vehicle Contracts.

DISCUSSION:

On January 30, 2016, the City was awarded \$27,000 from the AB2766 Emission Reduction Grant Program (administered by the Monterey Bay Unified Air Pollution Control District) under the Electric Vehicle (EV) Replacement Incentive Program. The program aims to replace currently used gasoline engine vehicles with electrical vehicles to achieve zero tailpipe emissions. For the replaced vehicle, staff selected an older vehicle which staff currently uses for City-related activities such as field inspections, meetings, trainings, etc. The replacement of an older vehicle with a clean air vehicle, and in this case with zero emissions meets the goals of the Air District for reduction of emissions. This is also aligned with the City's sustainability goals for reducing greenhouse gases.

In order to take advantage of the grant funds and meet the short 30-day acceptance deadline, the Public Works Director executed the agreement with the Air District in January 2016 since the investment in electric vehicles is aligned with the City Council's sustainability goals. Staff is therefore asking for Council to ratify the attached agreement with the Air District.

Staff requested a quote from the local car dealer, My Nissan of Salinas, in accordance with the City's local preference Ordinance (Municipal Code Section 12-28.030). The City also requested a quote through the State Vehicle Contracts. Based on the quotes received, purchasing the vehicle through the State results in a savings of approximately 21% in comparison to the local dealer. Staff therefore recommends the direct purchase through the State contracts.

	My Nissan Salinas	State Cooperative
Cost	\$31,810	\$22,940
Discount	(\$3,095)	(\$500)
Sales Tax 9.125% + fees	\$2743.55	\$2,297.65
Total Cost	\$31,458.55	24,737.65

ISSUE:

Shall City Council approve and accept the grant and ratify the agreement with the Monterey Bay Unified Air Pollution Control District (MBUAPCD) to replace one city vehicle with an electrical vehicle and authorize the purchase of one 2016 Nissan Leaf?

FISCAL IMPACT:

The total cost to purchase this vehicle is \$24,738. The MBUAPCD awarded \$27,000 for the purchase. There are therefore sufficient funds in the grant to purchase the vehicle.

TIME CONSIDERATIONS:

Staff would like to secure Council’s acceptance of the grant in order to confirm the purchase of the EV.

ALTERNATIVES/IMPLICATIONS:

The Council may elect not to approve the grant and rescind the agreement for the EV vehicles, which would mean losing the grant funds

CITY COUNCIL GOALS:

This action supports the Council’s Quality of Life goal by reducing emissions and improving the air quality in Salinas.

CONCLUSIONS:

At its meeting of July 12, 2016 Salinas City Council is recommended to accept the EV grant and ratify the agreement by the MBUAPCD to replace a city vehicle with an electrical vehicle, and authorize the direct purchase of one 2016 Nissan Leaf.

Back Up Pages:
Resolution
Agreement
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RESOLUTION NO. _____(N.C.S.)

A RESOLUTION OF THE SALINAS CITY COUNCIL APPROVING AND ACCEPTING THE GRANT AND AGREEMENT WITH THE MONTEREY BAY UNIFIED AIR POLLUTION CONTROL DISTRICT TO REPLACE ONE CITY VEHICLE WITH AN ELECTRICAL VEHICLE (EV), AND AUTHORIZE THE PURCHASE OF ONE 2016 NISSAN LEAF ELECTRIC VEHICLE

WHEREAS, on January 30, 2016, the City was awarded \$27,000 from the AB2766 Emission Reduction Grant Program (administered by the Monterey Bay Unified Air Pollution Control District) for the Electric Vehicle (EV) Replacement Incentive Program to replace a city vehicle with an electrical vehicle;

NOW, THEREFORE, BE IT RESOLVED THAT THE COUNCIL OF THE CITY OF SALINAS, approves and accepts the attached Grant Agreement by and between the City of Salinas, a municipal corporation, and the Monterey Bay Unified Air Pollution Control District in the amount of \$27,000 to purchase one 2016 Nissan Leaf; and

BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF SALINAS, that Council authorizes the direct purchase of one 2016 Nissan Leaf through the State vehicle contracts.

PASSED AND ADOPTED this 12th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Joe Gunter, Mayor

ATTEST:

Patricia M. Barajas, City Clerk