



DEPARTMENT

C-13CHRISTOPHER J. GARNER
DIRECTOR2400 EAST SPRING STREET • LONG BEACH, CA 90806
(562) 570-2000 • FAX (562) 570-2008

www.lbgo.org

October 24, 2006

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California**RECOMMENDATION:**

Authorize the City Manager to execute an agreement with Air Products and Chemical, Inc., to install, lease, operate, and maintain a hydrogen fuel station at 2400 E. Spring Street. (District 5)

DISCUSSION

The City of Long Beach has actively utilized and promoted the use of alternative fuel vehicles for over a decade. Long Beach was the first "Clean City" designated by the State of California. Nearly 300 alternative-fueled vehicles will be in operation in the City's fleet by the end of Fiscal Year 2007. Additionally, the City contributes to the private application of alternative fuel vehicles by offering three compressed natural gas and one liquefied natural gas fueling station for the public's use. The City is continuously searching for new opportunities to review and implement alternative fuel technology wherever feasible and affordable.

In line with these past efforts, the Department of Long Beach Gas and Oil (LBGO) is now requesting authority to enter into an agreement with Air Products and Chemical, Inc. (Air Products) to install, lease, operate, and maintain a hydrogen fueling station at the LBGO headquarters at 2400 E. Spring Street, Long Beach. Air Products, through a cooperative agreement with the U.S. Department of Energy, American Honda Motor Co., Inc., BMW of North America, LLC, Nissan North America, Inc., and Toyota Motor Sales, U.S.A., Inc., will construct, install, operate and maintain the fueling station at no cost to the City. The station will be available to the general public, and will be a component of Governor Arnold Schwarzenegger's California Hydrogen Highway Network Action Plan, which envisions a network of 150 to 200 hydrogen fueling stations (every 20 miles) throughout the State by the year 2010. The Governor's Hydrogen Highway Plan was developed to reduce the country's dependence on foreign oil, and to protect our citizens from health harms related to vehicle emissions.

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This matter was reviewed by Deputy City Attorney Richard F. Anthony and Budget Management Officer David Wodynski on October 10, 2006.

TIMING CONSIDERATIONS

City Council approval of the agreement is requested on October 24, 2006 to facilitate the installation of the hydrogen station as soon as possible. The term of the agreement will be effective October 1, 2006 through September 30, 2008.

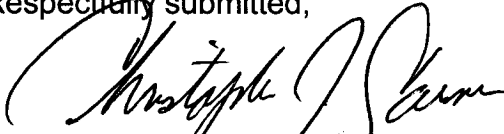
FISCAL IMPACT

There is no cost to the City to enter into this agreement. In conjunction with this agreement, a future opportunity to receive a loaner hydrogen-fueled vehicle from American Honda Motor Co., Inc., may be available.

SUGGESTED ACTION:

Approve recommendation.

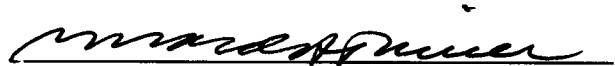
Respectfully submitted,



CHRISTOPHER J. GARNER
DIRECTOR OF LONG BEACH GAS AND OIL

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APPROVED:



GERALD R. MILLER
CITY MANAGER