

Memorandum



CITY OF DALLAS

DATE October 24, 2014

TO Honorable Members of the Quality of Life & Environment Committee: Dwaine R. Caraway (Chair)
Sandy Greyson (Vice Chair), Adam Medrano, Rick Callahan, Carolyn R. Davis, Lee M. Kleinman

SUBJECT Used Car Lots Air Registration Fees

On Monday, October 27, the Quality of Life Committee will be briefed on the "Used Car Lots - Air Registration Fees." The briefing materials are attached for your review.

Please feel free to contact me if you have questions or need additional information.

A handwritten signature in black ink that reads "Jill A. Jordan".

Jill A. Jordan P.E.,
Assistant City Manager

Attachment

c: Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Ryan S. Evans, First Assistant City Manager

Eric D. Campbell, Assistant City Manager
Mark McDaniel, Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor & Council

USED CAR LOTS

Air Registration Fees

Briefing to:

Quality of Life &
Environment Committee

October 27, 2014



Purpose of Briefing

- 17 Sept 2014 Council meeting
 - Reviewed fee changes for ordinances changes
 - Raised specific questions related to increases in the “Used Car Lot” registration fees
- Briefing to address Council’s questions

Background

- Federal Clean Air Act (FCAA) - the legal foundation for the national air pollution control program.
- The FCAA requires each state to produce a State Implementation Plan (SIP)

Texas' State Implementation Plan (SIP)

- The SIP is required to include a description of *control strategies* to deal with air pollution.
- For the Texas SIP, these include:
 - Stationary sources
 - Decrease emissions from combustion sources, particulate matter, electric generation, other
 - Mobile Sources-
 - Reduce vehicle idling, conduct vehicle inspections
 - *Enact vehicle anti-tampering restrictions*
 - Many other criteria

Local Agencies

- TCEQ may contract for air pollution control services
 - TX Health and Safety Code (THSC), Section 382.0622(d)(1)
 - May include compliance and permit inspections and complaint response
 - TCEQ may purchase service from local government
- TCEQ has delegated this authority to the City
 - TCEQ – CoD contracts date back over 20 years
 - Work is conducted under the Air Quality Compliance section of Public Works

Texas Air Rules



- The state adopted legislation to control air pollution from motor vehicles. Current rules adopted Dec 1997.
- Reference specific to Used Car Lot Inspections:
Texas Administrative Code(TAC) Title 30, Chapter 114, Subchapter B -
Motor Vehicle Anti-Tampering Requirements.
- New cars are excluded from this rule:
- The commission may not require, as a condition precedent to the initial sale of a vehicle or vehicular equipment, the inspection, certification, or other approval of any feature or equipment designed to control emissions from motor vehicles if that feature or equipment has been certified, approved, or otherwise authorized under federal law. [THSC - Title 5, Subtitle C, Chap 382, Subchap. A, Sec 382.019(b)]

Texas Air Rules, cont'd



- TAC 30 Chapter 114, Subchap B - Motor Vehicle Anti- Tampering Requirements
- No person may sell, offer for sale, lease or offer to lease in the state of Texas any motor vehicle unless all of the following conditions are met:
 - 1) the vehicle **must be equipped with either the emission control system** or devices that were originally a part of the vehicle or engine or an alternate control system or device as specified in Regulation IV;
 - 2) the control systems or devices on the vehicle **must be in good operable condition;** and
 - 3) a **notice regarding these requirements shall be displayed** at all commercial vehicle sales facilities, vehicle consignment lots, and other businesses in Texas which sell, offer for sale, lease, or offer to lease more than three used vehicles per year.

"State law prohibits any person from selling, offering for sale, leasing, or offering to lease any vehicle not equipped with all emission control systems or devices in good operable condition. Violators are subject to penalties under the Texas Clean Air Act of up to \$25,000 per violation."

30TAC 114.20(c)(3)



Exemptions

- Certain licensed used car dealers and individuals are exempt from the conditions outlined above when the vehicles would not be operated on public roads. These exemptions include:
 - 1) sales or transfers from one vehicle wholesale dealer to another;
 - 2) sale or transfers from a vehicle wholesale dealer to a vehicle retail dealer;
 - 3) sales, transfers, or trade-ins from an individual to a vehicle wholesale or retail dealer;
 - 4) sales or transfers from one retail dealer to another retail dealer; or
 - 5) sales or transfers from a retail dealer to a wholesale dealer.
- Federal, state, and local agencies or their agents which sell abandoned, confiscated, or seized vehicles and any commercial vehicle auction facility are also exempt from the rules if the following conditions are met:
 - 1) the vehicle safety sticker must be removed and destroyed;
 - 2) the potential buyer must be advised that there may be problems with the emission control equipment and of the buyer's responsibilities to restore or repair the equipment before operating or selling the vehicle; and
 - 3) the seller will have the buyer sign an acknowledgement that the information above was provided.
- Owners of motor vehicles which have been totally disabled by accident, age, or malfunction and which will no longer be operated are exempt from the rules. The vehicle must have non-emission related mechanical problems or extensive body and chassis damage. Vehicles which can be driven with minor repairs are not exempt.

City of Dallas: Used Car Lot Inspections

- 350 car lots (approx.) in current inventory
- 200 lots inspected each FY (on average)
- Environmental Specialist arrives unannounced; provides ID & contact information to site manager; states purpose of visit.
- Specialist verifies Notice of Prohibition sign is posted in public view.
- Specialist inspects 10% of vehicles (with a min. of 2) that are;
 - More than 2 years old but made after 1975
 - Vehicles prior to 1975 - not required to have emission control systems
 - Vehicles less than 2 years old - still under original factory inspection
- Specialist notes vehicle's make, model, year, odometer reading, VIN, and types of air emission control equipment installed.



What do we look at?

- **Vehicle Emission Control Information Decal**
 - Provides emission control data for that vehicle and engine; usually located under the hood but can be found elsewhere.
 - Some emission control systems are inaccessible to the investigator. For example (at right), an engine cover shrouds most of the engine; these are NOT to be removed by the investigator.



Example of Decal



Ford Motor Company VEHICLE EMISSION CONTROL INFORMATION

This vehicle conforms to U.S. EPA regulations applicable to 2005 model year new light-duty trucks and is certified for sale in California. ULEV qualified in California. OBD II certified.
TWC/HO2S/EGR/SFI

Attention: Dyno Restrictions may apply.

Adjustments: Spark Plug Gap: See Spec Book.
No other adjustments needed.

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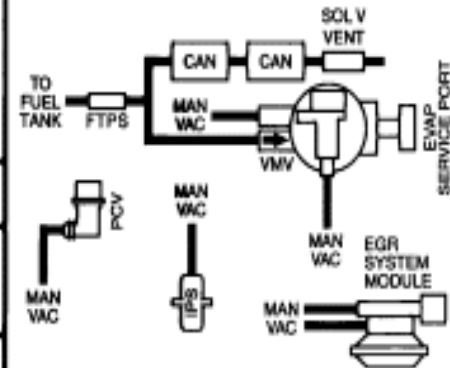
MSD



CATALYST

4.6L-Group: 5FMXT04.62FA
Evap: 5FMXE0160GFF

VACUUM HOSE ROUTING



N0040783

Under-the-Hood examples of emission controls

- Positive Crankcase Ventilation (PCV)
- Thermostatic Air Cleaner (TAC)
- Air Injection System (AIS)
- Evaporative Emission System (EVP)
- Exhaust Gas Recirculation (EGR)
- Computer Controls (CCO), aka Oxygen Sensors

Vehicle Body examples of emission controls

- **Fuel fill pipe:** Fuel Fill Pipe Restrictor(FR)
- **Under the car body:**
 - Three-Way Catalyst (TWC)
 - Oxidation Catalyst (OC)
 - Computer Controls(CCO) aka Oxygen Sensors

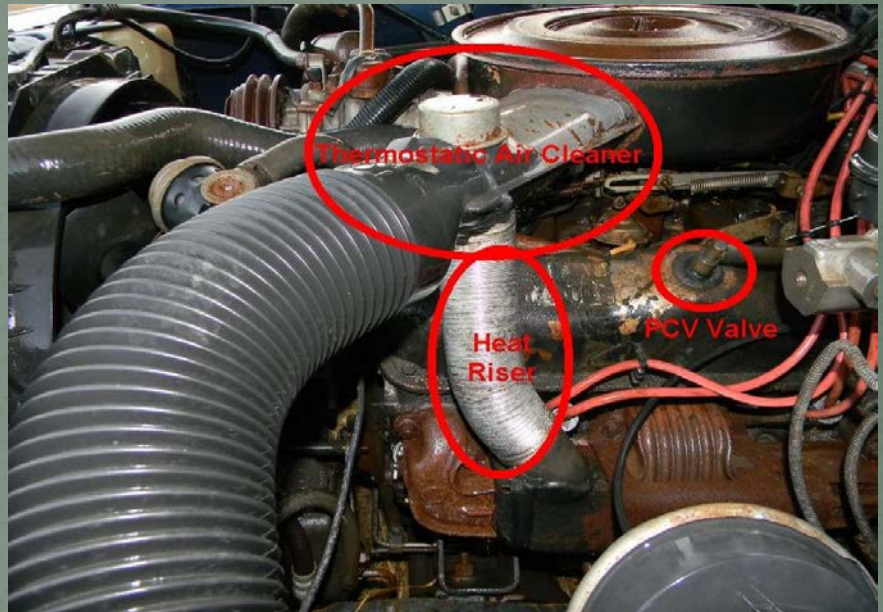
Emissions Controls

in engine compartment

The **PCV valve** routes oil pan vapors to the intake manifold to be burned during combustion to prevent the buildup of the products of combustion in the engine oil and, thereby, reduce oil sludge.

The **TAC (thermostatic air cleaner)** controls the temperature of the air entering the engine, which optimizes the air/fuel ratio and minimizes exhaust emissions.

NOTE: TACs are installed on vehicles equipped with carburetors. Vehicles equipped with Fuel Injection systems are not equipped with TACs



Enforcement

- Following each inspection, the Environmental Specialist:
 - provides the lot owner with an “exit interview” form – identifying any non-compliance items
 - enters the inspection report into the TCEQ online report system
 - If needed, sends written NOV (Notice of Violation) by mail to the lot owner
- NOV stipulates the concern; requires action in 30 days
- Specialist re-inspects following the 30-day period
- Violations are rare (<1%)
 - Only 1-2 NOVs issued each year
 - Owners aware of requirements; expect to see inspector annually
 - Typical NOV is for “Notice” sign being posted improperly

How the Annual Safety Inspection differs from Used Car Lot Investigations

	New vehicle < 2-years old	Used vehicle 2-years old or more	Notes
Annual Safety Inspection			
Operational checks (brakes, horn, lights, turn signals, etc.)	Dealership verifies	Various service centers	For used cars: The annual inspection is conducted at the request of the vehicle owner, to coincide with its annual inspection month.
Tailpipe emissions (for carbon monoxide, carbon dioxide, nitrous oxides, hydrocarbons)	Dealership verifies	Various service centers	
Periodic <i>Visual</i> Review at Used Car Lots			
- Emission equipment present?	NA	City Air Inspector	For used cars: The periodic visual inspection is conducted by City staff at Used Car Lots only, and on a rotating schedule.
- Emission equipment tampered with?	NA	City Air Inspector	
- Signage posted?	NA	City Air Inspector	

Fee Changes

	Service Name	FY14 Fees	FY 15 Fee
1	Used Car Lot Annual registration (3 or less spaces)	\$0	Combine with Category 2 fee rate
2	Used Car Lot Annual registration (4 to 9 spaces)	\$165	\$200
3	Used Car Lot Annual registration (10 to 49 spaces)	\$215	\$245
4	Used Car Lot Annual registration (50 or more spaces)	\$260	\$295

Questions and Discussion