

AGENDA



Thursday, May 13, 2010

**Fleet Services
RECOMMENDATION FOR COUNCIL ACTION****Item No. 10**

Subject: Approve an Ordinance authorizing acceptance of \$607,209 in American Recovery and Reinvestment Act grant funds from the U.S. Department of Energy through the Texas Comptroller of Public Accounts' State Energy Conservation Office programs; amending the Fiscal Year 2009-2010 Fleet Services Revenue Fund of Ordinance 20090914-002 to appropriate these funds; and amending the Fiscal Year 2009-2010 Fleet Services Capital Budget of Ordinance 20090914-003 to appropriate these grant funds for an emissions reduction project.

Amount and Source of Funding: Funding in the amount of \$607,209 is available from the Department of Energy through the Texas Comptroller of Public Accounts as a result of the American Recovery and Reinvestment Act of 2009 with a project completion date of December 31st 2011. The City will provide matching funds in the amount of \$151,802.

Fiscal Note: A fiscal note is attached.

For More Information: Gerry Calk, Fleet Officer 974-1541

The Department of Energy through the Texas Comptroller of Public Accounts (Comptroller) awarded the City of Austin Fleet Services \$607,209 in grant funds. The grant funds will be used in an emissions reduction project which includes the conversion of 38 City owned Prius vehicles to Plug-in Hybrid Electric Vehicles (PHEVs), the installation of 38 PHEV recharging stations, and the conversion of one gasoline fuel site at the downtown service center for the Austin Police Department (APD) units to Ethanol (E85).

Accepting the grant funds will bring the City closer to the citywide objective of obtaining carbon neutrality by 2020. The PHEVs will be powered with emissions-free electricity from Austin Energy's Green Choice Program. This will reduce annual fuel usage by 4,600 gallons annually, saving \$14,500 and will reduce carbon (CO₂) emissions. The projected total reduction in CO₂ emissions from the conversion of the 38 Prius vehicles to PHEVs is 45,396 pounds or 22.7 tons annually. In addition, the conversion of the one downtown fuel site to E85 is estimated to reduce CO₂ emissions by an additional 15% and reduce reliance on imported oil resulting in the displacement of an estimated 102,000 gallons of gasoline per year through increased usage of 10,000 gallons of E85 per month (growth from 5,000 to 15,000 gallons); and the displacement of 2,340 gallons of gasoline per year through the PHEV conversions.

The total estimated cost of the project is \$759,011 of which the Comptroller's State Energy Conservation Office grant covers \$607,209. The City is required to provide matching funds of \$151,802. These funds will be provided by Solid Waste Services (\$18,720), Austin Water Utility (\$16,640), Austin Transportation Department (\$16,640) Planning Development and Review (\$10,400), Vehicle Acquisition Fund (\$77,400) and Fleet Services (\$12,002).