



BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS

☐ Award ☒ Contract ☐ Grant

Requested Board Meeting Date: August 6, 2019

* = Mandatory, Information must be provided

or Procurement Director Award ☐

***Contractor/Vendor Name/Grantor (DBA):**

Arizona Department of Environmental Quality (ADEQ)

***Project Title/Description:**

Voluntary Vehicle Repair Program (VVRP) Intergovernmental Agreement (IGA)

***Purpose:**

Pima County has statutory authority to administer the VVRP directly. Since ADEQ is already implementing the vehicle emissions testing program, they are able to include the VVRP at no additional costs. ADEQ will provide reports to the County to verify the program is effective, properly implemented and audited. The Agreement is required in order for ADEQ to have the necessary authority to administer the VVRP.

The Program targets vehicles that fail the state emission test and are 12 years old or older than the current calendar year. The VVRP provides financial assistance from ADEQ of up to \$550 for emissions repairs needed to pass the emissions test. The vehicle's owner is responsible for a co-pay of \$150.00.

***Procurement Method:**

Procurement Exempt, IGA, D29.4

***Program Goals/Predicted Outcomes:**

The repairs to older vehicles will help them achieve compliance with the state's emission test reducing the amount of air pollution emitted into Pima County's air.

***Public Benefit:**

Reduced air pollution; and,

Provide financial assistance to those required to repair their vehicles to pass the emissions test.

***Metrics Available to Measure Performance:**

The number of vehicles being repaired; and,

The tons of air pollution emissions reduced through vehicle repairs.

***Retroactive:**

No.

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Procure Dept 07/05/19 PM03:19

Contract / Award InformationDocument Type: CTN Department Code: DE Contract Number (i.e., 15-123): 20*003Effective Date: upon sign Termination Date: 6/30/2020 Prior Contract Number (Synergen/CMS): _____☐ Expense Amount: \$* 0 ☐ Revenue Amount: \$ 0***Funding Source(s) required:** ADEQ is administering the program with state funding. No revenue or expenses will be incurred by Pima County.Funding from General Fund? ☐ Yes ☒ No If Yes \$ _____ % _____Contract is fully or partially funded with Federal Funds? ☐ Yes ☒ No

If Yes, is the Contract to a vendor or subrecipient? _____

Were insurance or indemnity clauses modified? ☐ Yes ☒ No

If Yes, attach Risk's approval.

Vendor is using a Social Security Number? ☐ Yes ☒ No

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment / Revised Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____

Amendment No.: _____ AMS Version No.: _____

Effective Date: _____ New Termination Date: _____

Prior Contract No. (Synergen/CMS): _____

☐ Expense or ☐ Revenue ☐ Increase ☐ Decrease Amount This Amendment: \$ _____Is there revenue included? ☐ Yes ☐ No If Yes \$ _____***Funding Source(s) required:**Funding from General Fund? ☐ Yes ☐ No If Yes \$ _____ % _____**Grant/Amendment Information** (for grants acceptance and awards) ☐ Award ☐ Amendment

Document Type: _____ Department Code: _____ Grant Number (i.e., 15-123): _____

Effective Date: _____ Termination Date: _____ Amendment Number: _____

☐ Match Amount: \$ _____ ☐ Revenue Amount: \$ _____***All Funding Source(s) required:*****Match funding from General Fund?** ☐ Yes ☐ No If Yes \$ _____ % _____***Match funding from other sources?** ☐ Yes ☐ No If Yes \$ _____ % _____***Funding Source:** _____***If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?** _____Contact: Beth Gorman, Senior Program ManagerDepartment: Environmental QualityTelephone: 724-7446Department Director Signature/Date: McNeil 7/3/2019Deputy County Administrator Signature/Date: 7/3/19County Administrator Signature/Date: 7/5/19
(Required for Board Agenda/Addendum Items)

Contract No: CTN-DE-20-003 Amendment No: _____

This number must appear on all correspondence and documents pertaining to this contract

AGREEMENT

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PIMA COUNTY

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ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

Agreement Title: Voluntary Vehicle Repair Program (VVRP)

Contract No.: EV20-0010

Effective Date: Upon Final Signature

Termination Date: June 30, 2020

COUNTY

Pima County
33 N. Stone Ave., Suite 700
Tucson, AZ 85701

Name: Ursula Nelson
Title: Director, Pima County Air Quality
Phone: (520)724-7400

CONTRACT ADMINISTRATOR

Arizona Department of Environmental Quality
Contracts and Procurement Section
1110 West Washington Street
Phoenix, AZ 85007-2935

Chief Procurement Officer: Teena Ziegler
Procurement Specialist: Louis Anaya

THIS CONTRACT is between **PIMA COUNTY** [hereinafter referred to as the "Pima County" or "the County"] and the **STATE OF ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY** [hereinafter referred to as the "Department" or "ADEQ"], established and authorized to contract pursuant to A.R.S. §§ 49-101-104.

The purpose of this Agreement is to administer the Voluntary Vehicle Repair Program, ("VVRP") in Pima County, as required by A.R.S. § 49-474.03.

The Vehicle Emissions Control (VEC) program at ADEQ reviewed the VVRP requirements and determined that there was existing capacity to assist the county in administering the program. These functions can be efficiently implemented through the existing centralized emissions testing contract and ADEQ's existing VEC staff.

As a result ADEQ can assume the following VVRP responsibilities without additional costs:

- ADEQ will provide repair facilities with all necessary paperwork
- ADEQ will train VVRP staff.
- ADEQ will provide a Scope of Work and a Work Plan to the County for review and approval prior to initiating program work.
- ADEQ will perform inspections of the participating VVRP repair facilities and technicians performing repair verifications.
- ADEQ will audit invoicing functions as necessary.
- ADEQ will license the participating VVRP repair facilities.

The attached Fiscal Year 2020 Work Plan is incorporated in the Agreement.

This document constitutes the entire Agreement between the parties pertaining to the subject matter hereof, and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein. This Contract may be modified, amended, altered or extended only by a written amendment signed by the parties.

IN WITNESS WHEREOF, the parties have executed this "Agreement" as of the date set forth above;

PIMA COUNTY, a political subdivision of the State of Arizona

By: _____

Chairman, Pima County Board of Supervisors


ATTEST:

By: _____
Clerk of the Pima County Board of Supervisors

STATE OF ARIZONA)
) ss.
County of Pima)

On this ____ day of _____, 2019, before me personally appeared _____, the Chairman of Pima County Board of Supervisors, for and on behalf of **PIMA COUNTY**, a political subdivision of the State of Arizona, whose identity was proven to me on the basis of satisfactory evidence to be the person who he or she claims to be, and acknowledged that he or she signed the above/attached document.

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY



Signature

MISRAEL CARRERA

Printed Name

DIRECTOR

Title



PIMA COUNTY SIGNATURE PAGE

This document constitutes the entire agreement between the parties pertaining to the subject matter hereof, and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein. This Contract may be modified, amended, altered or extended only by a written amendment signed by the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Contract.

PIMA COUNTY

Chairman, Board of Supervisors

Date

Clerk of the Board

Date

CONTRACTOR

R. G. I. di 6.28.19
PDEQ Date

Approved As to Form:

[Signature]
Deputy County Attorney

6/28/2019
Date

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VOLUNTARY VEHICLE REPAIR PROGRAM (VVRP)

FY20 WORK PLAN

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BACKGROUND

Historical Overview

The Voluntary Vehicle Repair Program (VVRP) helps Arizonans comply with the requirement to successfully repair vehicles that had failed emissions inspections. Arizona Revised Statutes § 49-474.03 requires Maricopa and Pima Counties to operate and administer the VVRP and to coordinate the program with both the Arizona Department of Environmental Quality (ADEQ) and the Arizona Department of Transportation (ADOT). The program is required to provide quantifiable emission reductions based on actual emissions testing performed on each vehicle before and after repair.

Vehicles Eligible for VVRP

1. Gasoline Vehicles

- The vehicle owner shall be willing to participate in the program.
- The vehicle shall be at least 12 years older than the current calendar year.
- The vehicle being repaired shall be functionally operational.
- The vehicle being repaired shall be titled in Arizona and shall have taken the emission inspection test.
- The vehicle shall have been registered during the immediately preceding twelve months and shall not have been unregistered for more than 60 days after failing the test.
- The emissions control system shall be tamper free, and not have been removed or disabled, in whole or in part.
- The vehicle shall be taken to a participating VVRP Repair Facility. Any repairs that are not completed by a participating VVRP Repair Facility are not eligible for payment.
- Participation in the program shall be limited to one vehicle per owner.
- Motor homes, motorcycles, salvage vehicles, and fleet vehicles shall not be eligible to participate in the program.

2. Diesel Vehicles

- Diesel vehicles with a Gross Vehicle Weight Rating (GVWR) of 8,501 lbs and greater that fail an emissions test may get up to \$1,000 for repairs. A.R.S. § 49-474.03 (C).
- A diesel fleet owner shall not receive more than a total of \$10,000 for vehicle repairs.
- No more than 25% of the program funds in a year can be used for heavy duty diesel repairs.

VVRP Process

The following is the VVRP process for vehicles failing the initial emission test:

- The customer arrives at a state station for an emissions test.
- Gordon Darby Arizona Testing Inc. (GDAT) shall perform the applicable test on the vehicle.
- If the vehicle fails, GDAT shall inform the customer that the vehicle failed the emissions inspection and describe the VVRP to the customer.

- A GDAT technical advisor (TA) shall review the program qualification checklist with the customer in order to verify that the vehicle meets the requirements to be accepted in the VVRP.
 - If the vehicle does not meet the VVRP requirements, then the vehicle is not eligible for the program and must pass the required emissions inspection for registration.
 - If the customer elects to participate in program, they have 60 days to fulfill all VVRP requirements.
- For vehicles that receive an on-board diagnostic test (OBD), GDAT lane inspectors will perform a loaded/idle test to generate pre-repair emissions reading.
- After qualification is complete and pre-repair emissions measurement are taken, the customer shall take the vehicle to a participating VVRP repair facility for diagnosis and repair.
- In the alternative, the customer may choose to bring their vehicle to a shop of their choice. That shop may be given the opportunity to apply for the VVRP. If the shop meets all the requirements to become a participating VVRP repair facility and passes an audit from an ADEQ compliance officer, the shop may be admitted as a participating VVRP repair facility on a conditional basis.
- The participating VVRP repair facility shall explain the program to the customer. The customer shall sign an agreement with the participating VVRP repair facility to have the vehicle diagnosed and repaired.
- The participating VVRP repair facility will review the test results from the initial test failure and diagnose the vehicle's emissions failure. The participating VVRP repair facility shall inform the customer of needed repairs and the associated cost.
- If the customer agrees to proceed with the vehicle repairs then,
 - The customer agrees to pay a \$150 co-payment to the VVRP repair facility.
- If the customer does not agree to proceed with the vehicle repairs then,
 - The customer agrees to pay the \$75 diagnostic fee.
- The vehicle shall be repaired as per the participating VVRP repair facility/customers agreement.
- The vehicle shall be returned to a GDAT testing lane within seven (7) days of the repair by the customer for a retest.
 - The customer has the option to pay the participating VVRP repair facility a \$25 non-refundable fee to return the vehicle to a GDAT testing facility for the retest.
- A GDAT facility shall perform a retest of a vehicle participating in the VVRP to determine if the vehicle passes (for both OBD and non-OBD vehicles). A waiver lane certified inspector shall inspect the repairs to ensure that the repair shop has replaced or repaired the items in the initial diagnosis.
- If the vehicle passes the emission test:
 - The vehicle shall be given a tailpipe test to quantify emissions reductions. GDAT shall then transmit test results to ADEQ and participating VVRP repair facilities.
- If the vehicle fails the emissions test:
 - As part of the VVRP requirements, the vehicle shall pass the emissions test. If the vehicle fails, the participating VVRP repair facility shall perform additional repairs at no additional charge to the VVRP or vehicle owner.
- GDAT shall compensate participating VVRP repair facilities for repairs within five (5) business days of receipt of invoice.
- On a monthly basis, GDAT shall submit repair invoices to ADEQ for reimbursement.

- ADEQ shall remit payment to GDAT.

VVRP Fee Structure

Pursuant to A.R.S. § 49-474.03 (D), a total of \$550 will be made available to the customer for repair of emissions related failures. The customer is responsible for a \$150 co-payment and any costs greater than \$700. The customer can choose to not participate in the program. The following table shows a breakdown and responsibilities of the overall VVRP costs.

VVRP Fee Structure Regarding the Customer	
Reimbursable Gasoline Vehicle Repair Costs (VVRP)	\$550
Co-payment (vehicle owner)	\$150
Total Program and Minimum Vehicle Owner Costs	\$700

LEGEND:

1. \$25 non-refundable fee – The customer is required to return to the emission testing station within seven (7) days of the repair for post-repair emission testing. Also the customer has the option to pay the participating VVRP repair facility this non-refundable fee.
2. \$75 non-refundable fee – If after diagnosis is complete and the customer chooses not to participate in the program the fee will be charged.

Diesel powered vehicles with gross vehicle rating of more than 8,500 pounds that are registered in Area A or B and fail any random roadside test conducted by the state or that fail the emissions test conducted pursuant to A.R.S. § 49-542 are eligible for up one thousand dollars in repair costs from the program. Qualified vehicle owners pursuant to this subsection shall be responsible for one-half of the costs of the qualified repairs and the other half of the costs shall be funded from the program up to one thousand dollars. An owner of vehicles that are registered as a fleet shall not receive more than ten thousand dollars in total monies. No more than twenty-five per cent of the program funds in any year may be used for diesel repairs.

ADEQ VVRP RESPONSIBILITIES

ADEQ Administrative Responsibilities

- ADEQ shall provide participating VVRP repair facilities with all necessary paperwork including: customer agreements, surveys, postage paid envelopes, etc.
- ADEQ shall train staff who answer a dedicated phone line and GDAT staff regarding the VVRP.
- ADEQ shall provide the participating VVRP repair facilities.
- ADEQ shall perform inspections of the participating VVRP repair facilities and GDAT technicians performing repair verifications.
- ADEQ shall audit a minimum 75% of the participating VVRP repair facilities invoices quarterly.

- In addition, ADEQ shall audit a minimum 75% of GDAT invoices quarterly.
- ADEQ shall provide staff support to the counties advisory committees.

VVRP Branding Responsibilities

Maricopa and/or Pima Counties branding shall not be included in any of the marketing, materials or program-related documents produced by ADEQ or GDAT used for the VVRP.

Participating VVRP Repair Facilities

Pursuant in part in the Arizona Revised Statutes A.R.S. § 49-474.03(B)(8), vehicles participating in the VVRP shall be taken to a participating VVRP repair facility. Any repairs not performed at a participating VVRP repair facility are not eligible for payment. ADEQ shall solicit and inspect participating VVRP repair facilities. Participating VVRP repair facilities shall be reviewed annually by ADEQ and if their performance is satisfactory they will be renewed. ADEQ shall also add/replace participating VVRP repair facilities as needed based on their performance.

ADEQ will be using the following guidelines to certify VVRP repair facilities:

1. The repair facility shall employ at least one ASE certified technician in the following:
 - Advance engine performance specialist (L1);
 - Master certification (A1) through (A8); or
 - A combination of (A6), (A8), and one other additional (A) series certification.
 - Another nationally recognized license that is the equivalent of the previously listed ASE certifications.
2. Equipment
 - Current release of Mitchell 1 Manager/Manager Plus and/or On Demand5 Estimator or an equivalent vehicle repair industry software to ensure standardized repair estimates and invoicing.
 - An ADEQ approved scan tool.
3. Additional Requirements
 - Internet access;
 - City business license;
 - The shop agrees to grant ADEQ permission to inspect the facility and review invoices of VVRP repairs.
 - The shop maintains a record of positive customer service.
 - The behavior of the shop positively reflects upon the mission of the VVRP, the County, and the State.
 - Proper storage of hazardous materials and proper waste disposal.
 - Clean reception area with comfortable customer waiting area.
 - Safe access to and from the parking lot.
 - Sufficient parking for customers.
 - Signage visible from the street.

Participating VVRP Repair Facilities Compliance and Audit Plan

The purpose of the audit is to ensure that all RRF's participating in the VVRP perform all aspects of the emissions repairs within the guidelines of the VVRP.

Pursuant in part in the Arizona Revised Statutes A.R.S. § 49-474.03(B)(8), the vehicle is taken to a participating VVRP repair facility. Any repairs not performed at a participating VVRP repair facility shall not be eligible for payment.

To ensure the integrity of the program, all participating VVRP repair facilities shall be audited biannually as follows:

1. Upon arriving at the facility, the state inspector shall show identification and advise the owner or on site representative the purpose of the visit.
2. The state inspector shall verify that the facility employs a certified technician, and that the technician's certifications are current. If the facility does not meet the requirement, the state inspector shall discontinue the audit and inform the owner that their facility does not meet the participating VVRP repair facility requirements and is not authorized to be in the program.
3. The state inspector shall review documents of vehicles that have been repaired or are in the process of being repaired. The state inspector shall ensure the participating VVRP repair facility has all the necessary equipment to conduct the emissions diagnosis and repairs and record comments on the checklist.
4. The state inspector shall observe any current vehicles being repaired for emissions and record comments on the checklist.
5. If there are any concerns or the participating VVRP Repair Facility does not meet the requirements of being in the program, explain the requirements to the participating VVRP repair facility and that they will be removed from the program if they do not meet the requirements.
6. ADEQ inspectors will assist customers with complaints received from either GDAT or participating VVRP repair facilities.

At the conclusion of the audit the state inspector will provide a copy of the checklist to the owner or the on-site representative.

VVRP Verification Technician and State Inspector Qualifications

GDAT waiver lane technicians will inspect and verify repairs that have been performed by the participating VVRP repair facilities. Below is the certification criteria for the waiver lane technicians.

GDAT Waiver Lane Technician Certification Requirements:

- GDAT IM-147 certification (Area A).
- Attend an ADEQ waiver lane certification training class.
- Show proficiency on how to identify valid repair receipts, estimates and completed repairs on all makes and models of vehicles that have failed the Arizona State emissions test.
- Pass an ADEQ waiver lane certification test with a score of 80% or better.

ADEQ state station/fleet inspectors will audit GDAT and the participating VVRP repair facilities equipment and technicians on a regularly scheduled basis. Below is the certification criteria for ADEQ state station/fleet inspectors.

ADEQ State Station/Fleet Inspector Certification Requirements:

- Pass the Equipment Repair Technician Certification Test with a score of 80% or better.
- Be cross trained and show proficiency in both state station, fleet equipment, and personnel auditing.
- Pass an ADEQ Diesel and Non-Diesel Vehicle Emissions Inspector Certification Test with a score of 80% or better.
- Attend an ADEQ waiver lane certification training class.
- Pass an ADEQ waiver lane certification test with a score of 80% or better.

VVRP Survey Review

ADEQ will review customer surveys, track results, and include results in the ADEQ Annual Report.

ADEQ Outreach to Participating VVRP Repair Facilities

In order to find participating VVRP repair facilities, ADEQ shall continue to reach out to qualified repair facilities and provide them information about joining the VVRP. Efforts will be conducted in both Maricopa and Pima Counties. ADEQ will explain the statutes governing the VVRP and additional requirements for equipment and personnel training during any open house discussions.

VVRP Reporting

ADEQ will quantify emissions reductions from the VVRP. ADEQ will be responsible for providing a quarterly report to the County no later than 45 days after the close of each quarter containing the information below. By December 1 of each calendar year, ADEQ shall also prepare and submit an annual progress report to the County, the Department of Transportation, the Speaker of the House of Representatives, the President of the Senate, the Governor, the Secretary of State and the Director of the Arizona State Library Archives and Public Records on the VVRP that contains at least the following information:

1. The number of vehicles repaired by model year and associated repair costs.
2. The cost-effectiveness of the program in terms of dollars spent per ton of vehicle emission reductions.
3. Any recommendations for improving the effectiveness of the program.
4. The administrative costs of the program.

Metrics and data to be reported in quarterly and annual progress reports:

1. Graph of the success rate of vehicles passing emissions on the second attempt with the goal of a 95% pass rate.
2. Track and verify that ADEQ can repair an equal or greater number of vehicles than when the

Counties operated the program.

3. Track the audit compliance and ensure that a 90% compliance rate is achieved by the VVRP shops.
 - a. Bi-monthly tracking for the first six months or until a 90% compliance rate is achieved.
 - b. Quarterly tracking for the next six months or until a 90% compliance rate is achieved.
 - c. Annual tracking as long as there is a 90% compliance rate.
4. Percentage increase in the number of vehicles repaired compared to previous year.
5. Percentage increase in the tons of vehicle emissions reduced.
6. Documentation of all outreach activities and steps taken to effectively promote the VVRP to the community and significantly increase the number of customers participating in the program (include copies of advertisements, press releases, flyers, and any other associated outreach materials).
7. All administrative costs of the program, regardless of funding source, including but not limited to personnel, overhead, supplies, subcontractor, advertising, printing, etc.).

PARTICIPATING VVRP REPAIR FACILITIES RESPONSIBILITY

The participating VVRP repair facilities shall be responsible for the following:

- Obtaining a signed customer agreement form and taking copayment.
- Completing the vehicle diagnostic and providing a written estimate to the customer for approval to continue in the program.
- Completing the emission related repairs.
- Finalizing additional payment from customers for repairs, if the repairs go beyond the combined \$700 amount (see VVRP Fee Structure Regarding the Customer table on page 3).
- Ensuring that the customer can opt to have the participating VVRP repair facility take the vehicle to the emissions station for post-repair testing for a fee of \$25.00.
- Submitting invoices to GDAT for reimbursement.