



## CITY OF RICHMOND

### Department of Planning & Development Review *Staff Report*

**Ord. No. 2016-129:** To authorize the Chief Administrative Officer to accept \$89,927 from the Virginia Department of Mines Mineral & Energy and Virginia Clean Cities for the incremental cost of nine (9) new compressed natural gas (CNG) vehicles, and one (1) vehicle converted to bi-fuel natural gas, purchased and converted since July 2014. The funds (\$89,927) will be appropriated to the Department of Public Utilities, City of Richmond Virginia Renewal Fund Budget 2015-2016.

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**To:** City Planning Commission  
**From:** Land Use Administration  
**Date:** May 2, 2016

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#### **PETITIONER**

Michael Kerns, DPU Energy Services Manager, 804-646-

#### **LOCATION**

City of Richmond

#### **PURPOSE**

To authorize the Chief Administrative Officer to accept funds in the total amount of \$99,125 from the Virginia Department of Mines, Minerals and Energy; and to appropriate the increase to the Fiscal Year 2015-2016 Capital Budget.

#### **SUMMARY & RECOMMENDATION**

State agencies and local governments in the Congestion and Mitigation Air Quality (CMAQ) areas (Richmond is in the CMAQ attainment/maintenance area) may be reimbursed up to an average of \$10,000 for the incremental cost of new alternative fuel vehicles or reasonable aftermarket conversions to alternative fuel. This funding will be used towards the purchase cost of additional vehicles fueled by compressed natural gas.

The Virginia Department of Mines Mineral and Energy and Virginia Clean Cities have made incentive funding available to local governments including Richmond. To help cover the costs of transitioning to alternative fuel vehicles, which includes compressed natural gas vehicles.

This grant is retroactive for alternative fuel vehicles purchased new or converted since July 2014. The Department of Public Utilities qualifies for this grant because the Department purchased nine (9) new CNG vehicles (dedicated and bi-fuel), and one (1) vehicle converted to bi-fuel CNG during this period.

The Department will receive funding up to \$89,927 from the Virginia Department of Mines Mineral and Energy in their Alternative Fuel Government Fleet Vehicle Incentive program.

The City Administration recommends adoption of this ordinance.

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**Staff Contact:** Michael Kerns, DPU Energy Services Manager, 804-646-5215