

# Memorandum



CITY OF DALLAS

DATE September 18, 2015

TO Members of the Budget, Finance & Audit Committee: Jennifer S. Gates (Chair), Philip T. Kingston (Vice Chair), Erik Wilson, Rickey D. Callahan, Scott Griggs, Lee M. Kleinman

SUBJECT Clean Fleet Policy

On Monday, September 21, 2015 the Budget, Finance and Audit Committee will be briefed on the Clean Fleet Policy. The briefing will be presented by Errick Thompson, Director of Equipment and Building Services.

Please let me know if you need additional information.

A handwritten signature in black ink, appearing to read 'Jill Jordan'.

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

## Attachment

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

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

# Clean Fleet Policy



**Budget Finance & Audit Committee**  
**September 21, 2015**



# Outline

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- **Background**
  - Equipment and Building Services: Overview
  - Fleet Management
- **Clean Fleet Policy**
  - Original Regional Policy
  - Revised Regional Policy
  - Implementation and Compliance
- **Grant Funding**
  - Grant Funding Opportunities
  - Current Grant Opportunity
- **Recommendations**



# Equipment and Building Services: Overview

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*Equipment and Building Services is committed to providing effective and efficient facility and fleet services to 13,000 City employees as they **Build, Innovate, and Give** to make Dallas a great place to live, work, and play.*



# Equipment and Building Services: Overview

## Facility Management

- Building Security
- Custodial Services
  - Janitorial
  - Pest Control
  - Window Washing
- Major Maintenance and Repair
  - 750 City Facilities
  - Electrical
  - Carpentry
  - HVAC
  - Plumbing
  - Roofing
- Parking
  - City Hall
  - Oak Cliff Municipal Center

## Fleet Management

- Asset Management
- Auction/Disposal
- Auto Body Collision Repair
- Maintenance and Repair
- Motor Pool Program
  - In-House Rentals
  - Outside Rentals
- Parts Inventory

## Business Operations

- Energy Management
  - Citywide Electricity Program
  - Renewable Energy Credits
- Financial Management
  - Accounts Payable
  - Contract Administration
  - Procurement
- Fuel Operations
  - Fuel delivery to approximately 94 locations
  - Dispense fuel and manage infrastructure at 8 fuel islands
- Management Systems
  - Environmental Management Systems
  - Quality Management Systems
  - Occupational Health & Safety Management Systems
  - Stormwater Interceptor Program & Power washing
- Technology





Source: [epa.gov](http://epa.gov)

# Equipment and Building Services: Fleet Management



# Fleet Management Overview



- ~5,300 units of general fleet\*
- 5 repair facilities (Central, SE, SW, NE, and NW)
- 145,000 – 152,000 maintenance / repair jobs completed annually



*\*General fleet does not include:*

- *Fire emergency equipment*
- *Landfill operations equipment*
- *Other department-owned equipment (e.g., Park and Recreation Department grounds maintenance equipment, DPD tactical units, DWU specialty equipment, etc.)*





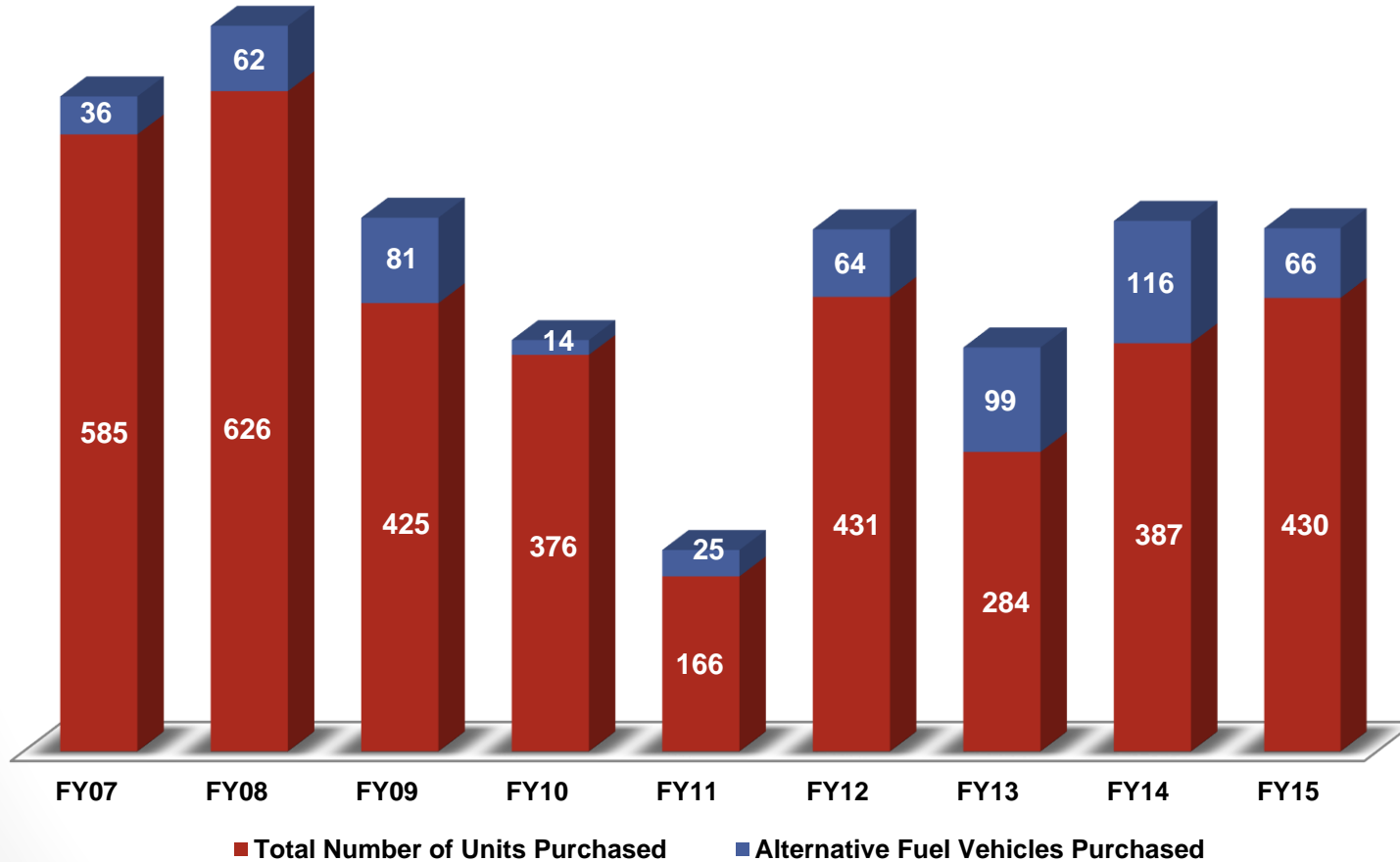
# Fleet Management: Large and Diverse Fleet

Vehicle Type	# in General Fleet
Marked squads	1,023
Refuse/Recycling	245
Dump Trucks	326
Construction Equipment/Trailers	401
Admin sedans	911
Light Trucks/Vans	1,803
SUVs	137
Medium Duty Trucks	61
Other	376
<b>TOTAL</b>	<b>5,283</b>





## Recent General Fleet Purchases



## Specification and Procurement

### Make Ready Process

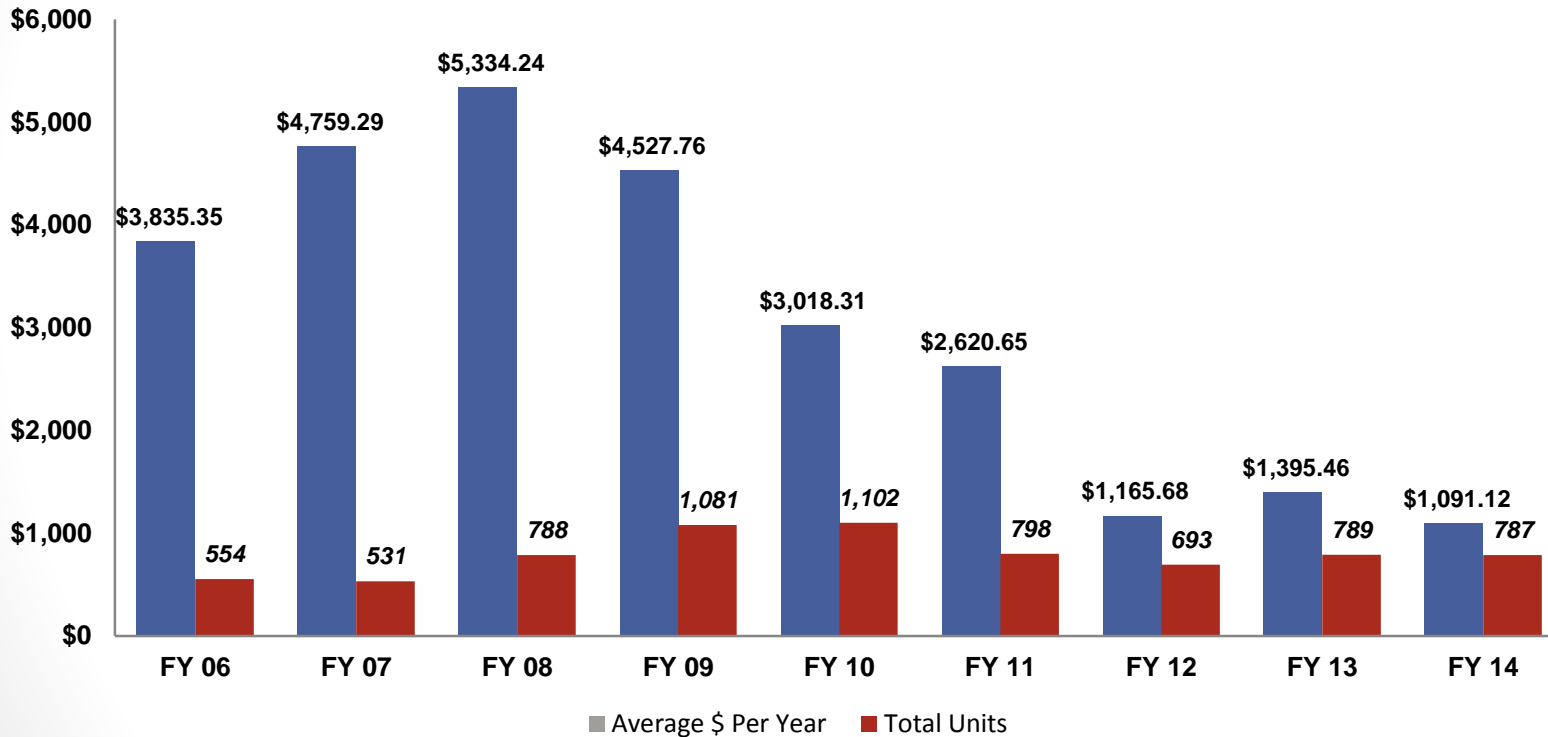
- Titles, registration, etc.
- Specialty equipment, City fueling system installation, and decals (in coordination with CIS for mobile technology equipment)



# Fleet Management: Auto Body Collision

Staff coordinates and manages the current three year contract for paint, body or frame damage repair

### Body Shop Historical Repair Amount and Average Cost



# Fleet Management: Motor Pool Program Overview

- Established as a pilot program in 2013
- Aims to improve the environment by encouraging car sharing and offset short-term outside rentals
- Includes an email reservation system
- Expanded from 15 vehicles in FY13 to 24 in FY15
- Anticipate expanding to 43 vehicles in FY16





Source: [epa.gov](http://epa.gov)

# CLEAN FLEET POLICY

# Original Regional Clean Fleet Policy

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- North Central Texas Council of Governments (NCTCOG) Regional Transportation Council (RTC) adopted the original Regional Clean Fleet Vehicle Policy (Policy) in October 2005
- Council adopted the 2005 version of the Regional Policy on January 25, 2006
- Original regional policy was air quality focused and included a recommendation to reserve future Clean Vehicle funding and support for local governments that adopted and complied with the policy



# Original Regional Clean Fleet Policy: Background

Included requirements or guidance in four primary focus areas

## ✓ Acquisition

- Encouraged fleet expansion/ replacement with newest model year vehicles available
- Encouraged replacements for 2003 and older vehicles to show at least a 25% reduction in NOx emissions
- Encouraged aftermarket technology and conversion or fleet expansion and replacement

## ✓ Operational Policies

- Encouraged limiting vehicle idling (safety, emergency, maintenance, warm-up only)
- Suggested refueling time of day/ seasonal restrictions
- Encouraged air quality appropriate operational training

## ✓ Maintenance

- Emphasized annual emission and safety inspections for all vehicles
- Encouraged increased inspections for vehicles with 100k miles or more

## ✓ Compliance Verification

- Annual electronic update of fleet size and activity
- Ineligibility for clean vehicle funding if the policy was not adopted or reporting requirements were unmet





# Revised Regional Policy

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- U.S. Environmental Protection Agency (EPA) re-confirmed North Central Texas as a nonattainment area in 2012
- Four main sources of ozone-causing emissions include on- and off-road vehicles, point sources (e.g., industrial boilers), and area sources like agriculture
- State Implementation Plan (SIP), or air quality plan, is required to demonstrate ozone level reductions
- DFW SIP includes programs to retire older model vehicles, enhance vehicle technology, and implement education programs
- NCTCOG RTC Regional Policy revisions include:
  - More recent technological advances/regulations
  - Updated air quality and DFWCC goals
  - Private sector fleet engagement

See appendix for additional details



# Revised Regional Policy

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The Fleet Representative Working Group within the RTC held meetings between October 2013 and October 2014 to update the 2005 Policy.

The working group consisted of participants from:

City of Allen

City of Burleson

City of Coppell

City of Dallas

DART

City of Denton

DFW International Airport

City of Fort Worth

Frito-Lay North America

HT Bar, Inc.

City of Richardson

Southeastern Freight Lines

City of Southlake

Tarrant County

UT Southwestern Medical Center

City of Wylie



# Revised Regional Policy

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**The following slides highlight examples of how Dallas has been and is supporting the objectives of the original and revised Regional Clean Fleet Policies**

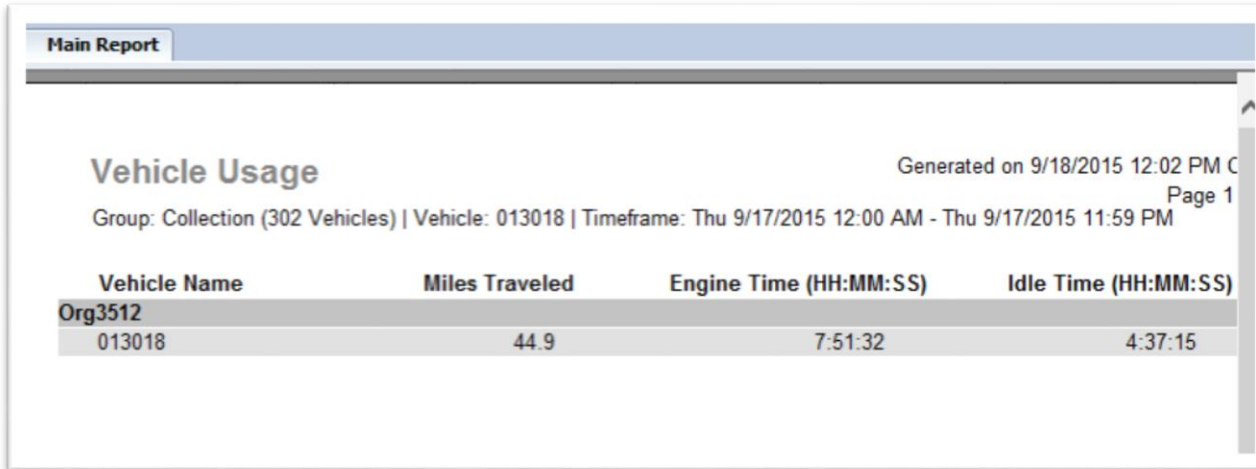


# Revised Regional Policy: Implementation/Compliance

## ✓ Emissions Reduction

- Implementation of an idling-reduction/standard operating procedure
- Enhanced Technology Options (e.g. GPS/telematics)

- City is investing in GPS technology that includes idling tracking



**Main Report**

**Vehicle Usage** Generated on 9/18/2015 12:02 PM C  
Page 1

Group: Collection (302 Vehicles) | Vehicle: 013018 | Timeframe: Thu 9/17/2015 12:00 AM - Thu 9/17/2015 11:59 PM

Vehicle Name	Miles Traveled	Engine Time (HH:MM:SS)	Idle Time (HH:MM:SS)
Org3512			
013018	44.9	7:51:32	4:37:15

- Council adopted an anti-idling ordinance (Ordinance No. 28833) in November 2012



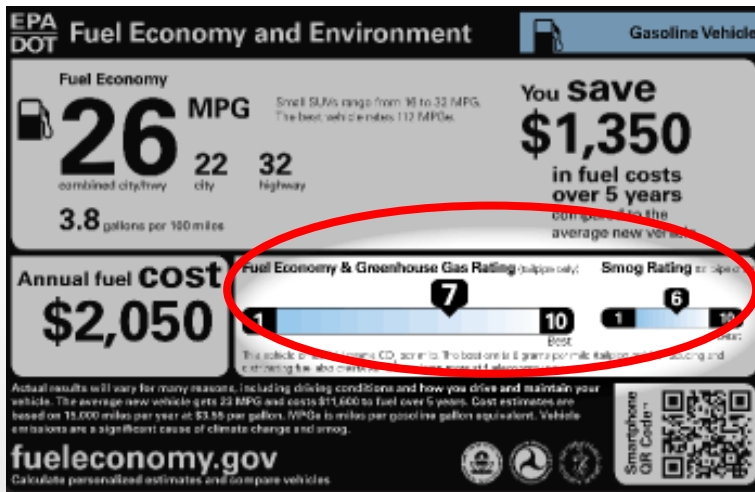
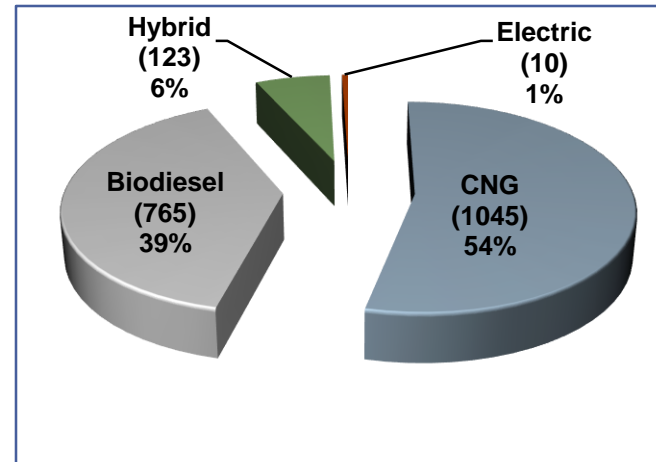
# Revised Regional Policy: Implementation/Compliance

## ✓ Fuel Consumption Reduction

- Acquisition of low emission vehicles/equipment (e.g., AFVs and SmartWay<sup>SM</sup> certified)
- Reduction of vehicle size, vehicle miles traveled

Dallas was an early adopter of AFVs and has nearly 2,000 in the general fleet

- Invested in CNG vehicles in early 1990s
- Added hybrid-electrics to the fleet in 2001
- Began using biodiesel in 2007
- Invested in full-electric vehicles in 2009



EBS began reviewing U.S. EPA's SmartWay<sup>SM</sup> Vehicle Certification for light duty vehicle replacements in 2014 (certification is based on greenhouse gas and smog ratings)

# Revised Regional Policy: Implementation/Compliance

## ✓ Fuel Consumption Reduction (cont.)

### Fuel Use Objective and Target

- Reduce consumption of traditional fuels (unleaded and diesel) by 10% by September 2017 (baseline year of FY12-13)
- FY12-13 baseline = 4.8m gallons
- Reduction to be reached through a combination of increasing fleet fuel efficiency, reducing miles driven and idling, and increasing use of alternative fuels
- Cumulative and projected reductions

<u>Year</u>	<u>Consumption Reduction</u>
FY13-14	2.29%
FY14-15	4.19% (projected)
FY15-16	5.95% (projected)



# Revised Regional Policy: Implementation/Compliance

## ✓ Partnership

- Maintain active membership in DFW Clean Cities Coalition (DFWCCC)
  - Submit timely Clean Fleet Policy Reporting
  - Minimize water, solid waste, and other environmental impacts on fleet activities
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- Dallas maintains active participation in the DFWCCC
  - Dallas plays an important role in revising the policy through RTC membership



Dallas-Fort Worth  
CLEAN CITIES

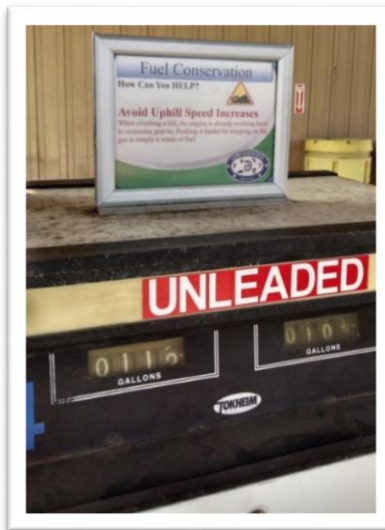


# Revised Regional Policy: Implementation/Compliance

## ✓ Training

- Provide in-house training or attend NCTCOG fleet training
- Increase air quality and fuel conservation awareness of fleet personnel and fuel users

- Implemented fuel conservation messaging at EBS fuel islands



- Implemented alternative fuel vehicle maintenance, repair, and safety training program for EBS mechanics



## ✓ Compliance Verification

- Annual electronic update of fleet size and activity
  - Cities are required to adopt and meet reporting requirements of the policy to be eligible for grant funding
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- EBS staff submits annual compliance reporting
- EBS is implementing use of an emissions inventory tool to enhance DFW Clean Cities Coalition annual reporting (baseline of 22,000 metric tons of CO<sub>2</sub> established October, 2014)

Staff recommends City adoption of the updated Regional Clean Fleet Policy (October 14, 2015 Council Agenda) - eligibility for future grant funding through NCTCOG contingent on adoption





Source: [epa.gov](http://epa.gov)

# GRANT FUNDING

# Grant Funding Opportunities

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- City staff actively seeks grant funding to support progress towards idle and emissions reduction objectives
- Funding applications have been submitted and approved through the Texas Emissions Reduction Plan (TERP) administered by the Texas Commission on Environmental Quality (TCEQ)
  - Texas Natural Gas Vehicle Grant Program (TNGVGP)
    - Provides grants for the replacement and repower of heavy-duty and medium-duty diesel vehicles
    - Provides grant for the replacement and repower of compressed natural gas (CNG) and liquified natural gas (LNG) heavy-duty and medium-duty vehicles and engines
  - Texas Clean Fleet Program (TCFP)

Provides grants to replace heavy-duty and light-duty on-road diesel vehicles with alternative fuel and hybrid vehicles



# Grant Funding Opportunities (cont.)

Grant Program	Vehicles Type in Application	Cost Per Unit	City of Dallas Acquisition Cost	Grant Reimbursement
Texas Natural Gas Vehicle	Eight CNG Peterbilt – Model 320	\$186,759	\$1,494,072	\$240,000
	Two CNG Peterbilt – Model 382	\$284,511	\$569,022	\$60,000
Texas Natural Gas Vehicle	13 Peterbilt – Model 382 (CNG)	\$136,837	\$1,778,888	\$ 487,500
Texas Clean Fleet	Sixty-five CNG Ford F-150s	\$ 30,872	\$2,006,680	\$ 162,500
<b>TOTAL</b>			<b>\$5,848,662</b>	<b>\$ 950,000</b>

The October 14, 2015 Council Agenda includes an item for accepting these three grants valued at \$950,000 from the Texas Commission on Environmental Quality



## Current Grant Opportunity

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- NCTCOG has \$2.5m available through the Clean Fleets North Texas Air Quality Grant Program targeting ground level ozone formation – applications are due October 23, 2015
- Cities are required to adopt the regional policy in order to be eligible for NCTCOG clean fleet grants
- Program funds up to 80% of the vehicle's incremental cost
  - 90% of the \$2.5m is being designated for light-duty electric vehicles
  - 10% is focused on pre-2004 model heavy-duty trucks
- Anticipate applying for funding for five heavy-duty trucks and five electric hybrid vehicles

The October 14, 2015 Council Agenda includes an item for applying for this grant program





Source: [epa.gov](http://epa.gov)

# RECOMMENDATIONS



# Recommendations

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Recommend approval of the following three items on the October 14, 2015 City Council Agenda:

- Adopt the revised Clean Fleet Policy
- Approval and acceptance of \$950k in TCEQ grant reimbursements
- Approve application submission to NCTCOG for the Clean Fleets North Texas 2015 Call for Projects due October 23, 2015



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# APPENDIX



## CLEAN FLEET POLICY

**WHEREAS**, the North Central Texas Council of Governments (NCTCOG) has been designated as the Metropolitan Planning Organization (MPO) for the Dallas-Fort Worth (DFW) Metropolitan Area by the Governor of Texas and in accordance with federal law; and,

**WHEREAS**, the Regional Transportation Council (RTC), comprised primarily of local elected officials, is the regional transportation policy body associated with NCTCOG and has been and continues to be the regional forum for cooperative decisions on transportation; and,

**WHEREAS**, NCTCOG has been designated as a Clean Cities Coalition for the DFW region by the US Department of Energy in accordance with federal law and the NCTCOG Executive Board authorized NCTCOG to serve as the host organization for the DFW Clean Cities (DFWCC) Coalition and its efforts; and,

**WHEREAS**, the U.S. Environmental Protection Agency (EPA) has designated the DFW area as a nonattainment area for the pollutant ozone, and air quality impacts the public health of the entire region; and,

**WHEREAS**, emissions inventories from the Texas Commission on Environmental Quality (TCEQ) indicate that in 2012, approximately 76 percent of the nitrogen oxides (NO<sub>x</sub>) emissions and 25 percent of the volatile organic compounds (VOC) emissions in the DFW ozone nonattainment area are attributable to mobile sources; and,

**WHEREAS**, the RTC is responsible for transportation conformity; and the Clean Air Act Amendments of 1990 require that transportation plans and improvement programs in air quality nonattainment areas conform to the adopted State Implementation Plan (SIP); and,

**WHEREAS**, the RTC has adopted a resolution supporting the adoption and implementation of a Clean Fleet Policy by organizations with fleet operations in the DFW area; and reserves all future vehicle funding for entities that adopt and comply with a policy consistent with the provisions outlined below,

**WHEREAS**, the <adopting entity> will set goals and provide workable, cost-effective solutions to improve air quality and reduce petroleum consumption in the DFW area, and implement those measures as practicable.

**NOW, THEREFORE, BE IT HEREBY RESOLVED:**

**Section 1.** <adopting entity> **will reduce emissions from fleet activities by performing the following actions as practicable:**

- 1.1** Implement an idle-reduction policy/standard operating procedure (SOP) that applies to all of the entity's vehicles and equipment, except where exempted as determined by <adopting entity>; communicate idle-reduction expectations to staff, vendors and visitors; and utilize idle-reduction technology.
- 1.2** Maximize use of vehicles and equipment with the lowest emissions wherever possible.

- 1.3 Ensure all conversions are EPA and/or California Air Resources Board (CARB) certified; ensure that aftermarket technologies are EPA and/or CARB verified, or are listed as an emerging technology by the EPA or a state environmental agency; and both conversions and aftermarket technologies are compatible with Texas Low Emission Diesel Program (TxLED) requirements.
- 1.4 Establish a plan to modify non-essential fleet activities on high ozone days to reduce air quality impacts.
- 1.5 Implement vehicle and equipment disposal strategies which minimize negative impacts on air quality.
- 1.6 Implement vehicle and equipment emissions inspection practices which meet or surpass the standards required by statute, including prompt resolution of any illuminated malfunction indicator lamp (MIL).

**Section 2.**

<adopting entity> **will reduce overall fuel consumption, particularly the use of conventional petroleum fuels, by performing the following actions as practicable:**

- 2.1 Pursue low-emission vehicles and equipment for acquisition, with an emphasis on alternative fuel, advanced technology, and/or Smartway<sup>SM</sup> certified vehicles and equipment.
- 2.2 Improve overall fleet fuel efficiency.
- 2.3 Establish practices to reduce vehicle miles traveled, passenger miles traveled, engine hours, and/or ton miles traveled, as appropriate.

**Section 3.**

<adopting entity> **will partner with the NCTCOG and DFWCC by performing the following actions as practicable:**

- 3.1 Maintain membership and active participation in DFWCC and submit timely Clean Fleet Policy reporting.
- 3.2 Evaluate and consider participation in programs to test/commercialize/demonstrate new technologies to improve efficiency, reduce emissions, and/or increase fuel efficiency.
- 3.3 Pursue activities which support peer fleets' efforts to implement fuel- or emissions-reducing activities by sharing and maximizing resources.
- 3.4 Encourage fleet activities which minimize water, solid waste, or other environmental impacts of fleet activities, as appropriate.

**Section 4.**

<adopting entity> **will ensure drivers/operators and fleet personnel are familiar with air quality and petroleum reduction goals by performing the following actions as practicable:**

- 4.1** Provide in-house training and/or attending training administered by NCTCOG for fleet personnel and other staff involved in fleet decisions to review policy elements and provide recommendations for achieving objectives.
- 4.2** Consider other mechanisms to increase understanding and awareness among fleet personnel and others.

<adopting entity> acknowledges that adoption of the Clean Fleet Policy, adoption of an idle reduction policy/SOP as outlined in section 1.1, submittal of both policies, and submittal of Clean Fleet Policy reporting is required to be eligible for future clean fleet funding from the RTC, and may be considered when determining other funding actions. The extent of Clean Fleet Policy implementation, as documented through reporting, will also be a factor in receiving DFWCC fleet recognition.

*[Following additional example statement to be included as applicable for adopting entity:]*  
 This policy shall be in effect immediately upon its adoption and replaces the prior Clean Fleet Vehicle Policy of the adopting entity.

I hereby certify that this policy was adopted by the <adopting entity> on <date of adoption>, \_\_\_\_\_.

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Printed Name

\_\_\_\_\_  
 Title

\_\_\_\_\_  
 Adopting Entity