



Agenda Report

April 30, 2018

TO: Honorable Mayor and City Council

THROUGH: Municipal Services Committee (April 24, 2018)

FROM: Water and Power Department

SUBJECT: AUTHORIZE APPLICATION AND AGREEMENTS NECESSARY TO PARTICIPATE IN THE MOBILE SOURCE AIR POLLUTION REDUCTION REVIEW COMMITTEE'S LOCAL GOVERNMENT PARTNERSHIP PROGRAM FOR QUALIFYING CLEAN AIR PROJECTS

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA"), pursuant to State CEQA Guidelines per Section 15061 (b)(3), the "General Rule";
2. Approve the City's participation in the Mobile Source Air Pollution Reduction Review Committee ("MSRC") Local Government Partnership Program ("Program");
3. Acknowledge receipt of the MSRC-provided PowerPoint Presentation on the Program (Attachment A), as required to participate in the Program;
4. Authorize staff to submit an application for qualifying clean air projects and designate the General Manager of the Water and Power Department as the authorized representative for the City of Pasadena; and,
5. Authorize the City Manager or designee to sign all required documents, application, agreements and amendments with the South Coast Air Quality Management District ("SCAQMD") to receive MSRC's Local Government Partnership Program Funds.

BACKGROUND:

The MSRC recently approved \$21 million for cities and counties within the SCAQMD jurisdiction to invest in local clean vehicle, fuel and transportation projects. The Program is unique in that it does not utilize a competitive grant application process, but rather, the MSRC has set aside a pro-rata funding amount for each city and county to participate. This funding allocation is based upon the amount of AB 2766 Motor Vehicle Subvention

Program Funds currently received by each jurisdiction based on population. AB 2766 funds are available for local governments to implement programs that reduce air pollution from vehicles. Under the Program, MSRC has reserved reimbursement-based funding of up to \$183,670 for the City of Pasadena.

The MSRC designed the program so that it can partner directly with eligible cities and counties to “jump-start” clean transportation projects that will be needed to successfully implement the 2016 Air Quality Management Plan (“AQMP”) developed by SCAQMD. The AQMP provides the blueprint for how the region will achieve federal air quality standards and emphasizes the need for an accelerated transition to zero and near-zero emission vehicles along with the necessary supporting infrastructure so that federal air quality standards can be met.

There are five broad categories of projects that are eligible for funding assistance through the program:

1. Light-duty Zero Emission Vehicle Purchases or Leases;
2. Medium & Heavy-Duty Zero Emission Vehicle Purchases;
3. Near-Zero Emission Heavy Duty Alternative Fuel Vehicle Purchases & Repowers;
4. Electric Vehicle (“EV”) Charging Infrastructure Installation; and,
5. Alternative Fuel Refueling Infrastructure New Construction or Expansion.

Pasadena Water and Power (“PWP”) is currently developing a Strategic Plug-in Electric Vehicle Initiative that includes numerous projects that would qualify for Program funding. The goal is to reduce emissions associated with transportation by taking advantage of renewable energy provided by PWP, which is on pace to provide 40% of its electricity from renewable sources by 2020 and 50% by 2030. The plan also includes initiatives to accelerate the adoption of plug-in EVs in the community and manage EV charging behavior in order to maximize use of renewable energy sources offered by PWP while mitigating or limiting the impact on the local power distribution system. Proceeds from the MSRC grant will be used to leverage funding provided by the City towards investment in EV charging infrastructure, as summarized in Table I.

Table I – EV Charging Infrastructure Projects

Project Type	No. of Stations	Estimated Project Cost*	Grant Reimbursement	Net Cost to City
Install City Fleet Charging Stations	25	\$200,000	\$100,000	\$100,000
Install Publicly Available Charging Stations at City Parking Facilities	15	\$150,000	\$83,670	\$66,330
Total	40	\$350,000	\$183,670	\$166,330

* Preliminary estimates for installed cost of charging infrastructure, associated communications equipment, and necessary electric service upgrades

Upon receiving City Council approval for participation in the MSRC Local Government Partnership Program, PWP staff will prepare a project application consistent with the

recommended actions and Table I. Upon approval by MSRC, the City will enter into an agreement with the SCAQMD, on behalf of MSRC, to participate in the program.

COUNCIL POLICY CONSIDERATION:

This proposed action supports the City Council Strategic Planning Goals, as well as the Climate Action Plan and General Plan, in reducing greenhouse gas ("GHG") emissions, expanding sustainable mobility and land use, and the city's commitment to a more sustainable community.

ENVIRONMENTAL ANALYSIS:

The recommended action is exempt from CEQA pursuant to State CEQA Guidelines per Section 15061 (b)(3), the "General Rule" that CEQA only applies to projects that may have an effect on the environment.

FISCAL IMPACT:

Based on the estimated project costs in Table I, the maximum cost of this action will be \$350,000, including \$183,670 reimbursable expenditures, for a net cost to the City of \$166,330, if the grant is awarded. Funding for this action will be requested in the Light and Power Fund Capital Improvement Project ("CIP") budget for EV charging infrastructure in fiscal year 2019. It is anticipated that all of the cost will be spent in fiscal year 2019.

MSRC's Local Government Partnership Program has reserved reimbursement-based funding of up to \$183,670 for the City of Pasadena. Upon approval of the project plan application by MSRC, the City will have up to five years to complete the projects. The Program requires a local match of 25 or 50 percent of net project cost, depending upon the type of project or vehicle procurement.

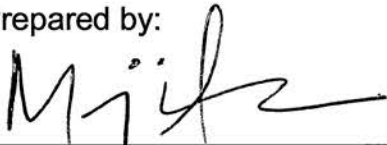
The anticipated impact to other operational programs or capital projects as a result of this action will be none.

Respectfully submitted,



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Prepared by:



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Approved by:



STEVE MERMELL
City Manager

Attachments:

Attachment A – MSRC PowerPoint Presentation