MEMORANDUM OF AGREEMENT BETWEEN THE DEPARTMENT OF NATURAL RESOURCES AND CITY OF MILWAUKEE DEPARTMENT OF PUBLIC WORKS

THIS AGREEMENT is entered into by and between the Wisconsin Department of Natural Resources (the WDNR), and the City of Milwaukee Department of Public Works (the fleet). This agreement is intended to provide the parties involved in the diesel retrofit project with an understanding of their roles and responsibilities.

Project Description:

This project is an effort to expand the success of the CMAQ-funded school bus retrofit project in reducing diesel emissions. The goal of the project is to reduce particulate matter, hydrocarbons, carbon monoxide and toxics produced by diesel equipment, particularly on equipment that operates near sensitive populations. The plan is to install diesel exhaust control devices on more school buses, municipal vehicles and off-road equipment operating in the eastern Wisconsin ozone non-attainment counties of Door, Kenosha, Kewaunee, Manitowoc, Milwaukee, Ozaukee, Racine, Sheboygan, Washington, and Waukesha. The project is funded through a federal Congestion Mitigation Air Quality (CMAQ) grant managed through the Wisconsin Department of Transportation (WDOT). It will be administered in a manner to meet all terms and conditions required under these funding sources, including the terms below which are required for public-private partnerships under CMAQ.

Eligible equipment, operating in the fleets and locations outlined above, can be of any model year, but must operate in the designated area for at least three to five years, as defined below. Before retrofits begin, the fleet will have selected the type of exhaust retrofit technology that best suits their needs, which also must be EPA or CARB verified and determined by vendor to be compatible with the equipment.

The parties agree to participate in this project according to following terms:

The WDNR:

- 1. Shall provide funds to purchase U.S. Environmental Protection Agency (EPA) or California Air Resources Board (CARB) verified emission control devices for the selected fleets and selected equipment operating in the Wisconsin ozone non-attainment area. The funds shall include installation costs as per bid from the vendor for installation when and where required.
- 2. Shall obtain equipment lists from participating fleets and forward to vendors for purpose of bid price quotes and equipment/retrofit compatibility verification by vendor(s).
- 3. Shall follow State bid procedures to procure the devices from vendor(s) who provide the lowest total price for the particular retrofit device category.
- 4. Shall ensure that the awarded vendor(s) provide technical assistance, installation support, maintenance procedures, and warranty terms to the participating fleets.
- Shall track retrofit progress, estimate emission impacts and provide updates to WDOT and others as requested.

The Fleet:

 Shall provide to WDNR the list of the eligible equipment it proposes to retrofit and desired retrofit device for each piece of equipment. WDNR will verify eligibility and select those they are able to fund.

- 2. Shall make the selected equipment on the list available to the vendor for inspection if necessary, before WDNR purchases devices, to determine their retrofit feasibility.
- Vendor shall verify all pre-1999 model year on-road vehicles for need of a low NOx reflash/ recalibration. If reflash is necessary, fleet must approve that this may be performed in order to proceed. Only recalibrated engines are eligible.
- 4. Shall install the devices in-house or arrange for the vendor to install the devices either in the fleet's facility or at the vendor's nearest facility within 60 days of delivery. The fleet will notify the WDNR which method of installation will be used prior to installation. If self-installed, fleet must report the retrofit date and mileage at time of retrofit and device serial number for each piece of equipment after all installations are complete.
- 5. Shall keep the retrofitted equipment in its fleet operating in the ozone non-attainment area for a minimum of five (5) years for model years five years old or newer at time of retrofit and for three (3) years for model years older than five years at time of retrofit. This ensures that substantial emission benefits from the grant dollars are achieved.
- 6. Shall, to the best extent possible, encourage equipment operators to reduce idling.
- 7. Shall to the best of its ability report annually to the WDNR the following information for each retrofitted piece of equipment: (a) annual hours of operation; (b) annual miles traveled; (c) annual fuel usage; (d) area in which the equipment customarily operated; (e) idling hours, idling reduction or the extent to which anti-idling practices have been encouraged over the past year; and (f) descriptions of experience with devices and project.
- 8. Shall be responsible for maintenance of the device(s).

Each party agrees that, as related to this agreement, any loss or expense by reason of liability imposed by law, shall be charged to the party responsible for the officer, employee or agent whose activity caused the loss or expense.

This agreement may be amended or terminated at any time by mutual agreement of both parties.

This agreement shall become effective as of the date signed by both parties. The agreement shall remain in effect for a period of five years (5) from that date or until it is amended or terminated.

HEREBY AGREED TO BY:

Date 12-21-07

State of Wisconsin Department of Natural Resources

Secretary, Matthew Frank

Fred Gunther, Fleet Operations Manager City of Milwaukee, DPW Fleet Services