

April 7, 2011

## TRANSPORTATION COMMITTEE REPORT

A Transportation Committee meeting was held on Thursday, April 7, 2011 at 6:00 p.m. in the County Administration Building, Quorum Court Meeting Room, 215 East Central, Bentonville, Arkansas

Committee Members Present: Douglas, King, Hawkins, Blaty, Curry

Others Present: JPs Allen, Winscott, J. Harrison and Moore, County Judge Bob Clinard, Administrator of General Services Elizabeth Bowen,

Media: Tom Sissom – Daily Record

JP Douglas called the meeting to order at 6:00 p.m.

JP Douglas stated that the presentation by County Judge Bob Clinard has been cancelled.

### **1) Discussion: Ozark Regional Transit – One-quarter Cent Sales Tax Election**

JP Douglas stated that the Ozark Regional Transit discussion was referred back to the Transportation Committee from the Committee of Thirteen for further consideration, and recognized Phil Pumphrey, Executive Director of Ozark Regional Transit.

Phil Pumphrey handed out the Northwest Arkansas Transit Development and Northwest Arkansas Regional Planning Commission – 2035 Northwest Arkansas Regional Transportation Plans. He stated that there had been questions as to whether Ozark Regional Transit served Benton County, and explained the Northwest Arkansas Transit Development Plan showing the long-range service plans for Benton County, Springdale, and Fayetteville, and the flex zones, rural connector routes, and also the regional routes. He stated that there would be “para-transit” service in the county seven days a week and that the fixed routes would run five days a week. He stated that the Northwest Arkansas Transit Development Plan shows a public opinion survey ranking transportation conditions from poor to excellent and that the survey shows that the existing system is adequate for the time being. He stated that another transportation survey indicated that the public would spend transportation dollars for improving bus transit.

JP Douglas asked Phil Pumphrey if he would explain “para-transit”. Phil Pumphrey replied that “para-transit”, or sometimes called “dial-a-ride”, is a service that is generally provided for people that have mobility and impairment issues, such as seniors, people who cannot walk very far due to lung and heart problems, people in wheelchairs, and others with disabilities. He stated that the Ozark Transit System has fixed routes which are mandated by the American Disability Act to provide a certain level of service within three-quarters of a mile on either side of I-540, and it also has to be comparable to the service provided by the fixed routes. He added that if the funding goes away, the fixed routes will be the first to go. He stated that they cannot offer a fixed route and then deny access to public transportation for seniors and people with disabilities. Several transit system supporters, community service agency representatives, transit users, and Washington County Justice of the Peace Rex Bailey expressed their need and support for the

services that Ozark Regional Transit provides, including both the fixed route buses and “para-transit” bus service.

Phil Pumphrey stated that they are asking for Benton County to allow Ozark Regional Transit to present a sales-tax funded expansion plan, and authorize a special election for a one-quarter percent sales tax increase with the proceeds dedicated for Ozark Regional Transit service to Benton County.

Lengthy discussion was held on Ozark Regional Transit’s request and the cost involved with holding a special election.

JP Douglas stated that his constituents have asked him why the residents who would not have service available to them should be subsidizing and paying for it.

Phil Pumphrey stated that with the funding that they receive now, they cannot service everyone with a fixed route, because there are not 235,000 people living in the urban areas. He stated they are asking for a special election so that they can raise funds. He added that they know that they will have to educate the public about this plan. He stated if Ozark Regional Transit does not get the support from Benton County that they need, service for Benton County will not be available.

JP Moore asked if it would be possible to have the cities that would be receiving the service vote on the sales tax, instead of having it county wide. Phil Pumphrey stated that it is possible but that it has to be rejected by the Quorum Court first.

JP Curry commented that he has been to city councils in Sulphur Springs, Gravette, and Decatur and talked with a lot of people, and that there just is not any support for this; people are hurting, especially those in rural areas and they do not want any more money coming out of their pockets. He added that he understands the need but that he was elected to represent them and that is what he is going to do.

Further discussion was held concerning the request and the costs of a special election.

JP Moore stated that they at least owe the public to send Ozark Regional Transit’s request to the Committee of Thirteen for a vote.

JP Douglas stated this affects many people and that it should go to the Committee of Thirteen for discussion.

JP Hawkins made motion to forward Ozark Regional Transit’s resolution request to the April 12, 2011 Committee of Thirteen agenda for further consideration with no recommendation, seconded by JP King.

Motion passed by unanimous show of hands vote.

## **2) Presentation: Blue Energy Fuels – Compressed Natural Gas for County Vehicles**

County Judge Bob Clinard stated that the United States of America needs to become energy independent in ten years. He stated that he has researched compressed natural gas (CNG) because it is produced here in Arkansas, and he has looked into using CNG as an alternative fuel for the county’s vehicle fleet. He stated that he had asked Blue Energy Fuels to do a presentation on Compressed Natural Gas (CNG), and at the end of the presentation he would like the court’s

approval to ask Blue Energy Fuels to do a study to see if the county should consider converting the county's vehicle fleet to compressed natural gas.

Court Newkirk of Blue Energy Fuels presented a power point presentation on natural gas.

He stated that natural gas (methane) is 80% hydrogen and is cleaner than other fuels that are currently available because it is created by organisms and is not a fossil fuel. He stated that if the county decides to compress its own gas and own its equipment, they would qualify for the Federal Excise Tax Rebate of 50 cents per giga-gram. Newkirk stated that if Congress passes the Nat-Gas Act other incentives could be put in place.

Court Newkirk listed the advantages CNG as a motor fuel:

- Due to the absence of lead or benzene content in CNG, the lead fouling of spark plugs is eliminated
- CNG-powered vehicles have lower maintenance costs when compared with other fuel-powered vehicles
- CHG fuel systems are sealed, which prevents any spill or evaporation losses.
- Another practical advantage observed is the increased life of lubricating oils, as CNG does not contaminate and dilute the crankcase oil.
- CHG mixes easily and evenly in air being a gaseous fuel.
- HD Vehicles on CNG are 80-90% quieter than normal diesels.

Court Newkirk explained the safety advantages of CNG:

- CNG is less likely to auto-ignite on hot surfaces, since it has a high auto-ignition temperature (540°C) and a narrow range (5%-15%) of inflammability.
- CNG is stored in a sealed system, virtually no chance of leakage.
- Check valves are installed at all critical connections.
- CNG is lighter than air, so any leak disperses into the air, it does not pool on the ground like gasoline.

Court Newkirk explained how to get started using CNG:

- Examine the potential demand (school, city, county, and private vehicles).
- Calculate fueling station size and include plans for future growth.
- Calculate best financing mode, such as purchasing or leasing with tax credits.
- Choose a site.

JP Moore questioned the amount of power from a vehicle with CNG compared to that of a diesel engine. Court Newkirk stated that the engines run on BTUs, and that the engines would get the exact same mileage and horsepower, because the engine does not know the difference.

JP Winscott asked about the costs of converting an engine that uses gasoline to CNG and if there are any restrictions after the engine has been converted. Court Newkirk stated that the cost to convert to CNG would be between \$8,000 to \$14,500, and that most of that is labor. He added that the only restriction would be that the fuel tank is only licensed for 25 years.

JP Curry asked what the lines and tanks actually rated at when pressurized. Court Newkirk stated that the United States requires that all fittings and all equipment on CNG powered vehicles be tested at three times the operating pressure, which is 3,600 PSI. He added that they also burst test everything to 10,000 PSI.

JP Curry asked if there had been any incidents or accidents from using CNG. Court Newkirk stated that there is a dedicated website to CNG incidents in the United States, and every listing on that website is from accidents involving hydrogen, adding that hydrogen does not have to have a heat source to ignite. He stated that there were 13,000 vehicle incidents in the United States involving alternatively fueled vehicles, but the website does not break down how many of those were CNG.

JP King stated that he would like to see more information.

JP Douglas asked how the gas industry is today keeping the prices for natural gas down, and would the use of CNG run the prices up.

Court Newkirk stated that there are enough holes in the ground without drilling anymore to supply all of the natural gas for all the homes, industry, power plants, and vehicles in the United States without any trouble. He added that if every vehicle was converted to CNG that would only increase the demand on the natural gas industry by 20%. He stated that if the country went totally to CNG, the cost of natural gas would go up eight cents a gallon.

County Judge Bob Clinard recognized Rich Davis with Arkansas Western Gas. Rich Davis stated that we have all of the gas that we need. He added that there is as much natural gas under North America as there is oil in the entire Middle East, and that we are now buying our oil from people who hate us. He stated that the country has an unlimited supply of natural gas, and that the Marcella Shale find in New York State and Pennsylvania has already proven to be 10 times larger than the Fayetteville Shale play. He added that they are confident that it is not just the quantity of gas, but the quality of natural gas that will be providing for CNG vehicles. He added that Arkansas Western Gas is owned by Source Gas, LLC in Colorado. He stated that Arkansas Western Gas now has holdings in Colorado, Wyoming, and Nebraska. He added that Colorado, Wyoming, and now Utah are being identified as the CNG corridor. He stated that before the end of 2012, you will be able to drive from Los Angeles almost to Oklahoma City through Colorado and have the availability of CNG gas fill stations. He added that there is a shortage of CNG fuel stations, and that North Little Rock is in the process of building a fast fill CNG fuel station. He stated that a CNG vehicle can go approximately 250 to 260 miles on one tank. He stated that the safety record for the compressed natural gas vehicles is incredible, that gasoline powered vehicles cannot come anywhere near matching the safety that has already been recorded with compressed natural gas vehicles. He stated Arkansas Western Gas can provide the gas to Blue Energy Fuels, any other company, or they can provide it to the county. Rich Davis stated that CNG is the future.

County Judge Bob Clinard stated that what he is asking is that he be allowed to work with Blue Energy Fuels to do an analysis of whether it would be beneficial financially for Benton County to do this. He added that there is no cost to the county. He stated that the report furnished by Blue Energy Fuels is based on no rebates or grants from the state to do these conversions. He added that new legislation has been passed, and that the state is going to fund \$75,000 per entity to do the conversions.

JP Curry made motion to allow County Judge Bob Clinard to proceed with a study by Blue Energy Fuels on the costs for conversion to CNG and forward to the April 14, 2010 Committee of Thirteen agenda, seconded by JP Hawkins.

Motion passed by unanimous show of hands vote.

**3) Resolution Request: A Resolution Regarding the Posting of the Ethanol Content of Fuel**

JP Curry stated that retail outlets are supposed to post the percentage of Ethanol in gasoline that they are selling to the public, the standard is set and checked by the Federal Government, and that Arkansas has inspectors that check that the stickers are in place. He stated that this resolution is to make the public aware that the percentage of Ethanol is to be posted.

JP Curry made motion to forward a resolution request to the April 14, 2011 Committee of Thirteen agenda, seconded by JP Hawkins

Motion passed by unanimous show of hands vote.

**4) Announcements**

JP Winscott announced that the Public Safety Committee will meet Thursday, April 14, 2011 at 5:30 p.m. at the Benton County Jail.

JP Blaty announced that a Grievance Committee meeting is to be held Monday, April 11, 2011 at 6:00 p.m.

JP Douglas announced that the Benton County Clean Up is to be held Saturday, April 9, 2011 at both Benton County Road Department locations.

After motion and second the meeting adjourned at 7:58 p.m.