



**STAFF REPORT**  
**7/22/2020**

**TO:** Honorable Mayor and City Council Members

**FROM:** William B. Pattison, Jr., City Manager

**SUBJECT:** Amendment Five to AB 2766 Memorandum of Understanding (MOU) between CVAG and Member Jurisdictions to provide Sustainable Funding of the Regional PM10 Street Sweeping Program

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**STAFF RECOMMENDATION:**

- a) Approve Amendment Five to AB 2766 Memorandum of Understanding (MOU) between the Coachella Valley Association of Governments (CVAG) and Member Jurisdictions to maintain contributions from the cities and the County at 75% to provide Sustainable Funding of the Regional PM10 Street Sweeping Program, through June 30, 2024; and
- b) Authorize the City Manager to execute Amendment Five to the AB 2766 Memorandum of Understanding (MOU).

**BACKGROUND:**

Coachella Valley and the Salton Sea Air Basin are designated non-attainment areas for PM10, or air particulate matter less than 10 microns. The primary source of PM10 is dust-generating activities like vehicles traveling over paved or unpaved streets and through construction zones. Since the early 1990s, CVAG and its member agencies have cooperated on a Regional PM10 Street Sweeping Program – one of the most significant air quality control measures that can be taken to reduce PM10 throughout our region. This program has the added benefit of keeping all major streets in the Coachella Valley clean at a low per-mile cost due to economies of scale.

The street sweeping program is currently funded by three main sources:

1. Reallocation of a portion of AB 2766 funds dispersed to individual jurisdictions based on vehicle license plate renewals;
2. Grant funding from the South Coast Air Quality Management District (SCAQMD); and
3. The Coachella Valley Air Quality Enhancement Fund managed by Riverside County, also known as Colmac funds.

The SCAQMD grant in the amount of \$1,150,000 provides approximately \$220,000 for each of five years for the street sweeping program. While the first year of funding was guaranteed, the remaining four years are pending a study of the street sweeping program's efficiency and

effectiveness, also funded by the grant. The grant was initially awarded to make up for a funding shortfall after funding from SCAQMD's Mobile Air Source Pollution Reduction Review Committee ended in 2018. The Colmac funds received by the County are associated with mitigating air pollution impacts from a power plant. Since July 2010, the County has set aside \$150,000 each year for the regional street sweeping program. The current term runs through FY19/20, and CVAG is working with the County to request an additional five-year extension.

The remaining AB 2766 funding sent to cities and counties by the SCAQMD is generated by a surcharge on annual DMV fees and must be used to reduce air pollution generated by motor vehicles. In previous years when funding from other sources tended to fluctuate, AB 2766 contributions from CVAG member jurisdictions also ranged from 33% to 100%. In 2016, the fourth amendment to the MOU for this reallocation requested that 75% of AB 2766 funds be directed toward the regional street sweeping program. The term of the fourth amendment expired on June 30, 2020. With this fifth amendment, CVAG requests that the jurisdictional contribution level remains at 75% for the next four years, through June 30, 2024. One hundred percent of all funding goes toward the street sweeping program, currently operated by CVAG under contract with M&M Sweeping, Inc. from Thousand Palms. Amendment Five to the MOU was approved by the CVAG Executive Committee on June 8. This recommendation was also reviewed and supported by the CVAG Energy & Environment Committee on May 14. Identical MOU Amendments are being circulated to all participating member agencies for approval by their respective governing bodies.

**FISCAL IMPACT:**

Adequate funding for the Regional PM-10 Street Sweeping Program is dependent upon all three funding streams – AB 2766, South Coast AQMD grant, and the Colmac allocation.

Attachment:

1. Amendment Five to AB 2766 Memorandum of Understanding