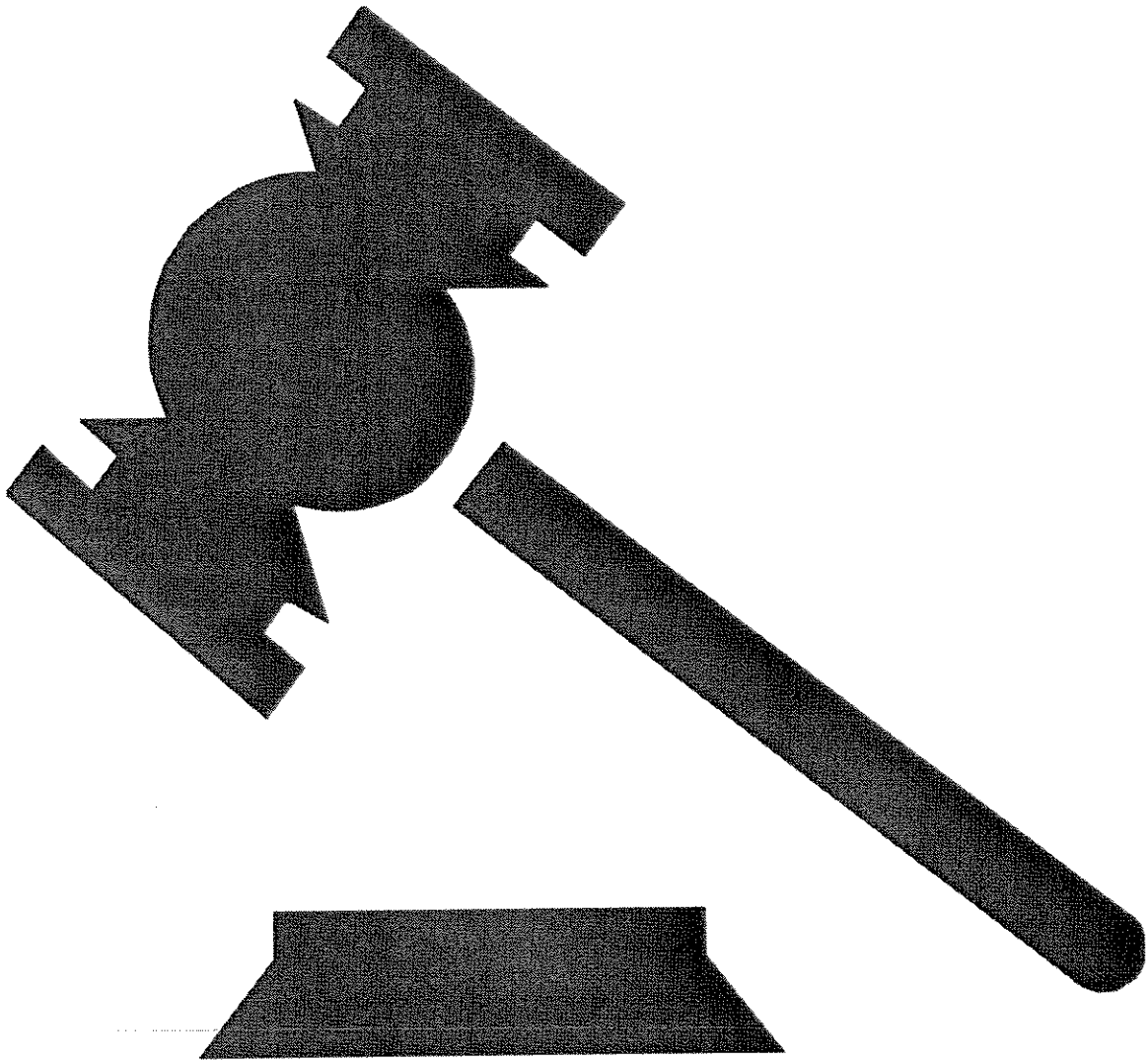




***ADMINISTRATIVE
ACTION/DISCUSSION ITEMS
AGENDA ITEMS VI. C.***

CONSTRUCTION OF ELEVATED WATER STORAGE TOWERS IN THE CITY OF REEDLEY

REQUEST: The City of Reedley ask for a Letter of Support from Fresno COG for Reedley's Elevated Storage Tower Project which is being funded in part by an EDA grant and in part by Revenue Bonds.

Purpose:

The purpose of this project is to provide a consistent, safe, reliable and protected domestic water supply storage system in order to provide increased fire protection and supply to promote economic development activity and job growth for the City of Reedley., Fresno County, California.

Need:

The City is currently served by 7 domestic water wells located throughout the City. The City currently has two 50,000 gallon elevated water tanks located in the Central Business District of the City of Reedley. With the growth the City has experienced in the past 20 years, the existing tanks are inadequate to ensure a reliable, safe, and protected water system that will provide consistent water pressure for the residents of the City, a system that will provide for an adequate water supply and pressure for emergency situations such as fire flow or loss of power for extended period of time. The Homeland Security Administration has recommended that communities take appropriate actions to ensure the safety of the community's domestic water supply. Elevated storage tanks provide for such protection.

Project Components:

This proposed project consists of constructing two 1.5 million gallon elevated water storage tanks. The two elevated water storage tanks will be constructed on two separate sites on City of Reedley owned property. One elevated water storage tank will be constructed at Mueller Park, a City owned facility. This elevated water storage tank will be constructed at the current Well 6 Site. Well 6 is an inactive well and will be removed. There is adequate room at this site for the facility.

Mueller Park is a 9.4 acre park located at East Avenue and Springfield Avenue in the central part of the City of Reedley. The footprint for the elevated water storage tank will be slightly greater than the footprint of the Well 6 site. The proposed location of the tank will be at the northeast corner of the park (the current Well 6 site).

The second elevated water storage tank will be located at the future site of the City of Reedley's Sports Park. The future Sports Park is a 48 acre site and is located on Dinuba Avenue east of Buttonwillow Avenue in the southeast part of the City of Reedley. The elevated storage tank will be sited on the property in such a way as to not interfere with

future sporting facilities that are planned for the site and both tanks at these two locations may have potential ancillary uses for the City for storage of sporting equipment or maintenance equipment for the park or water tank at the base of each elevated storage tanks.

The environmental document for both sites is expected to be a Mitigated Negative Declaration (Mitigated ND) and there are no known environmental issues that have been identified at this point in time. Environmental narratives will be prepared by Quad Knopf, an environmental engineering firm.

Meuller Park Site:

The project components for the Meuller park site include removal of the existing Well 6; site preparation (clear & grub and site grading); design and construction of the elevated water storage tank foundation, procurement of the elevated storage tank materials, construction of the elevated water storage tank, installation of required electrical components, and connection of the elevated water storage tank to the existing 10" water main that was being fed by Well 6. This storage tank will serve the central portion of the City of Reedley.

Reedley Sports Park Site:

This 48 acre site is currently within the City's Sphere of Influence and is being annexed into the City of Reedley. The project components of this site include site preparation (clear & grub and site grading); design and construction of the elevated water storage tank foundation, procurement of the elevated storage tank materials, construction of the elevated water storage tank, installation of required electrical components, and connection of the elevated water storage tank to the existing City water distribution system. As part of the park's development, the existing 10" water main located in Dinuba Avenue that currently terminates just west of Zumwalt Avenue will be extended approximately 800' east along Dinuba Avenue to the new sports park site. The new elevated water storage tank will be connected to this 10" water main. This storage tank will serve the southern portion of the City of Reedley.

General Specifications:

The tank and support structure shall be the fluted column style similar to the Hydropillar™ as designed and constructed by CB&I. The tank and support structure shall be of all welded steel design. The tank shall have a dome roof, straight sides and a coned and dished bottom.

Proposed Method of Construction:

The elevated water storage tank is a pre-engineered tank. The tank is shipped as components ready to erect. Therefore, the only site engineering needed will include a

soils analysis and the design of the tanks foundation and footings. As a result, it is anticipated by the City that the project will be awarded to a design/bid/build firm through the competitive bid process.

Construction inspection will be accomplished by a combination of City staff and a Construction Inspection firm experienced in this type of construction. The construction inspection will be awarded to a competent construction inspection under the competitive bid process.

Estimate of Useful Life of Facility:

The City estimates the useful life of this facility to be 20 years based upon the past experience of other local agencies that have constructed similar elevated water storage tanks.

Detailed Cost Estimate:

Engineer's Estimate of Probable Construction Costs:

Item	Cost
Yard Piping	\$ 150,000
Concrete	\$ 45,000
Site Work	\$ 30,000
Electrical	\$ 550,000
Generator	\$ 140,000
Connect to Existing Water	\$ 1,500
Water Line (10" PVC)	\$ 30,000
Site Storm Drainage	\$ 25,000
Contingencies (15%)	\$ 130,725
Sub-Total	\$1,102,225
Engineering	\$ 600,000
Material in Shop	\$1,800,000
Foundation	\$2,300,000
Shop Fabrication	\$ 600,000
Freight	\$ 210,000
Tank Erection	\$1,400,000
Install Elevator	\$ 125,000
Tank Paint	\$ 660,000
Disinfection	\$ 5,000
Mobilization	\$ 175,000
Total Cost	\$8,977,225

Required Permits:

The City of Reedley anticipates the only regulatory agencies that will have jurisdiction over this project, besides the normal required City encroachment permits, will be the California Regional Water Quality Control Board (RWQCB) and the State of California Health Department.

The RWQCB will require a National Pollution Discharge Elimination System (NPDES) Construction Site Storm Water Discharge Permit. The RWQCB will require the Contractor to develop and implement a Storm Water Pollution Prevention Plan (SWPPP) be prepared for the construction and adequate Best Management Practices (BMPs) are installed and maintained in good working order.

Upon completion of the elevated water storage tank, the City will be required to disinfect the system and perform water quality tests in order to show that the system is producing a domestic water supply that is within state and federal guidelines for water quality.

Design and Construction Schedule:

<u>Task</u>	<u>Duration</u>
Site Design, Foundation Construction, Material Procurement, Tank Engineering & Submittals, Mobilization	6 months
Construct Tank	4 months
Paint Tank	3 months
Finish Work & Site Clean-up	3 months
Total Project Duration	16 months



2035 Tulare Street, Suite 201
Fresno, California 93721

Telephone (559) 233-4148 ♦ FAX: (559) 233-9645
Website Address: www.fresnocog.org

June 28, 2007

Steve Mulhollan
US Department of Commerce
Economic Development Administration
Jackson Federal Bldg., Room 1890
915 Second Avenue
Seattle, WA 98174

Subject: Support for the City of Reedley's 1.5 million Gallon Water Storage Project

Dear Mr. Mulhollan:

At their meeting of June 28, 2007, the Council of Fresno County Governments (COG), the Regional Transportation Planning Agency (RTPA) serving Fresno County, voted to fully support the Water Storage Project presented by the City of Reedley. The City of Reedley presented information to the technical staff at the Transportation Technical Committee, to the City Managers at the Policy Advisory Committee and also to the COG Policy Board. They have all agreed that this project can provide an economic benefit to the City and enhance the water supply system and related supply and distribution issues that may affect attraction of or retention of businesses within Fresno County.

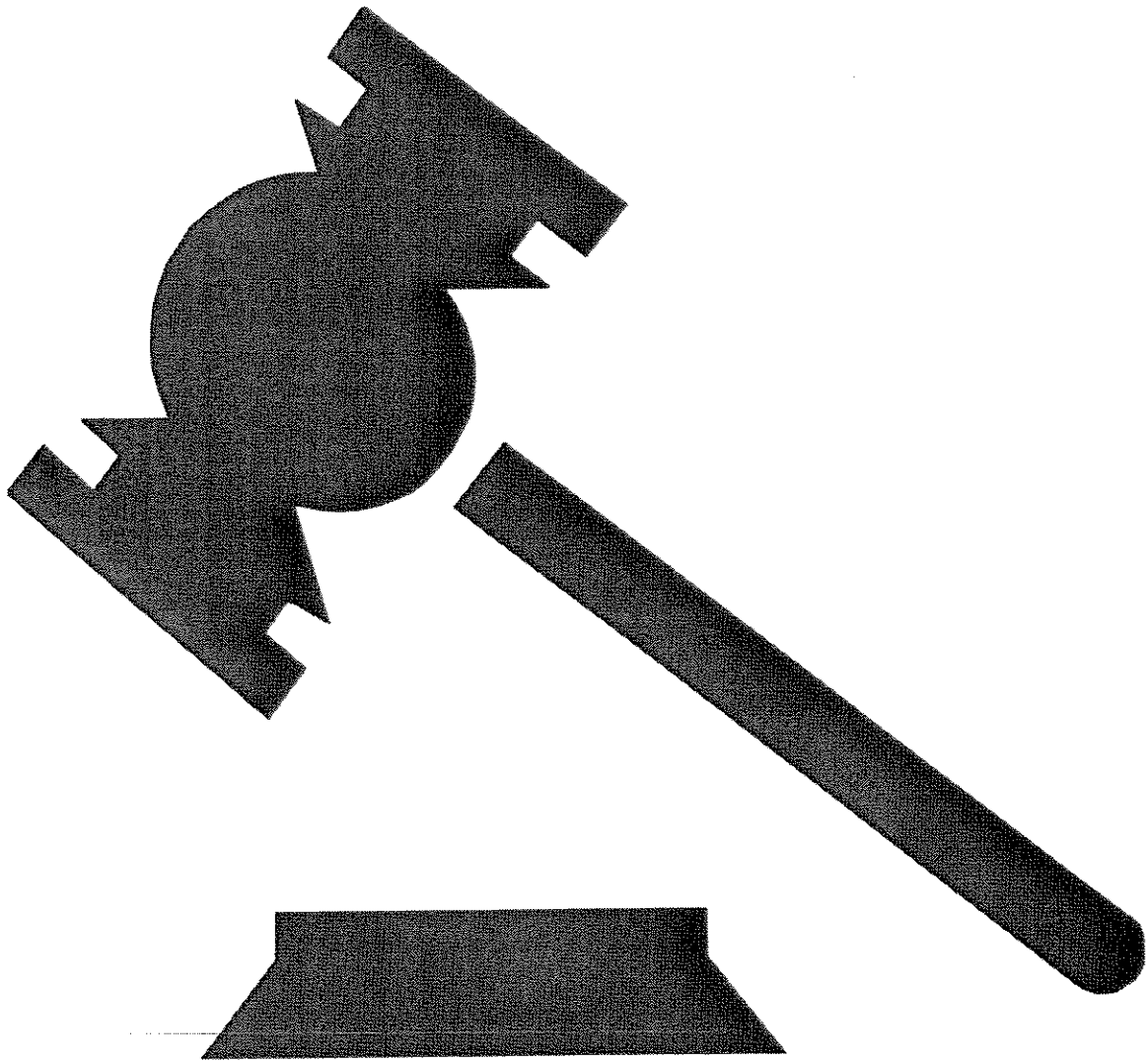
Thank you for your attention to the City of Reedley's application and your consideration of their grant request. Should you have any questions, please contact Barbara Goodwin, Executive Director of the Council of Fresno County Governments at (559) 233-4148.

Sincerely,

Trinidad M. Rodriguez, Chair
Council of Fresno County Governments

Cc: Brian Nakamura, City Manager
Rocky Rogers, Public Works Director

Member Agencies: The cities of Clovis, Coalinga, Firebaugh, Fowler, Fresno, Huron, Kerman, Kingsburg, Mendota, Orange Cove, Parlier, Reedley, San Joaquin, Sanger, Selma & Fresno County



***ADMINISTRATIVE
ACTION/DISCUSSION ITEMS
AGENDA ITEMS VI. D.***

June 2007 Legislative Position List for Fresno COG

BILL	AUTHOR	SUMMARY	Level of Support Recommended by Staff and PAC
BILLS OF INTEREST			
SB 286	Lowenthal	Proposition 1B, approved by the voters at the November 2006, general election, enacts the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, which authorizes the issuance of \$19.925 billion of general obligation bonds for various transportation purposes, including \$2 billion to be allocated by the Controller to cities and counties, by formula, for local street and road purposes, subject to appropriation by the Legislature. This bill would require the first payments of bond funds for local street and road purposes to be allocated by the Controller no later than January 1, 2008 . The bill would require the Controller to use the population figures from the Department of Finance as of January 1, 2007, in making allocations to cities. The bill would require an applicant for these funds to submit a list of projects expected to be funded with bond funds to the Department of Finance, as specified, and to report various information to the Department of Finance. The bill would require funds to be expended within 3 fiscal years from the date of allocation, and would require unexpended funds to be returned to the Controller for reallocation. The bill would make other related changes. *Sponsored by CSAC and League of Cities	Staff and PAC recommend a position of support on SB 286
SB 303	Ducheny	The Planning and Zoning Law requires a city, county, or city and county to adopt a comprehensive, long-term general plan for the physical development of the city, county, or city and county that addresses a number of elements, including, among other things, a housing and an open-space element . Existing law provides that the general plan may be adopted as a single document or as a group of documents relating to subjects or geographic segments of the planning area. This bill would require the general plan, and each of its elements to encompass a planning and projection period of at least 20 years, except for the housing and open-space elements , and would require each element, except for the housing and open-space elements , to be updated at least every five years. This bill would require the housing element to be updated, as specified , and would require the conservation element and the open-space element to be updated concurrently with the housing element . This bill contains other related provisions and other existing laws. *CSAC Position- Oppose unless amended League of Cities Position- Oppose	Staff and PAC recommend a position of opposition on SB 303
SB 375	Steinberg	Existing law requires certain transportation planning activities by the Department of Transportation and by designated regional transportation planning agencies, including development of a regional transportation plan. Existing law authorizes the California Transportation Commission, in cooperation with the regional agencies, to prescribe study areas for analysis and evaluation. This bill would require the commission, by April 1, 2008, to adopt guidelines for the use of travel demand models used in the development of regional transportation plans by certain regional transportation planning agencies. The bill would require the Department of Transportation to assist the commission, on request, in this regard, and would impose other related requirements. This bill contains other related provisions and other existing laws. *CSAC Position- Pending League of Cities Position- Watch CalCOG- Suggested revisions	Staff and PAC recommend a position of opposition on SB 375 unless amended

June 2007 Legislative Position List for Fresno COG

BILL	AUTHOR	SUMMARY	Level of Support Recommended by Staff and PAC
BILLS OF INTEREST			
AB 633	Galgiani	Existing law requires the Public Utilities Commission to develop and maintain a priority list of railroad-highway grade crossings determined to be most urgently in need of separation or alteration. Existing law requires each annual proposed budget prepared by the Department of Transportation to include \$15,000,000 for grade separation projects. Existing law requires the California Transportation Commission to allocate available funding to projects pursuant to the priority list prepared by the Public Utilities Commission, and requires certain matching funds to be provided from nonstate funds and by the affected railroad. Under existing law, an allocation may only be made to a local agency if it furnishes evidence that sufficient local funds will be made available as the grade separation project progresses. This bill would require the Public Utilities Commission and the Department of Transportation to issue a joint public report to the appropriate policy and fiscal committees of the Legislature no later than September 1, 2008. The bill would require the report to include, among other things, an evaluation of the grade separation project funding program and recommendations for establishing a hardship application process allowing for the adjustment or deferral of local financial participation in severe circumstances. *CSAC Position- Pending League of Cities Position- Watch	Staff and PAC recommend a position of support on AB 633

For additional information on these pieces of legislation please go to www.leginfo.ca.gov/bilinfo.html

AB 1209
Page 1

ASSEMBLY THIRD READING
AB 1209 (Karnette)
As Amended May 1, 2007
Majority vote

NATURAL RESOURCES 7-0 TRANSPORTATION 12-0

Ayes: Hancock, Aghazarian,	Ayes: Nava, Duvall, Carter,
Brownley, Laird, Saldaña,	DeSaulnier, Galgiani,
Wolk, Huffman	Garrick, Houston, Huff,
	Karnette, Portantino,
	Ruskin, Solorio

APPROPRIATIONS

(vote not available)

SUMMARY : Requires the Air Resources Board (ARB) to develop guidelines for the allocation of the \$1 billion worth of the proceeds of state general obligation (G.O.) bonds authorized by Proposition 1B earmarked for air pollutant emissions reductions from activities related to the movement of freight along the state's trade corridors. Specifically, this bill requires the ARB to:

- 1) Allocate these funds on a competitive basis to projects that achieve the greatest emission reductions not otherwise required by law or regulations in effect on November 8, 2006.
- 2) Consider benefits to public health, cost-effectiveness, technological feasibility, long-term benefits and the availability of matching funds.
- 3) Annually report to the Legislature on the status of projects funded by the above allocation process.

EXISTING LAW , Proposition 1B, authorizes the state to sell about \$20 billion of G.O. bonds to fund transportation projects to relieve congestion, improve the movement of goods, improve air quality, and enhance the safety and security of the transportation system.

□

AB 1209

Page 2

Of the \$20 billion, Proposition 1B allocates \$1 billion to the ARB for emission reductions, not otherwise required by law or regulation, from activities related to the movement of freight along California's trade corridors (commencing at the state's airports, seaports and land ports of entry).

FISCAL EFFECT :

- 1) Moderate costs, about \$250,000 primarily in 2008-09, to the ARB to develop and implement the trade corridor emission reduction allocation process. (General Fund or Air Pollution Control Fund)
- 2) Moderate costs, in the range of \$400,000 annually starting in 2009-10, to the ARB to administer the allocation process. This bill requires these costs to be covered by an annual Budget Act appropriation and limits ARB costs to \$15 million for the duration of the process. (Proposition 1B bond proceeds)

COMMENTS :

Rationale: The author contends that Proposition 1B bond proceeds earmarked for projects that reduce air pollutant emissions from activities related to freight movement along the state's trade corridors should be focused on those projects and in those areas where the most significant emission reductions would occur and where the greatest benefits to public health would accrue.

Air pollution from freight movement : The ARB, in its Emission Reduction Plan for Ports and Goods Movement, identifies goods movement activities as responsible for about 30% of statewide emissions of oxides of nitrogen (NOx) and 75% of statewide emissions of diesel particulate matter (PM). The substantial growth in goods movement on the state's highways and rail system is compounding the level and public health effects of this source of pollution. Between 2000 and 2004, the standardized number of freight containers increased by 40% at the Ports of Long Beach and Los Angeles and is projected to more than double by 2020.

□

AB 1209

Page 3

Air pollution law and regulation threshold: Proposition 1B specifies the \$1 billion earmark for trade corridor emission reductions is to be spent on projects that result in emission reductions above and beyond what is required by law or regulation. This bill establishes November 8, 2006, the date the Proposition 1B voting results were certified, as the date on which these laws and regulations must be in effect. Using this date would exclude laws and regulations that went into effect after that date, including measures signed by the Governor in 2006 but not effective until January 1, 2007. Using November 1, 2006, as the threshold date for allocation of project funds would mean that projects funded five years from now would still have to result in emission reductions above and beyond the 2006 law instead of the 2012 law.

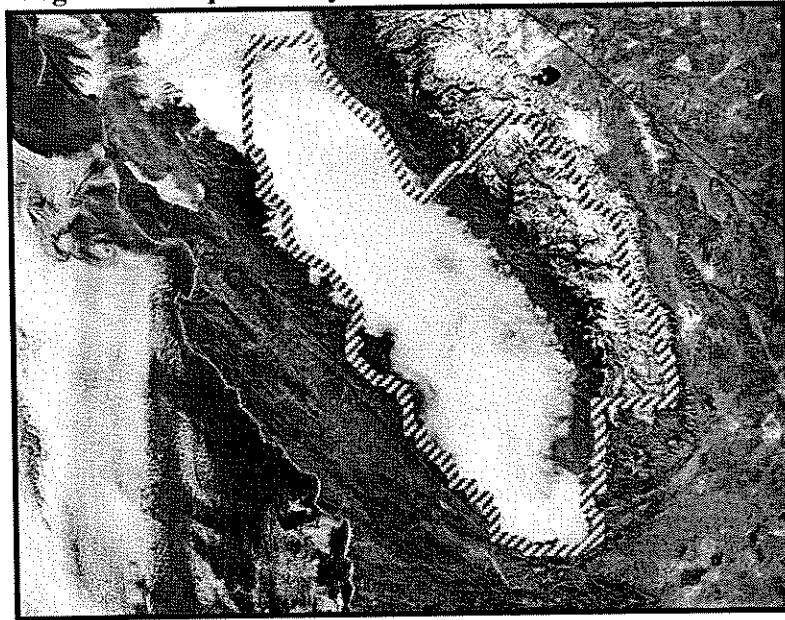
Analysis Prepared by : Lawrence Lingbloom / NAT. RES. / (916)
319-2092

FN: 0001023

San Joaquin Valley Air Pollution Control District

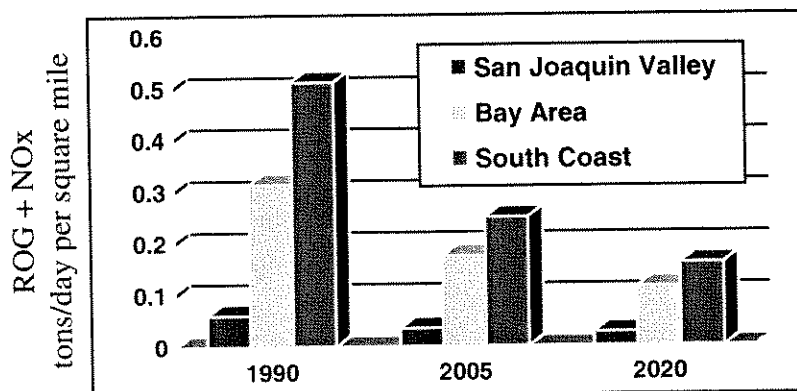
The San Joaquin Valley Air District has local jurisdiction for air pollution control in Fresno, Kings, Madera, Merced, San Joaquin, Stanislaus, Tulare, and the central and western portions of Kern County. The Governing Board of the District is comprised of elected officials from these Valley counties and cities. The Governing Board adopts and implements rules and regulations to protect the public health through improved air quality.

Figure 1-Unique Valley Conditions Trap Air Pollution



Due to the Valley's unique geography and meteorology, no other region in California faces the enormous degree of difficulty that the Valley faces in meeting the ambient air quality standards for ozone and particulates. This is illustrated by the fact that the San Joaquin Valley has far fewer pollutant emissions per square mile ("emissions density") than other regions in California that have equivalent or even better air quality.

Figure 2 Emissions Density in the SJV and Other Areas in California



- On October 17, the US Environmental Protection Agency found that the San Joaquin Valley Air Basin is in attainment of the federal particulate matter under ten microns in size (PM10) standards.
- The District's regulations often are viewed as the benchmark by other agencies and are regularly utilized as templates for their regulations. In fact, the Valley Air District was the first in the state to:
 - Voluntarily expand the enhanced vehicle Smog Check II program beyond the mandated urbanized areas to include more than 90% of the registered vehicles in the air basin. This model was utilized to implement the Smog Check II components now in effect in the Bay Area.
 - Regulate emissions from on-field agricultural operations. To date, the District has received 6,400 conservation management practices plans that reduce particulate matter emissions by 34 tons per day from 3.2 million acres of production agricultural land.
 - The District was the first major air district in the state to regulate the use of residential fireplaces to reduce particulate levels. The other major districts in the state are using the District's regulation as the benchmark as they develop regulations of their own.
- The District was the first in the nation to:
 - Adopt a progressive Indirect Source Review program to reduce Valley-wide emissions by more than 10 tons per day from commercial, industrial and residential developments.
 - Adopt a rule to control VOC emissions from wine production and storage. This groundbreaking rule also contains innovative compliance options that offer flexibility to operators without sacrificing emission reductions.
 - The District leads the nation with its rules on engines, boilers, turbines and glass-melting furnaces.
- These regulatory efforts have dramatically reduced the number of days over the federal 1-hour ozone standard by 85% and have reduced the peak measurements when we do exceed the standard by 21% (See Figure 3).

Goods Movement

The movement of goods is a significant contributor to the Valley's air quality challenge. Interstate 5 and highway 99 are the major north-south corridor for the movement of goods throughout California and the west-coast. The Valley is also a vital agricultural region with significant movement of agricultural commodities within the state and through the ports. Currently, approximately 28% of all truck vehicle miles traveled (VMT) in the State of California occurs in the San Joaquin Valley, and ARB projects that percentage to increase in the future. We estimate that somewhere between 25% and 30% of all truck movements in the San Joaquin Valley are through trips not generated in the Valley. It is noteworthy that 65% of Valley residents live within 5 miles of Highway 99.

In order to attain the federal 8-hour ozone and PM 2.5 standards the District will need to achieve significant emissions reductions beyond those obtained through existing federal, state, and local regulatory programs. It is estimated that nitrogen oxide (NOx) emissions will need to be reduced by 75% from 2005 levels in order to attain the standards. Roughly 80% of the NOx emissions come from mobile sources of pollution. The District has extremely limited authority to control emissions from mobile sources

The District's proposed ozone attainment demonstration plan includes attainment in 2023 which will require that the District be reclassified as an "extreme" non-attainment area. The principle reason for the attainment timeframe is that state and federal emissions standards for mobile sources apply to new vehicles and rely primarily on fleet turnover to obtain the emissions reductions. According to EPA, the average life of a heavy duty truck in the U.S. is 23 years. While precise numbers are not available, the Air District estimates that truck life is even longer in the Valley because of the seasonal nature of agriculture.

The District's draft ozone attainment plan obtains approximately 85% of the required emissions reductions from new and existing local, state, and federal regulatory programs. The remaining emissions reductions can not be achieved through regulatory programs and will need to be achieved through incentive-based programs. The majority of the incentive-based reduction programs will address existing vehicles that do not benefit from new control technologies. The purpose of these programs will be to accelerate the normal turnover of the goods movement fleet resident in the Valley.

With a fully funded incentive program San Joaquin Valley residents will experience clean air much earlier than they would otherwise. In conjunction with the regulatory measures in the Air District's upcoming plan, the incentive programs will reduce ambient ozone concentrations dramatically over time in all areas of the Valley. All Valley residents will experience cleaner air quickly and continually. The implementation of incentive programs will allow the percentage

proposed method to control those emissions through the expenditure of Proposition 1B funds.

Heavy-Duty Diesel Truck Incentive Program

The proposed program would address all on-road heavy-heavy duty diesel trucks with a gross vehicle rate rating of 33,001 pounds or greater. According to ARB estimates, approximately 67,309 of these trucks operate within the San Joaquin Valley and according to ARB, over 28% of the statewide vehicle miles traveled by these trucks occur within the San Joaquin Valley. By 2020, the vehicle miles traveled is expected to increase by approximately 50% with the number of heavy-duty trucks operating in the San Joaquin Valley increasing to approximately 80,042 vehicles.

Heavy-heavy duty diesel trucks are grouped into categories according to their certified engine emission rating, which refers to a model year group. Currently, there are eight model year groups: pre-1987, 1987-1990, 1991-1993, 1994-1997, 1998-2002, 2003-2006, and 2010 and newer. The difference in emission levels from the oldest vehicles to the newest is significant. A current model truck generates about 1/5 the emissions of a 15 year old truck. Trucks meeting 2010 standards are projected, in turn, to generate about 1/6 the NO_x generated by a current model truck. While this is good news in the long term, it does nothing to address the legacy fleet of trucks unless mechanisms are put in place to incent truck owners to accelerate the modernization of their fleets.

Control Techniques:

Various options for controlling emissions are listed below:

1. Accelerated Fleet Turnover by replacing older trucks with new trucks, which utilize the cleanest technology available.
2. Retrofitting of trucks through the installation of a retrofit device that reduce one or more pollutants.
3. Engine Repower by replacing the truck engines with new or newer engines.

The District recommends utilizing limited Proposition 1B funds to accelerate turnover of the Valley's legacy fleet of goods movement trucks. The District will work with the Air Resources board to design the most cost-effective approach to achievement of this objective, most likely by scrapping older trucks and replacing them with newer lower emission vehicles. This program can take a variety of forms, from a direct scrap and replace program to a trickle down program where owners of high mileage relatively new trucks replace their vehicles with the latest technology low emission vehicles, make their relatively new trucks available to owners of older high emissions truck, and scrapping the oldest truck. Regardless