

# Agenda Report

**TO:** CITY COUNCIL                      **DATE:** FEBRUARY 7, 2005  
**FROM:** CITY MANAGER  
**SUBJECT:** AUTHORIZATION TO SUBMIT AN APPLICATION TO THE  
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
(SCAQMD) FOR A NATURAL GAS REFUELING STATION  
INFRASTRUCTURE GRANT

## RECOMMENDATION

It is recommended that the City Council authorize the City Manager to execute a grant agreement, amendments, and any other documents necessary to secure and implement such grant.

## BACKGROUND

In 1999, the SCAQMD released its Multiple Air Toxics Exposure Study II (MATES II), which identified diesel fuel particulates as a toxic air contaminant and the number one contributor to increased cancer risk among air pollutants. As a result, the SCAQMD introduced a series of Fleet Rules designed to reduce the amount of diesel particulates released into the atmosphere. Fleet Rule 1196 mandates that municipalities can no longer purchase diesel-fueled vehicles after July 1, 2002. For vehicles with a Gross Vehicle Weight Rating over 26,000 lbs, Compressed Natural Gas (CNG) is the only fuel available. The City of Pasadena currently owns six CNG vehicles and is retrofitting eight additional refuse packers to operate on dual fuel (CNG and diesel), with plans to purchase additional CNG heavy-duty vehicles during upcoming replacement cycles.

As part of the FY 2005 Municipal Buildings and Facilities Capital Improvement Program, Council approved a new project calling for the installation of a CNG refueling station at the City Yards. Since then, staff has had several project feasibility meetings with representatives from the Gas Company, SCAQMD and independent contractors, and has investigated grant opportunities. As a result, the original project scope was split into four phases at a total cost of \$850,000. In order to meet grant eligibility requirements, the initial phase must include construction of a time-fill and fast-fill station, with hydrogen compatibility. The cost estimate for Phase I is \$500,000, of which \$250,000 was appropriated

as part of the FY 2005 CIP. Phase I will give the City fueling capabilities for 20 CNG vehicles.

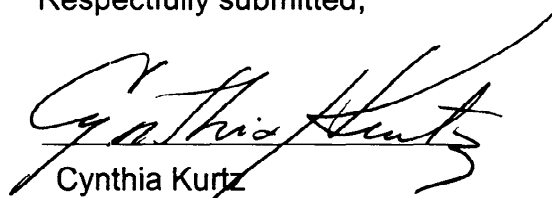
On January 11, 2005, the SCAQMD published a Request for Proposal (RFP) to solicit proposals for Natural Gas Refueling Station Infrastructure Projects. The SCAQMD RFP has offered matching funds up to 50 percent. If awarded, the City could receive a maximum of \$250,000, which would provide the remaining monies needed to complete Phase I. As additional funding becomes available, the City may chose to complete the remaining project phases, which would allow fueling capacity for up to 60 CNG vehicles.

Staff became aware of the SCAQMD program announcement the week of January 5, 2005 and applications are due beginning February 14, 2005. Awards will be made on a first-come, first-serve basis. Any acceptance of a grant award is contingent upon Council approval.

**FISCAL IMPACT**


If awarded, this grant will help provide funding for the initial construction of a Compressed Natural Gas fueling station at the City Yards.

Respectfully submitted,




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City Manager

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Approved by:



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