

# CITY OF COMMERCE AGENDA REPORT

| TO: | Honorable City Council | Item No. |
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| IU. | HOHOLADIE CITA COULCII |          |

**FROM:** City Administrator

**SUBJECT:** Appropriation of Funds for Initial Design to Supply Electrical Power to

the Existing Fueling Station next to the Commerce Refuse-to-Energy

Facility (CREF)

MEETING DATE: September 18, 2018

#### **RECOMMENDATION:**

Appropriate \$10,000 from Measure AA funds for Southern California Edison (SCE) to prepare the initial design and develop plans for supplying electrical power to the existing fueling station next to the CREF facility, so that it can continue its operations in supplying natural fuel to buses and other vehicles for the City's Transportation Department.

### **BACKGROUND:**

The electrical power that feeds *Compressed Natural Gas* (CNG) and *Liquefied Natural Gas* (LNG) fueling station comes from the *Commerce Refuse-to-Energy Facility* (CREF). It was the first of its kind in southeast Los Angeles. Located at 5940 Sheila Street (along an alley) in an industrialized region of the City; the station is situated at the intersections of I-5 and the I-710 freeways. It provides environmentally-friendly CNG and LNG fuel for the public transit buses and other City vehicles operated by the Transportation Department.

Commerce Refuse-to-Energy Facility (CREF) was opened in 1987 and maintained and operated by the County Sanitation Districts of Los Angeles County. The CREF facility officially closed its operations on June 26, 2018 due to operating costs.

Although, much of the CREF facility will still remain, Southern California Edison (SCE) will dismantle the sub-station that supplies power to the CREF facility due to the fact that the power CREF used to generate to the grid would cease. This will mean that the CNG/LNG fueling station must shut down once the sub-station is dismantled if an alternative power source for the CNG/LNG fueling station is not secured.

Therefore, it's imperative that another mechanism is put in place to supply electrical power to the CNG/LNG fueling station so it can continue its operations in supplying CNG and LNG fuel to the City's buses and vehicles as well as external paying customers.

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#### **ANALYSIS:**

City staff, along with Southern California Edison (SCE) Planning Division, made arrangements to provide a separate electrical power source to the CNG/LNG fueling station in July 2018.

Under this proposed agreement, SCE planners are to design the actual power source, including power lines, transformers, meters, etc. that will connect from an existing power source along Sheila Street and will run underground along the existing alley and connect directly to the CNG/LNG fueling station. The alley is currently owned and maintained by the CREF.

This design will take approximately eight (8) weeks and will be prepared by SCE's Planning Division. The cost of this design is approximately \$10,000 and will be funded by the City through Measue AA funds.

Additionally, two (2) easements are required. One easement will account for the new underground power source that will supply electricity to the fueling station, thereby making it operable. It will be created and planned by the real property division within SCE and will be part of the \$10,000 cost in implementing the design. The second easement will be an access easement to the CNG/LNG fueling station in order to ingress and egress to and from the fueling station.

The actual construction request of the underground power line through the alley will come at a future date after the design and easements have been reviewed and approved.

At that time, the construction cost will be determined and funding will be recommended to the City Council for approval.

#### **ALTERNATIVES:**

- 1. Approve staff recommendation
- 2. Disapprove staff recommendation
- 3. Provide further direction to staff

## **FISCAL IMPACT:**

The initial cost for SCE to perform the design of the proposed underground power line installation underneath the alley and also for the required easements is estimated to be \$10,000. The Measure AA Committee approved the funding at their August 14<sup>th</sup> meeting.

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Construction costs to implement this plan will be determined and brought forth to the City Council for approval at a later date.

Approved by: Maryam Babaki, P.E., Director of Public Works and Development Services

Prepared by: Chidi Ugwueze, Facility CIP Project Manager

Reviewed by: Vilko Domic, Finance Director Approved as to form: Noel Tapia, City Attorney

Respectfully submitted: Edgar P. Cisneros, City Administrator