



February 18, 2014

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Amend the After-Hours Parking Permit with Professional Parking Services of Signal Hill to accommodate compressed natural gas-powered shuttle buses. (District 5)

DISCUSSION

In October 2013, the Long Beach City Council authorized the Director of Long Beach Gas and Oil (LBGO) to grant an After-Hours Parking Permit to Professional Parking Services to accommodate compressed natural gas-powered shuttle buses.

The existing agreement provides for parking of seven shuttle buses on LBGO property to facilitate a one-year renewable contract between Professional Parking Services and the California State University at Long Beach (CSULB) to provide CNG-powered shuttle bus service to CSULB's campus. Shortly after the Long Beach City Council authorized the existing agreement, Professional Parking Services entered into a similar shuttle service contract with Long Beach City College to serve its more than 24,000 students on both the 112-acre Liberal Arts Campus and the 30-acre Pacific Coast Campus.

It is requested the City Council approve an amendment authorizing the Director of LBGO discretion to adjust the number of shuttle buses allowed to park on the LBGO facility as necessary should the shuttle services expand or contract, with a corresponding increase in the amount charged to Professional Parking Services. It is also requested the agreement be amended to grant the Director of LBGO the ability to periodically adjust the parking rate as necessary to remain consistent with market rates. Per the existing Natural Gas Vehicle Fueling Station Agreement between LBGO and its station operator, Clean Energy, LBGO will continue to receive a royalty payment from Clean Energy for every CNG gallon equivalent sold at the LBGO station. LBGO will also receive volumetric revenue for delivering the natural gas supplied to Clean Energy for resale at the LBGO CNG station.

This matter was reviewed by Deputy City Attorney Richard Anthony on January 27, 2014 and by Budget Management Officer Victoria Bell on January 23, 2014.

TIMING CONSIDERATIONS

City Council action is requested at its meeting on February 18, 2014, to allow for the prompt commencement of the parking arrangement.

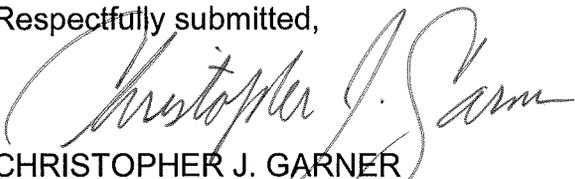
FISCAL IMPACT

The parking permit fee is anticipated to provide \$16,200 in additional annual revenue to the Gas Fund (EF 301) in the Long Beach Gas and Oil Department (GO). Additionally, increased volumetric royalties and distribution revenues will total a minimum of \$5,400 annual revenue based on the contractual monthly minimum of 3,000 CNG gallon equivalents sold. Thus, total annual revenues to the Gas Fund will increase to approximately \$21,600. These estimates will vary depending on the number of shuttle buses parked on the facility, the market rate for monthly parking, and the amount of CNG used. There will be no additional job impact associated with the recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



CHRISTOPHER J. GARNER
DIRECTOR OF LONG BEACH GAS AND OIL

CJG:CAB:LAF

APPROVED:



PATRICK H. WEST
CITY MANAGER