

T&E COMMITTEE #5
June 15, 2009

MEMORANDUM

June 11, 2009

TO: Transportation, Infrastructure, Energy and Environment Committee

FROM:  Keith Levchenko, Senior Legislative Analyst

SUBJECT: **FY09 Supplemental Appropriation to the Department of Environmental Protection (DEP) Operating Budget: National Clean Diesel Emerging Technologies Program, \$410,000 (source of funds: Federal Grant)**

On June 1, the Council received from the County Executive a supplemental appropriation request (see ©1) in the amount of \$410,000 in Federal grant dollars to fund the retrofitting of ten County-owned heavy –duty diesel trucks with new emission reduction equipment.

A public hearing will be held on June 23 at 1:30 PM. Action is scheduled immediately after the public hearing.

Those expected for this discussion include:

Pamela Parker, Senior Air Quality Planner, DEP
Gladys Balderrama, Manager, Administrative Services, DEP
John Greiner, Office of Management and Budget

The Federal grant is from the Environmental Protection Agency (EPA) National Clean Diesel Emerging Technologies Grant Program. This program is intended to support early deployment of new technologies that will reduce diesel emissions from the vehicle fleet. The program provides an opportunity for manufacturers to get feedback from fleet partners to verify the emissions benefits of these technologies and assist EPA in the verification and certification process and will assist manufacturers in their product development and commercialization.

The retrofits involve installation of selective catalytic reduction units with diesel particulate filters that are estimated to reduce particulate matter emissions by 90 percent, carbon monoxide by 85 percent, nitrogen oxides by 65 percent, and hydrocarbons by 95 percent. The specific technology to be used has been approved by EPA for funding via this grant.

The Department of Environmental Protection will provide technical and administrative oversight of the project as well as the measurement of associated environmental benefits, in partnership with the Department of General Services Fleet Management Division.

The project will be fully funded by EPA with a County in-kind contribution of \$36,125 and the manufacturer's in-kind contribution of \$50,000. The County's in-kind contribution consists of personnel costs already accounted for in DEP's budget. This is a one-time grant with no future County fiscal obligation assumed beyond the in-kind match.

Council Staff recommends approval of the FY09 supplemental appropriation request for \$410,000 (source of funds: Federal Grant).

Attachments

KML:f:\levchenko\dep\fy09\dep t&e 6 15 09 clean diesel grant.doc

Sud, Pm, Ed



049389

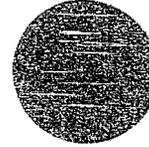
KL
ce
SBF
W

OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

MEMORANDUM

May 28, 2009



2009 JUN -1 PM 4:03

MONTGOMERY COUNTY
COUNCIL

TO: Phil Andrews, President, County Council
FROM: Isiah Leggett, County Executive *[Signature]*
SUBJECT: Supplemental Appropriation #09-264 to the FY09 Operating Budget
National Clean Diesel Emerging Technology Program, \$410,000

I am recommending a supplemental appropriation to the FY09 Operating Budget of the Department of Environmental Protection (DEP) in the amount of \$410,000 in grant funds from the U.S. Environmental Protection Agency (EPA), under the National Clean Diesel Emerging Technology Program. The appropriation will fund the retrofitting of ten County-owned heavy-duty diesel trucks.

This increase is needed because DEP has been awarded a \$410,000 grant under the EPA's National Clean Diesel Emerging Technologies Grant Program to install new emission reduction technology on ten heavy-duty diesel vehicles assigned to Fleet Management Services and the Department of Liquor Control. The purpose of this grant funded retrofit project is to demonstrate emerging technology to reduce diesel emissions produced by the heavy-duty trucks, which will benefit the health of citizens living in the Montgomery County/Washington metropolitan region. The ten identified vehicles will be retrofitted with Johnson Matthey SCRT® technology, which is a selective catalytic reduction unit with a diesel particulate filter that reduces unburned hydrocarbons, carbon monoxide, nitrogen oxides, fine particulate matter, and other contributors to acid rain, ground-level ozone, fine particulate matter emissions, and reduced visibility.

I recommend that the County Council approve this supplemental appropriation in the amount of \$410,000 and specify the source of funds as Federal Grant Funds.

I appreciate your consideration of this action.

Attachment: Supplemental Appropriation #09-264

- c: Joseph Beach, Director, Office of Management and Budget
- David Dise, Director, Department of General Services
- George Griffin, Director, Department of Liquor Control
- Robert Hoyt, Director, Department of Environmental Protection

①

Resolution No: _____

Introduced: _____

Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

SUBJECT: Supplemental Appropriation #09-264 to the FY09 Operating Budget
Montgomery County Government
Department of Environmental Protection
National Clean Diesel Emerging Technology Program, \$410,000

Background

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of five Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.
2. The County Executive has requested the following FY09 Operating Budget appropriation increases for the Department of Environmental Protection (DEP):

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Source of Funds</u>
\$ -0-	\$ -0-	\$410,000	\$410,000	Federal Grant

3. This increase is needed because DEP has been awarded a \$410,000 grant under the EPA's National Clean Diesel Emerging Technologies Grant Program to install new emission reduction technology on ten heavy-duty diesel vehicles assigned to Fleet Management Services and the Department of Liquor Control. The purpose of this grant funded retrofit project is to demonstrate emerging technology to reduce diesel emissions produced by the heavy-duty trucks, which will benefit the health of citizens living in the Montgomery County/Washington metropolitan region. The ten identified vehicles will be retrofitted with Johnson Matthey SCRT® technology, which is a selective catalytic reduction unit with a diesel particulate filter that reduces unburned hydrocarbons, carbon monoxide, nitrogen oxides, fine particulate matter, and other contributors to acid rain, ground-level ozone, fine particulate matter emissions, and reduced visibility.
4. The County Executive recommends a supplemental appropriation to the FY09 Operating Budget in the amount of \$410,000 for National Clean Diesel Emerging Technology Program Grant and specifies that the source of funds will be Federal grant funds.
5. Notice of public hearing was given, and a public hearing was held.

Action

The County Council for Montgomery County, Maryland, approves the following action:

A supplemental appropriation to the FY09 Operating Budget of the Department of Environmental Protection is approved as follows:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Source of Funds</u>
\$ -0-	\$ -0-	\$410,000	\$410,000	Federal Grant

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

OPERATING BUDGET

SUPPLEMENTAL OR SPECIAL APPROPRIATION REQUEST SUMMARY

1. Please fill in the following table:

Agency	Montgomery County, Maryland
Department	Department of Environmental Protection
Fund (County Government only)	Special Revenue Fund – Grant Fund
Fiscal year	FY09
Supplemental or Special	Supplemental
Operating or Capital budget	Operating

2. What is the amount and source of funding?

Source of funding (Please list sources)	Amount
U.S. Environmental Protection Agency	\$410,000
Total request	\$410,000

3. Is the request one-time or continuing? If continuing and funded by a grant, what will you do when the grant ends?

This is a one-time request.

4. Please provide a brief description, justification, expected outcomes, and how the outcomes will be measured.

DEP has been awarded a \$410,000 grant under the EPA's National Clean Diesel Emerging Technologies Grant Program to install new emission reduction technology on ten heavy-duty diesel vehicles assigned to Fleet Management Services and the Department of Liquor Control. The purpose of this grant funded retrofit project is to demonstrate emerging technology to reduce diesel emissions produced by the heavy-duty trucks, which will benefit the health of citizens living in the Montgomery County/Washington metropolitan region. The ten identified vehicles will be retrofitted with Johnson Matthey SCRT® technology, which is a selective catalytic reduction unit with a diesel particulate filter that reduces unburned hydrocarbons, carbon monoxide, nitrogen oxides, fine particulate matter, and other contributors to acid rain, ground-level ozone, fine particulate matter emissions, and reduced visibility.

5. Please explain why you did not request this during the annual budget process.

The Cooperative Agreement was not finalized until April 14, 2009.

6. For your agency, what is the current fiscal year budget for the relevant fund and what is the latest estimate? (do not fill out if the appropriation is funded entirely by a non-County grant)

Budget for current fiscal year for the relevant fund	
+ Supplemental/special appropriations already approved	
= Revised budget for current fiscal year	
Latest estimate of spending for current year	

7. County Government only: For your department or fund, whichever is applicable, what is the current fiscal year budget and what is the latest estimate? (do not fill out if the appropriation is funded entirely by a non-County grant)

Budget for current fiscal year for the department:	
+ Supplemental/special appropriations already approved	
= Revised budget for current fiscal year	
Latest estimate of spending for current year	