

# City of Sacramento

## Legislation Text

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**File #:** 2019-01246, **Version:** 1

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**Title:**

**Licensing Agreement for CNG Fueling at Sacramento Regional Transit Facilities**

**File ID:** 2019-01246

**Location:** Citywide

**Recommendation:**

Pass a Motion: 1) approving an amendment to the City's licensing agreement with Sacramento Regional Transit (RT), effective August 17, 2019, for the purchase of compressed natural gas through August 17, 2022; and 2) authorizing the City Manager or the City Manager's designee to execute the purchases specified above.

**Contact:** Alison Kerstetter, Program Specialist, (916) 808-1163; Mark Stevens, Fleet Manager, (916) 808-5869, Department of Public Works

**Presenter:** None

**Attachments:**

- 1-Description/Analysis
- 2-Agreement

**Description/Analysis**

**Issue Detail:** The Department of Public Works, Fleet Management Division, has an ongoing requirement to purchase compressed natural gas (CNG) for various city departments. The agreement will allow the City to use the Sacramento Regional Transit (RT) fuel site to purchase CNG.

**Policy Considerations:** The recommendations in this report are in accordance with City Code Chapter 3.56.

**Economic Impacts:** None

**Environmental Considerations:** No environmental review is necessary because the

recommendations in this report involve the purchase of CNG for City vehicles and is not considered to be a project in accordance with Section 15378(b)(2) of the California Environmental Quality Act (CEQA) guidelines.

**Sustainability:** The recommended purchases are consistent with the updated Fleet Sustainability Policy adopted by City Council on December 12, 2017 (Resolution No. 2017-0478). The use of CNG provides a cleaner burning fuel and decreases the City's dependency on fossil fuels.

**Commission/Committee Action:** None

**Rationale for Recommendation:** Currently, the City of Sacramento does not own a CNG fueling station. This agreement will allow the City to use RT's fuel site to purchase CNG fuel. RT has competitively bid the fuel which we are purchasing. Approval is recommended for one (1) additional year as the total number of years on the agreement exceeds five (5) years.

**Financial Considerations:** Purchases under the recommended agreement will be made from in the Department of Public Works, Fleet Management Division's operating budget (Fleet Fund, Fund 6501) and charged to the appropriate Department's operating budget.

Sufficient funds are available in the Department of Public Works, Fleet Management Fiscal Year (FY) 2019/20 operating budget for CNG purchases made through June 30, 2020. Purchases made after June 30, 2020, are subject to funding availability in the adopted budget of the applicable fiscal year.

**Local Business Enterprise (LBE):** Not applicable.