LEON COUNTY SCHOOLS

September 17, 2008

Dear Leon County Citizens:

I request your support as we strive to establish the use of compressed natural gas, an alternative fuel for vehicles, within Leon County. The State of Florida was graded a "C" by the American Lung Association for its soot pollution, and its clean-up program was ranked as "poor." The report also found that school fleets across the state are aging and high polluting. The average bus in Florida is eight years old and emits 13.7 pounds of soot annually.

In recent studies conducted by the Department of Energy's National Renewable Energy Laboratory, compressed natural gas busses have significantly lower emissions than their diesel counterparts. Compressed natural gas busses are 98% cleaner than today's diesel vehicles for reactive hydrocarbons and are the cleanest internal combustion engine vehicles in the world. In addition, they are also more economical.

Leon County Schools presently maintains a fleet of over 180 busses and purchased a record $1.8 million of fuel during the 2007-2008 school year. The compressed natural gas equivalent is almost 50% less. Furthermore, over 90% of compressed natural gas used in the United States is produced in North America, helping to reduce our dependency on foreign fuel sources.

For these reasons, I believe that a pilot program upgrading our school bus fleet to this cleaner, more efficient fuel is in the best interest of our students, our staff, and our community. With the City of Tallahassee as the provider, the supply is abundant, but the infrastructure for fueling with natural gas is non-existent and extremely expensive.

~~The cost of building a fueling station becomes prohibitive if Leon County Schools must shoulder the entire cost.~~ If both public and private sectors join together to pool resources, this endeavor could become a reality. Please consider joining me in our community effort as we work to develop a positive and reliable alternative fuel source by signing the attached letter of support.

Sincerely,

Jackie Pons

Jackie Pons
Superintendent

2757 West Pensacola Street • Tallahassee, Florida 32304-2998 • Phone (850) 487-7147 • Fax (850) 487-7141 •
www.leon.k12.fl.us

Building the Future Together

Compressed Natural Gas Alternative Fuel Initiative:
Letter of Support

From: Sustainable Tallahassee Inc.
Kristin Dozier, President

Date: 9/24/08

To: Jackie Pons
2757 West Pensacola St.
Tallahassee, FL 32304

Dear Superintendent Pons,

I, Kristin Dozier for Sustainable Tallahassee (PRINT) support the effort to develop a Compressed Natural Gas (CNG) infrastructure within the Tallahassee/Leon County Florida boundary. This support includes the development of CNG fueling stations for automobiles, small and large trucks and bus fleets. I also support industry to provide an inventory of Natural Gas Vehicles (NGV) to include automobiles, small and large trucks and buses for sale to the public.

Sincerely,

, President Sustainable Tallahassee

Additional Comments:
The Sustainable Tallahassee Board of Directors unanimously supports the LCS effort to develop a CNG infrastructure and to provide an inventory of NGV for our district. Please see attached list of Directors who join me in our support of your efforts.

BOARD MEMBERS:

Kristin Dozier, President. Kristin is vice president and green building adviser for Mad Dog Design & Construction. She is also chair of the Safe and Nurturing Environment Action Team for Whole Child Leon and a member of the WCL Steering Committee.

Bill Berlow, Vice President. Bill is an associate editor at the Tallahassee Democrat and an original catalyst for the Knight Creative Communities Initiative project called Greenovation.

Kathy Bartlett, Treasurer. Kathy is an investment adviser for SunTrust and also was an original Greenovation catalyst.

Jackie Hightower, Secretary. Jackie is a coordinator for Student Support Services and adviser to the Environmental Sciences Student Organization (ESSO) in the Environmental Sciences Institute (ESI) at Florida A&M University and a member of FAMU's Green Coalition.

Mark O'Bryant. Mark is president and CEO of Tallahassee Memorial Healthcare and a Greenovation catalyst.

Stephen Hogge. Stephen is an attorney for the Legislature and, in another volunteer capacity, is president of the Council of Neighborhood Associations.

Frank Ryll. Frank is the recently retired executive director of the Florida Chamber of Commerce.

Robin Safley. Robin is a consultant, talk-show host and former chief of staff for then-Education Commissioner Charlie Crist.

Rachelle McClure. Rachelle works for the Florida State University in Interior Design.

Tom Bajorski. Tom is a retired state government employee.

Steve Urse. Steve is the retired executive director of a statewide Prosecuting Attorneys Association and a member of the Big Bend Climate Action Team.

David Byrne. David is Energy Services Director for the City of Tallahassee and a Greenovation catalyst.

Mark Worley. Mark is a state certified general contractor specializing in design/build, construction-education and consulting. Past president of the Tallahassee Builders Association and currently on the executive board as Secretary.

Nancy Paul. Nancy is general manager of Marpan Recycling and former superintendent of the Leon County landfill.

Merry Ortega. Merry is director of secondary schools for Leon County Schools and is overseeing the district's recycling initiative that Greenovation successfully advocated.

Ben Tunnell. Ben works for Shaw Contract Group as a commercial and government specialist.

Jake Kiker. Jake is an attorney with Williams, Gautier, Gwynn, DeLoach & Sorenson, P.A. and an adjunct professor; Florida State University

Larry Peterson. Larry is special adviser for energy and sustainable planning to Kitson & Partners' Babcock Ranch Community and is retired professor of architecture and former associate dean at Florida A&M University.

Compressed Natural Gas Alternative Fuel Initiative: Letter of Support

From: TRIPP TRANSOM
TRI-EAGLE Sales, 545 River Birch Rd, Midway FL 32343

Date: 10/23/08

To: Jackie Pons
2757 West Pensacola St.
Tallahassee, FL 32304

Dear Superintendent Pons,

I, TRIPP TRANSOM (PRINT) support the effort to develop a Compressed Natural Gas (CNG) infrastructure within the Tallahassee/Leon County Florida boundary. This support includes the development of CNG fueling stations for automobiles, small and large trucks and bus fleets. I also support industry to provide an inventory of Natural Gas Vehicles (NGV) to include automobiles, small and large trucks and buses for sale to the public.

Sincerely,

Additional Comments:

Compressed Natural Gas Alternative Fuel Initiative: Letter of Support

From: _____

_____

_____

Date: _____

To: Jackie Pons
2757 West Pensacola St.
Tallahassee, FL 32304

Dear Superintendent Pons,

I, _____ (PRINT) support the effort to develop a Compressed Natural Gas (CNG) infrastructure within the Tallahassee/Leon County Florida boundary. This support includes the development of CNG fueling stations for automobiles, small and large trucks and bus fleets. I also support industry to provide an inventory of Natural Gas Vehicles (NGV) to include automobiles, small and large trucks and buses for sale to the public.

Sincerely,

Additional Comments:

Tallahassee's Homepage
Tallahassee.com

October 25, 2008

Leon County School District spells better fuel 'CNG'

By Dave Hodges
DEMOCRAT BUSINESS EDITOR

First it was reducing power consumption in the district's schools, then achieving efficiencies in lighting. Now Leon County School Superintendent Jackie Pons and his staff have turned their attention to the bus fleet.

Before long, he hopes to have a portion of the vehicles powered by compressed natural gas.

At the meeting this week of the Economic Development Council of Tallahassee/Leon County, Pons outlined his plan and asked the council members to fill out and sign letters of support. He is proposing a facility with "fast-fill" capabilities so vehicles can be fueled as quickly as their diesel-powered counterparts are. He also wants private vehicles to have access to the fuel.

CNG, as it's referred to, is cleaner than the diesel fuel used in buses. It also generates the fewest exhaust emissions of any available motor fuel. CNG vehicles require less maintenance and their engines last longer.

As for supply, domestic producers are more than able to provide most of what the U.S. consumes. In 2007, it was 90 percent — mainly from Louisiana, New Mexico, Texas, Oklahoma and Wyoming. By comparison, only about one-fourth of the crude oil we use annually comes from domestic supplies. There's your energy independence, folks.

Fleet operators have been running on CNG for years, including the transit service in Birmingham, Ala. Pons and his staff will visit the fueling facility there during an upcoming trip, he said.

"We are not asking for dollars. We are just spreading the word," he told the EDC members. "We are finding that a lot of individuals in the community are looking at this."

As for other school districts making the switch, he cites the Mansfield, Tex., Independent School District, which has about 30,000 students in the Dallas-Fort Worth area. Mansfield has 20 CNG buses out of a total fleet of 180.

In California, the Los Angeles Unified School District has 173 CNG buses, comprising the largest such fleet in the state.

The local CNG fuel facilities would serve automobiles, small and large trucks, and bus fleets. Pons is adamant about the fuel being available to other Leon County users.

And when budgets are tight and costs keep rising, Pons believes now is the time to convert. Leon County Schools maintains a fleet of more than 180 buses that required a record $1.8 million in fuel during the 2007-08 school year. The CNG equivalent amount is almost half that expense.

So if you see Mr. Pons, tell him yes to CNG. If you want to sign a letter of support, contact the district at 487-7147.

LCS Compressed Natural Gas (CNG) Concept Proposal

The Compressed Natural Gas Vehicle (NGV)

Assumptions:

1) For the purposes of this proposal an NGV school bus is compared to a diesel bus currently in use.
2) Research reflects that the lifecycle for an NGV bus is 25% longer. If the life span of the diesel bus is 12 years then the life span of the NGV bus is 15 years.
3) Research also reflects that annual maintenance of the NGV bus is 20% lower given that oil changes are less frequent and the fuel (NG) burns cleaner.

Vehicle Cost:

Diesel bus	$ 100,000
Comparable NGV Bus	$ 140,000
Cost Difference	$ 40,000 more for the NGV Bus

Analysis:

Given the assumption that the NGV has a **25% longer life span,**
Then the following analysis is made for an annual amortization of vehicle cost

Diesel bus @ $ 100,000 / 12 year life span	=	$ 8,333 per annum
NGV bus @ $ 140,000 / 15 year life span	=	$ 9,333 per annum
Actual added vehicle cost when amortization schedule is applied	=	**$ 1,000 per annum**

Interest cost not included

Leon County Schools Concept Proposal
CNG Fuel cost vs. Diesel

Assumptions:

1) History reflects that the raw cost for the natural gas gallon equivalent has been over time 50% less costly than diesel. For the purposes of this proposal, two scenarios are shown below. Scenario one reflects the low end of cost while scenario two reflects a high end for cost.

2) Scenarios one and two include 15 cent per gallon cost for host site maintenance reimbursement and a 50 cent per gallon infrastructure recovery cost.

3) Proposal assumes all partners including LCS pay the same cost per gallon to cost center.

Scenario One

Natural gas raw cost	$ 1.25	Diesel cost:	$ 2.50
Host site maintenance fee	.15	CNG cost to partners:	$ 1.90
Infrastructure recovery fee	.50		
Total	$ 1.90	**Total savings to partners:**	**$ .60 per gallon**

Scenario Two

Natural gas raw cost	$ 1.75	Diesel cost:	$ 3.50
Host site maintenance fee	.15	CNG cost to partners:	$ 2.40
Infrastructure recovery fee	.50		
Total	$ 2.40	**Total savings to partners:**	**$ 1.10 per gallon**

Leon County Schools CNG Concept Proposal
Calculating Payback on NGV Bus

Simple payback

Notes:

1) Simple payback reflects number of years to return the additional $40,000 investment for a single NGV bus.
2) Payback is calculated using two methodologies: a) 25 gallons per day for 180 days per annum (normal school bus use) and b) 25 gallons per day for 250 days per annum (normal large commercial use)
3) Scenarios one and two are applied to both methodologies.
4) Interest cost not included.

Methodology One (25 gallons x 180 days)

Scenario One		**Scenario Two**	
$ .60	savings per gallon	$ 1.10	savings per gallon
x 25	gallons per day	x 25	gallons per day
$ 15.00	savings per day	$ 27.50	savings per day
x 180	days per annum	x 180	days per annum
$ 2,700	savings per year	**$ 4,950**	savings per year

$40,000/2,700 = 15 year payback **$40,000/4,950 = 8 year payback**

Methodology Two (25 gallons x 250 days)

Scenario One		**Scenario Two**	
$ .60	savings per gallon	$ 1.10	savings per gallon
x 25	gallons per day	x 25	gallons per day
$ 15.00	savings per day	$ 27.50	savings per day
x 250	days per annum	x 250	days per annum
$ 3,700	savings per year	**$ 6,875**	savings per year

$40,000/3750 = 10 year 8 month payback **$40,000/6,875 = 6 year payback**

Leon County Schools Concept Proposal

Payback when amortization schedule is applied

Methodology One

Scenario One		**Scenario Two**	
$ 2,700	fuel savings per year	$ 4,950	fuel savings per year
$ 1,000	vehicle cost per year	$ 1,000	vehicle cost per year
$ 1,700	**net annual gain**	**$ 3,950**	**net annual gain**

Methodology Two

Scenario One		**Scenario Two**	
$ 3,750	fuel savings per year	$ 6,875	fuel savings per year
$ 1,000	vehicle cost per year	$ 1,000	vehicle cost per year
$ 2,750	**net annual gain**	**$ 5,875**	**net annual gain**

Leon County Schools Concept Proposal

Proposed Capacity and Cost of LCS Host Facility CNG Fueling Station

Notes:

1) LCS CNG Fueling Facility proposal assumes size and scope of facility to be comparable to that of the Birmingham, Ala. Metro facility.

Fueling Facility Capacity:	2000 CFM per minute	
=	99.2 gallons per hour	
=	2,380 maximum gallons per day w/ storage	
=	1,800 probable gallons per day	
=	450,000 gallons annually (1,800 x 250)	

Fueling Facility Cost (FFC):	$ 3,100,000	equipment and installation
	$ 450,000	site work
	$ 250,000	canopy
	$ 3,800,000	Total Fueling Facility Cost (FFC)

Estimated Payback on LCS CNG Fueling Station

Assumptions:

Assumes continuation of the Federal CNG rebate program. (50 cents per gallon)

Assumes annual needs for:

Initial LCS needs at 20 buses per day 25 gallons each for 180 days	=	90,000 gal annually
Initial partner needs at 40 NGV per day 25 gallons each for 250 days	=	250,00 gal annually
Total initial needs target	=	340,000 per annum

340,000 gallon x .50 infrastructure recovery	=	$ 170,000
340,000 gallons x .50 Federal rebate	=	$ 170,000
Total	=	$ 340,000 annual net cost recovery stream

$ 3,800,000 (FFC) / $ 340,000 (net cost recovery stream) = 11years, 2 months payback

Maintenance income stream:

340,000 x .15 = $ 51,000