

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
11	09/10/12	Open	Action	08/30/12

Subject: Whether or not to Approve the License Agreement for use of Compressed Natural Gas Fueling Facilities with Twin Rivers Unified School District

ISSUE

Whether or not to approve the License Agreement for use of Compressed Natural Gas Fueling Facilities with the Twin Rivers Unified School District.

RECOMMENDED ACTION

Adopt Resolution No. 12-09-_____, Approving the License Agreement for Use of Compressed Natural Gas Fueling Facilities with the Twin Rivers Unified School District.

FISCAL IMPACT

None

DISCUSSION

In December 2009, Twin Rivers Unified School District (TRUSD) staff approached Regional Transit (RT) staff inquiring about using RT's fueling facilities. TRUSD has been using a facility located at, and operated by, McClellan Park that is scheduled to be shut down due to its age.

In January 2010, RT with the support of TRUSD, applied for a \$500,000.00 California Energy Commission Grant for the Bus Maintenance Facility (BMF2) fueling equipment installation. TRUSD provided RT a letter of support for the new fueling station at BMF 2, located in McClellan Park, as it would be well-located for TRUSD use. The grant was awarded and the grant agreement was executed in May 2011.

RT Staff is now nearing completion of the BMF2 fueling equipment installation. RT's agreement with PG&E for natural gas requires a minimum use of fuel; if the minimum use is not met, RT will be required to pay penalties. RT will not be able to meet these requirements during the first 2-4 years. With TRUSD also using the fueling facility, this will supplement the usage and will help to achieve the minimum use goal. TRUSD anticipates fueling 35 buses.

Staff is also working on an agreement with McClellan Park to manage RT's public fueling equipment for other public agencies in the region.

The agreement between RT and TRUSD contains the following requirements:

- TRUSD pays for 100% of its fuel use.
- TRUSD pays a small maintenance fee that is to be calculated per therm.
- TRUSD agrees to fuel at times that do not interfere with RT's use.

Approved:

Presented:

Final 09/04/12

General Manager/CEO

Chief of Facilities and Business Support Services

J:\FBSS Div (FM)\Issue Papers\2012\Contract to allow Twin Rivers to Fuel at RT CNG facilities.doc

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
11	09/10/12	Open	Action	08/30/12

Subject: Whether or not to Approve the License Agreement for use of Compressed Natural Gas Fueling Facilities with Twin Rivers Unified School District

- RT will operate the compressor system; this does not include dispensing.
- RT will provide a card lock system as part of the fueling facility system.
- TRUSD staff will be trained by RT staff to dispense their own fuel.
- RT will invoice TRUSD monthly for the fuel use that will be tracked by the card lock system.

Staff recommends approving the license agreement to allow Twin Rivers Unified School District to fuel at Regional Transit's CNG fueling facilities at McClellan Park.

RESOLUTION NO. 12-09-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

September 10, 2012

APPROVING A LICENSE AGREEMENT FOR USE OF COMPRESSED NATURAL GAS FUELING FACILITIES WITH THE TWIN RIVERS UNIFIED SCHOOL DISTRICT

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the License Agreement for use of Compressed Natural Gas fueling facilities between the Sacramento Regional Transit District, therein referred to as "RT," and Twin Rivers Unified School District, therein referred to as "Twin Rivers," wherein RT agrees to allow Twin Rivers to fuel at RT's CNG fueling facilities at McClellan Park, and Twin Rivers agrees to compensate RT for such use, on the terms and conditions further set forth therein, is hereby approved.

THAT, the Chair and General Manager/CEO are hereby authorized and directed to execute said License Agreement.

BONNIE PANNELL, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary