

Contract Number **ML06071**

MSRC – Purchase of Three CNG Vehicles and the Installation of a CNG Station

City of Santa Monica

November 7, 2014

Prepared for the Mobile Source Air Pollution Reduction Review Committee

(MSRC) under the AB 2766 Discretionary Fund Work Program



City of
Santa Monica®

FINAL REPORT

MSRC CONTRACT NO. ML06071

Purchase of Three Heavy-duty CNG Vehicles and the Installation of a Time-fill CNG Fueling Station at
2500 Michigan Ave, Santa Monica

THE CITY OF SANTA MONICA

Prepared for the Mobile Air Pollution Reduction Review Committee (MSRC) under the AB2766
Discretionary Fund Work Program.

Acknowledgements:

We'd like to thank the staff of the MSRC, especially Rachel Valenzuela and Cynthia Ravenstein, for their patience and help in successfully completing this contract.

This report was submitted in fulfillment of MSRC Contract No. ML06071 for the purchase of three heavy-duty CNG vehicles and the installation of a time-fill CNG fueling station at 2500 Michigan Ave, Santa Monica, under the partial sponsorship of the Mobile Source Air Pollution Reduction Review Committee (MSRC).

Disclaimer:

The statement and conclusions in this report are those of the contractor and not necessarily those of the Mobile Source Air Pollution Reduction Review Committee (MSRC) or the South Coast Air Quality Management District (SCAQMD). The mention of commercial products, their sources or their uses in connection with material reported herein is not to be construed as either an actual or implied endorsement of such products.

Scope & Background:

Since 1991, the City of Santa Monica has utilized funding from California Assembly Bill 2766 to reduce air pollution from mobile sources. Through the partial sponsorship of the MSRC, the City of Santa Monica was able to purchase three heavy-duty CNG vehicles and install a small time-fill CNG station at 2500 Michigan Ave, Santa Monica.

Due to the delays experienced for the construction of the CNG station and the purchase of the three heavy-duty CNG vehicles, the City of Santa Monica submitted a contract modification in early 2013 to extend the contract term by 40 months from the in-service date of the vehicles and the installation of the CNG time-fill station. The SCAQMD MSRC approved the contract modification in a letter dated May 21, 2013 but staff did not execute the contract modification prior to the expiration of the original contract date of July 11, 2013 due to error.

The SCAQMD's Mobile Source Air Pollution Reduction Review Committee agreed to issue a replacement contract at its October 17, 2013 meeting, resulting in a new contract term to November 30, 2016.

Project Description & Problems Encountered:

FuelMaker Corporation was the sole manufacturer of small CNG station parts and equipment and Gas Equipment Systems was the authorized FuelMaker dealer for California. A sole source agreement with Gas Equipment Systems was approved in March 2008. Staff coordinated the work with Gas Equipment Systems, worked on drawings and permits for the station, and coordinated the permitting process with the Southern California Gas Company. The permitting process was delayed because Southern California Gas Company took approximately one year to verify gas pressures, gas quality, and install a meter to service the new station. During this process Gas Equipment Systems became Mansfield Gas Equipment Systems. The permit to build the small CNG station was issued in March 2011 and the installation of the small, time-fill CNG station was completed by Mansfield Gas Equipment Systems in November 2011.

The CNG station is located at the City Yards and has increased operational efficiency by allowing up to eight CNG vehicles to refuel overnight and by adding a reliable fuel source to the City's inventory.

The purchase of three heavy-duty CNG vehicles for Water Resources operations was also delayed because CNG engines were not available for heavy-duty vehicle applications. Staff was aware of one company that was working on California Air Resources Board (CARB) approvals for a CNG-fueled engine, but pulled out of the market. It was some time before another company came out with an engine that met all required certifications. As CNG engines for heavy-duty vehicle applications became available, staff developed specifications and went to bid in March 2009. The user group determined that the bids received did not meet their needs and the specifications were modified. The new bid was released in March 2010. Council awarded the bid for the purchase of three heavy-duty CNG vehicles to Plumbers Depot, Inc. on July 27, 2010. All three heavy-duty CNG vehicles were purchased and in service by February 2011.

Emissions Benefits:

Heavy-duty, natural gas vehicles, such as these sewer jetters, produce 90% less CO emissions, 75% less NOx and 68% less PM2.5 when compared to in-use gasoline and diesel vehicles.¹ These emissions contribute to a variety of air quality issues including particulate matter pollution, smog and climate change.² By replacing gasoline for CNG -powered vehicles, the City of Santa Monica is taking a profound step toward reducing its impact on the environment.

In addition to the environmental benefits afforded by CNG, a significant cost savings is realized with the less expensive fuel. According to data from the US Department of Energy, since 2009, CNG has been, on average, \$1.14 less expensive than gasoline, per gasoline gallon equivalents (CGE).³

As a result of the change, these three vehicles save thousands of dollars in fueling costs alone. Although CNG vehicles have a higher initial cost, the MSRC grant helps offset this difference.

Photographs & Outreach:

Included in this report are photographs of the compressed Natural Gas Station and three sewer jetter vehicles displaying the MSRC Logo Decals. Also included is a copy of the article that was published as a result of the press release dated 10/14/2014.

¹ http://www.ngvc.org/about_ngv/ngv_environ.html

² <http://www.epa.gov/otaq/consumer/05-autos.pdf>

³ Based on national average prices. <http://www.wingpowersystem.com/natural-gas/pricing>

Heidi Duran

From: Carrie Lujan
Sent: Tuesday, October 14, 2014 11:15 AM
Cc: Rick Sikes
Subject: City's Fleet Division Participates in MSRC Local Government Match Program



City of Santa Monica NEWS

DATE: October 14, 2014

CONTACT: Rick Sikes, Fleet Management Superintendent, (310) 458-8514

City's Fleet Division Participates in MSRC Local Government Match Program

City of Santa Monica received partial funding for purchase of 3 Heavy-Duty Compressed Natural Gas (CNG) Vehicles and the Installation of a Small CNG Station

The City of Santa Monica received a grant (Contract No. ML06071) from the Mobile Source Air Pollution Reduction Review Committee (MSRC) of the South Coast Air Quality Management District (SCAQMD) to partially fund the purchase of 3 heavy-duty vehicles and the installation of a small CNG station. Three sewer jetter trucks, powered by compressed natural gas (CNG) were purchased for the Water Department and the small CNG station was installed at the City's corporate yards.

The purchase cost of \$925,000 was offset by MSRC contributions of \$149,925 for the purchase of these vehicles and the installation of the small CNG station. The grant helps offset the incremental cost of CNG vehicles and installation of the CNG station and assists the city in complying with AQMD Fleet Rules and the City's Sustainability Plan. The City of Santa Monica's fleet is made up of 70% alternative fuel vehicles, including CNG, LPG, electric, biodiesel and hydrogen. These vehicles emit considerably fewer emissions compared to conventional, unleaded gasoline and diesel vehicles. Additionally, the city supplies its vehicles with CNG for less than half the cost of diesel and gasoline.

The MSRC's sole mission is to fund projects that reduce air pollution from motor vehicles within the SCAQMD.
For more information, visit <http://www.cleantransportationfunding.org/>.

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SANTA MONICA MIRROR

NEWS, SANTA MONICA CITY HALL

Santa Monica's City Fleet Division Participates In MSRC Local Government Program

POSTED NOV 6, 2014, 8:28 AM
MIRROR STAFF

The City of Santa Monica received a grant in October from the Mobile Source Air Pollution Reduction Review Committee (MSRC) of the South Coast Air Quality Management District (SCAQMD) to partially fund the purchase of three heavy-duty vehicles and the installation of a small CNG station.

Three sewer jetter trucks, powered by compressed natural gas (CNG) were purchased for the Water Department and the small CNG station was installed at the City's corporate yards.

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The City of Santa Monica's fleet is made up of 70 percent alternative fuel vehicles, including CNG, LPG, electric, biodiesel and hydrogen.

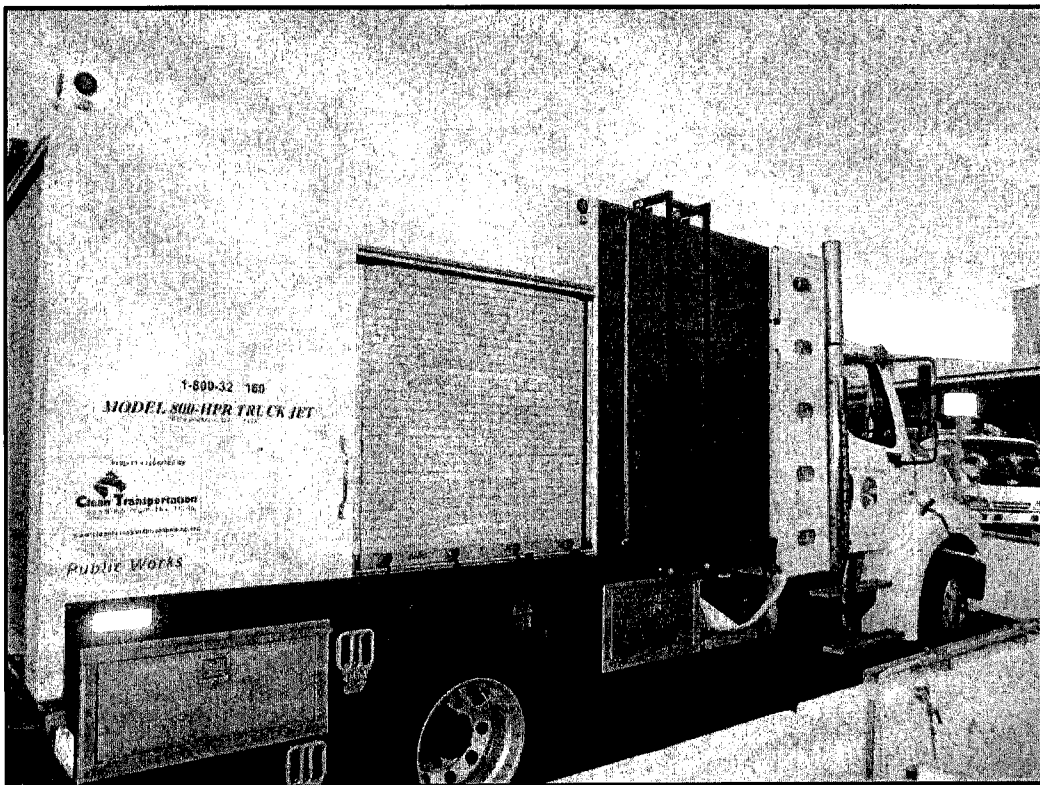
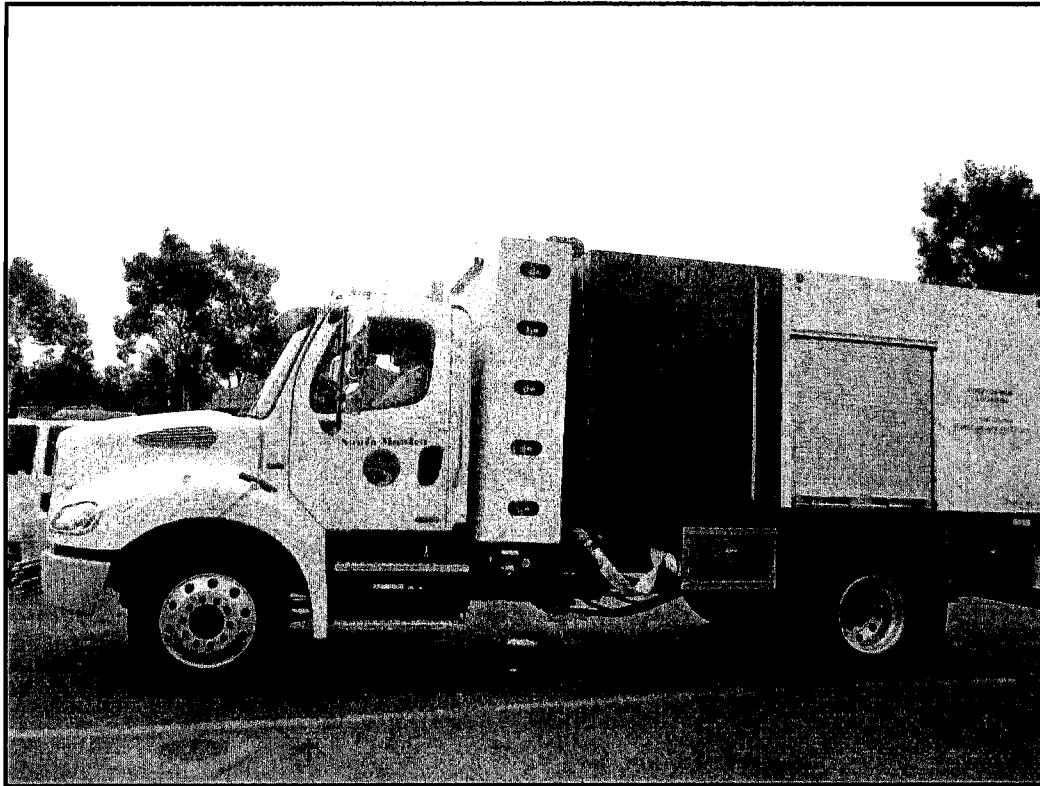
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Unit #20056



CNG Station

