



BOARD MEMBERS

AZIZ AKBARI
JAMES G. GUNTHER
JUDY C. HUANG
PAUL SETHY
JOHN H. WEED

43885 SOUTH GRIMMER BOULEVARD • FREMONT, CALIFORNIA 94538
(510) 668-4200 • www.acwd.org

MANAGEMENT

ED STEVENSON
General Manager
DAN STEVENSON
Operations and Maintenance
GIRUM AWOKE
Engineering and Technology
LAURA J. HIDAS
Water Resources
VACANT
Finance
JACKIE MCCLOUD
Special Assistant to the General Manager

June 16, 2026

California Air Resources Board
Clerks' Office
1001 I Street
Sacramento, CA 95814

Subject: Comments on Second 15-Day Modifications to Proposed Advanced Clean Fleets Amendments

Dear Chair Sanchez, Executive Officer Cliff, and Members of the Board:

Alameda County Water District (ACWD) appreciates the opportunity to submit comments on the California Air Resources Board (CARB) proposed Second 15-Day Modifications to the Advanced Clean Fleets ("ACF") regulation amendments.

ACWD is a California special district that provides essential public drinking water service to Southern Alameda County, includes approximately 350,000 residents and businesses in Fremont, Newark, Union City, and a small portion of Hayward. ACWD has been working in good faith to understand and comply with the State and Local Government requirements of the ACF regulation, and is on a compliance path for vehicles it owns, leases, and directly controls.

ACWD supports CARB's clean-air objectives, appreciates CARB's intention to provide clarity through the proposed amendments, and requests consideration of the following comments:

1. Section 2013(a)(1), Scope and Applicability, addition of language "rents, contracts for the operation of" is not feasible for public water systems.

The proposed treatment of contracted vehicles as part of a water agency's fleet presents a serious and immediate compliance problem for public water agencies and other essential infrastructure providers. CARB's recent proposed amendments could require public agencies to include in their ACF compliance calculations a wide range of privately owned contractor vehicles that the agency does not own, lease, dispatch, maintain, purchase, replace, or control. For water agencies, those vehicles include construction vehicles and equipment, heavy haul

trucks, dump trucks, transfer trucks, vacuum trucks, concrete trucks, cranes, lowboys, roll-off trucks, waste and debris hauling vehicles, paving and excavation vehicles, traffic-control vehicles, emergency repair vehicles, and other specialized vehicles used by private contractors to perform discrete projects or services.

This requirement would add the burdensome work of reporting and recordkeeping under sections 2013.3 and 2013.4 for each vehicle used in public works contracts that are not under the control of a public agency, including, and not limited to, vehicle identification numbers, make, model, year, license plate number, state or jurisdiction of issuance, fuel and powertrain type, date vehicle purchase was made, etc. This information would be required to be reported within 30 calendar days of contracted date. This information is kept by the contractors and is not tracked by a public agency, and would be very difficult and time-consuming to extract from a contractor. This approach is not feasible under current market conditions and would undermine the delivery of essential public services, delay and add cost to improvements of aging infrastructure, and further impact water affordability to the public.

ACWD requests CARB exclude private contractors' vehicles for public works, construction, hauling, disposal, repair, maintenance, and professional-service contracts from a local government agency's ACF fleet compliance calculation.

2. Section 2013(b) Definition of "Fleet Owner" does not account for addressing essential utility needs with specialized services.

Public water agencies routinely contract for construction, hauling, waste disposal, emergency repair, pipeline replacement, well work, tank and reservoir maintenance, paving restoration, excavation, demolition, debris removal, and other specialized services. In these contracts, the public agency is buying a service or project outcome. It is not acquiring vehicles, operating a fleet through a contractor, or substituting a contractor-owned fleet for the agency's own fleet.

The proposed language does not adequately distinguish between:

1. Contracts under which a contractor operates vehicles as a functional extension of the public agency's fleet; and
2. Ordinary service, construction, hauling, disposal, emergency-repair, and public works contracts in which privately owned vehicles or equipment are incidental to the contractor's performance of the work.

That distinction is critical. A water agency may contract for a pipeline replacement project, a sludge or spoils-hauling service, emergency main-break repair, pavement restoration, or waste disposal. The contractor decides which vehicles and equipment to use, how to staff the work, whether to subcontract portions of the work, where vehicles are housed, how they are maintained, and how they are deployed across many public and private customers. Some of these contractors, or portions of their equipment, may be based outside of California. A water

agency generally does not have the practical or legal ability to require a contractor to operate vehicles that meet the water agency's current ZEV compliance schedule.

The final regulation should therefore clarify that "contracts for the operation of" vehicles mean contracts in which the public agency contracts specifically for vehicle operation as part of the agency's fleet function, not ordinary procurement of public works contracts where contractor vehicles are merely tools used to deliver a project or service.

ACWD requests CARB exclude from a public agency's ACF compliance calculation contractor-owned vehicles that are: (1) not owned, leased, purchased, or maintained by the public agency; (2) not dedicated exclusively or primarily to the public agency; (3) used by the contractor for multiple public and private customers; (4) selected and controlled by the contractor rather than the public agency; (5) used for discrete construction, hauling, disposal, repair, maintenance, or emergency-response tasks; and (6) commercially unavailable as ZEVs in the required configuration or duty cycle.

3. Section 2013(b) Definitions, addition of language "contracted" to definitions of 'Fleet' or "total fleet" creates compliance challenges, additional costs, and potential service-related impacts for public water systems, which would then be borne by the rate payers.

a. Significantly complicates compliance efforts.

ACWD is actively working to comply with ACF requirements for vehicles it owns, leases, and controls. Including contractor vehicles in an agency's compliance calculation would fundamentally change the costs and the compliance obligation.

For many water agencies, contracted work can involve dozens or hundreds of privately owned vehicles over the course of a year, depending on capital projects, emergencies, maintenance needs, hauling volumes, and regulatory obligations. These vehicles are not part of the agency's fleet in any ordinary operational sense. They also are not available to the agency for general use, not budgeted as agency assets, and not replaced through the agency's capital equipment planning process.

Reporting and counting contractor vehicles as part of ACWD's ACF fleet, makes ACWD's compliance pathway impossible to manage. ACWD cannot purchase ZEVs on behalf of its contractors, or ensure that every subcontractor at every tier uses ZEVs, particularly for emergency repairs and specialized public works services. Additionally, the staffing levels and/or software infrastructure required to track, administer, and manage this level of compliance for outside businesses/entities would be substantial.

This is a matter of commercial availability, operational feasibility, public procurement law, infrastructure timing, essential-service reliability, and affordability for the rate payers who finance our operations.

ACWD requests CARB limit the phrase “contracts for the operation of” vehicles to contracts where the public agency specifically contracts for vehicles to be operated as an extension or substitute for the agency’s own fleet, such as dedicated fleet-operation services, vehicle leasing with drivers, or similar arrangements where the public agency has operational control over the vehicles.

Additionally, ACWD requests CARB retain the requirement – which was removed from section 2013.4(g) - for hiring entities to “keep certificates of reported compliance or signed statements received from hired fleets used to verify that hired fleets are compliant with the applicable regulations”.

b. Deters competitive bidding, increases in public costs, and potential delays in critical water infrastructure improvements.

If public water agencies must treat ordinary contractor vehicles as part of their ACF fleets, agencies will be forced to impose new ZEV-related vehicle requirements in bids and contracts. In the current and foreseeable markets, that requirement will sharply reduce the number of qualified bidders. Many local and regional contractors, including small businesses and disadvantaged business enterprises, may not own the appropriate ZEV heavy-duty and specialty vehicles because those vehicles are unavailable, unsuitable, and/or economically infeasible.

The predictable results are:

1. Potential exclusion of small and local contractors from public work;
2. Fewer bids on public works and maintenance contracts;
3. Increased administrative burdens on agencies and contractors;
4. Higher construction and hauling costs;
5. Delays in pipeline replacement, dam safety improvement, seismic improvement, water conveyance and transmission, water-supply, water-quality, and emergency-repair projects; and
6. Reduced ability to respond to main breaks, storm damage, contamination events, and other urgent public-health and safety needs.

These impacts are especially serious for water agencies because their projects are directly tied to public health, fire protection, water reliability, water conservation, environmental protection, and compliance with State and federal drinking-water requirements. A regulation intended to influence vehicle emission reductions should not create inadvertent delay, or unnecessarily inflate the costs, of projects that protect public health and the environment.

4. **Section 2049 Hiring Compliant Fleets (a)(1), proposed language changes places compliance burden for non-governmental entities on public water systems and other contracting agencies.**

The requirements specified within section 2049(d) are sufficient to confirm that a contracted fleet is compliant with the ACF regulations. This section requires the hiring entity to keep records of compliance documentation such as a certificate of reported compliance, photograph or digital image of the hired fleet's listing on CARB's ACF webpage, or a signed statement from the hired fleet confirming regulatory compliance.

The proposed changes to 2049(a)(1) specify that providing and maintaining this compliance documentation is only sufficient for the hire of government agency fleets, and not for the hiring of private fleets. The hiring of private fleets would fall under the more onerous regulatory pathway described in the proposed changes to section 2013, which places a substantial compliance obligation on the contracting agency rather than on the fleet's actual owner.

ACWD requests CARB consider leaving the earlier draft language in section 2049 intact and remove the distinction between fleets contracted from a government agency and those contracted from a private/non-governmental business.

5. Existing exemptions and extensions are not a sufficient solution for contracted public works and specialty-service vehicles.

CARB has indicated that State and local government agencies may use exemptions and extensions for rented, leased, or contracted vehicles. While ACWD appreciates that flexibility, case-by-case exemptions are not a workable solution for routine public procurement and construction contracting.

A public water agency may have many contracts and subcontracts in a year, involving vehicles that change by project phase, contractor availability, emergency conditions, and subcontractor assignments. Requiring the agency to identify, report, and seek exemptions for every potentially covered contractor vehicle creates a heavy administrative burden and does not provide the certainty needed to advertise, award, and administer public contracts.

In addition, some exemptions appear designed for vehicles the fleet owner is purchasing or placing into service, not for contractor-owned vehicles that a public agency neither owns nor controls. A public agency cannot always obtain from a contractor the documentation that CARB might require for an exemption, particularly for subcontracted vehicles, short-term work, emergency work, or vehicles serving multiple customers.

ACWD requests CARB create a categorical safe harbor for essential public infrastructure contracts, including water, wastewater, stormwater, flood-control, emergency repair, solid waste, hazardous waste, and public works construction contracts, where the contractor certifies that it is not subject to the State and local government ACF fleet requirements and that it remains responsible for compliance with any other applicable CARB regulations.

6. Additional requested Revisions, Clarifications, and Considerations:

ACWD respectfully requests that CARB revise the proposed amendments and accompanying guidance to address the contracted-vehicle issue before final adoption.

Additionally, ACWD requests that CARB:

- 1. Provide an automatic or streamlined exemption for contracted specialty vehicles and heavy-duty vehicles where ZEVs are not commercially available, not available in the required configuration, or not capable of meeting the required duty cycle.*
- 2. Confirm that contract renewals, change orders, extensions, emergency work authorizations, on-call task orders, and amendments to existing service or construction contracts do not constitute adding new vehicles to the public agency's California fleet unless the public agency specifically requires the addition of a dedicated vehicle to serve as part of the agency's fleet.*
- 3. Provide a multi-year transition period before any contracted-service vehicle reporting or compliance obligation affects a State or local government agency's ACF compliance calculation.*
- 4. Develop a simplified reporting framework that does not require public agencies to collect VIN-level, mileage-level, or fleet-composition data from every contractor and subcontractor performing public works or maintenance services.*
- 5. Conduct additional rigorous economic and operational analysis of the effect of the contracted-vehicle language on public agencies, essential infrastructure projects, small contractors, disadvantaged business enterprises, emergency repair work, procurement competition, and public-service reliability.*
- 6. Add language which preserves CARB's intended authority over true fleet-operation contracts while avoiding unintended consequences for ordinary public works and essential-service contracts, such as:*

"For purposes of this article, a State or local government agency does not 'contract for the operation of' a vehicle, and such vehicle is not part of the agency's fleet, solely because the agency enters into a contract for construction, public works, repair, maintenance, hauling, waste disposal, emergency response, professional services, or other services where the contractor uses privately owned or controlled vehicles as tools to perform the contracted work. Contractor-owned vehicles shall be included in the agency's fleet only where the contract is principally for the operation of vehicles on behalf of the agency as a dedicated substitute for, or extension of, the agency's own fleet, and the agency exercises operational control over the vehicles or requires the vehicles to be dedicated to agency service."

California Air Resources Board
Page 7
June 16, 2026

We appreciate the opportunity to participate in the rule-making process. Should you have any questions about these comments, please feel free to contact Rangarajan Sampath at (510) 668-6552, by email Rangarajan.Sampath@acwd.com, or via U.S. mail at the letterhead address.

Thank you for considering these comments.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'D Stevenson', with a stylized flourish at the end.

Dan Stevenson
Director of Operations and Maintenance
Alameda County Water District