



CITY OF COMMERCE AGENDA REPORT

TO: City Council

Item No. _____

FROM: City Manager

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF COMMERCE, CALIFORNIA, AUTHORIZING USE OF SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (CARL MOYER PROGRAM) GRANT FUNDS

MEETING DATE: July 2, 2019

RECOMMENDATION:

It is recommended that the City Council take the following actions:

- 1) Adopt a resolution authorizing staff to accept an award of incentive funds in the amount of \$866,305 from South Coast Air Quality Management District (SCAQMD) Carl Moyer Program; and
- 2) Authorize the City Manager or designee to execute all necessary documents to accept the incentive funds; and
- 3) Upon award of grant funds, authorize inclusion of said funds in the Fiscal Year 2019-2020 transportation budget.

BACKGROUND:

On April 27, 2017, the South Coast Air Quality Management District (SCAQMD) announced a Carl Moyer Program (Reference Attachment, Carl Moyer Program Guidelines), indicating incentive funds are available for expansion and upgrade to the City's LCNG station, and thereby furthering the City's goal to reduce air pollutant emissions. The Carl Moyer Program is a grant program that funds the incremental cost of cleaner-than-required engines, equipment, and other sources of air pollution. Since 1998, the Moyer Program has been successful in reducing smog-forming and toxic emissions cost-effectively. Although air pollution regulations have significantly reduced emissions and improved air quality across the State, many areas of California continue to experience unhealthy air. The Moyer Program complements California's regulatory program by providing incentives to obtain early or extra emission reductions, especially from emission sources in minority and low-income communities, and areas disproportionately impacted by air pollution. Incentives encourage customers to purchase cleaner technologies and stimulate the marketplace to manufacture cleaner technologies.

Although the Moyer Program has grown in scope, it retains its primary objective of obtaining cost-effective and surplus emission reductions to be credited toward California's legally-enforceable obligations in the State Implementation Plan (SIP) – California's road map for attaining health-based national ambient air quality standards. An application for funding was submitted on behalf of the City of Commerce (City) and approved.

ANALYSIS:

The SCAQMD Carl Moyer Program grant funds shall be used for equipment replacement and various upgrades to the City's LCNG station. Keeping equipment in top operational condition, as well as timely replacement of equipment which has met or exceeded useful life is essential to meeting operational goals. The upgrades will increase fueling speed, add redundancy, and allow for simultaneous vehicle fueling and offloading, a common issue experienced due to the existing single LNG tank and offloading configuration.

ALTERNATIVES:

- 1) Authorize use of South Coast Air Quality Management (SCAQMD) Carl Moyer Program Grant Funds; or
- 2) Reject staff recommendations: and/or
- 3) Provide staff with further direction.

FISCAL IMPACT:

Upon award and after receipt of SCAQMD Carl Moyer Program grant funds, staff anticipates expenditures will commence in Fiscal Year 2019-2020. Therefore, funding will be appropriated in Fiscal Year 2019-2020 budget under revenue account 57-5100-37506 (SCAQMD Grant Funding).

RELATIONSHIP TO STRATEGIC GOALS:

This agenda item relates to the 2016 Strategic Planning Goal: "Grow revenues to ensure expenses are being met, remain fiscally responsible and continue to provide quality services to the residents," as the equipment upgrades to the City's LCNG station will aid in increasing revenue and mitigate maintenance related expenses.

Recommended by: Claude McFerguson, Director of Transportation
Fiscal impact reviewed by: Vilko Domic, Director of Finance
Approved as to form by: Noel Tapia, City Attorney
Respectfully submitted: Edgar P. Cisneros, City Manager

Attachments:
Agreement
SCAQMD Carl Moyer Program Guidelines