

**Official Minutes of  
MARION COUNTY  
BOARD OF COUNTY COMMISSIONERS**

April 6, 2021

**CALL TO ORDER:**

The Marion County Board of County Commissioners met in a workshop session at 2:53 p.m. on Tuesday, April 6, 2021 at the Marion County Governmental Complex located in Ocala, Florida.

**INTRODUCTION OF WORKSHOP BY CHAIRMAN JEFF GOLD**

Chairman Gold advised that the workshop was scheduled this afternoon to discuss Compressed Natural Gas (CNG).

**PLEDGE OF ALLEGIANCE**

The meeting opened with the Pledge of Allegiance to the Flag of our Country.

**ROLL CALL**

Upon roll call the following members were present: Chairman Jeff Gold, District 3; Vice-Chairman Carl Zalak, District 4; Commissioner Craig Curry, District 1; Commissioner Kathy Bryant, District 2; and Commissioner Michelle Stone, District 5. Also present were County Attorney Matthew G. Minter; County Administrator Mounir Bouyounes; and Assistant County Administrator (ACA) Angel Roussel.

**WORKSHOP PRESENTATION**

**1. CNG Presentation – Mark Williams, Fleet Director**

Fleet Director Mark Williams presented a 32 page Agenda packet to follow along with the PowerPoint presentation.

Description/Background: Staff will provide an update on the County's compressed natural gas (CNG) Agreement, including an overview of status, usage, and future direction.

Budget/Impact: None.

Recommended Action: Board discussion and direction.

Mr. Williams advised that the County has 71 CNG dual vehicles, 16 "CNG only" vehicles, and 1 contracted refueling site, which is located near the fleet facility. He stated the CNG Agreement expires September 4, 2022 and the land lease Agreement is coextensive with the CNG Agreement. There is a 100,000 gasoline gallon equivalent (GGE) minimum that the County must purchase annually. Mr. Williams noted if the County and vendor desire to renew the contract, there are 2 ten-year renewals in the proposed Agreement.

Mr. Williams advised that the County currently utilizes approximately 120,000 GGEs per year, noting in 2014 when the program started the County did not meet the minimum GGEs and had to pay the difference up to the 100,000 gallons. He provided a brief comparison of diesel/unleaded versus CNG costs since 2014. As of April 1, 2021 the cost for CNG was \$2.01 per gallon. Mr. Williams stated the County uses 21 percent (%) more GNG to cover the same distance as diesel/unleaded vehicles. He provided a brief overview of the fuel efficiency for larger vehicles, noting 82% of CNG usage is from the larger vehicles utilized by the Solid Waste and Utilities Departments, as well as the Office of the County Engineer. Mr. Williams noted there is a difference of approximately 1 mile per gallon less with CNG vehicles versus diesel trucks.

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Mr. Williams stated there are 3 Options for Board consideration: 1) renew contract with the same terms and conditions; 2) renew contract with modified terms and conditions; or 3) decline to renew the contract.

Mr. Williams addressed the pros and cons of renewing the Agreement with the same terms and conditions, noting the pros are less emissions for CNG vehicles; and the cost of CNG is less volatile than diesel fuel. The cons include that the County will be tied to 10 more years of CNG with the minimum GGE requirements; may need to replace CNG vehicles to fulfill another 10 years at a cost of \$30,000.00 to \$40,000.00 per heavy vehicle; no rebates available for CNG vehicles at this time; limited fueling sites available; more engine maintenance may be required; and CNG vehicles have less horsepower (HP) than diesel or gasoline equivalents.

Mr. Williams addressed the pros and cons of renewing the Agreement with modified terms and conditions, noting the pros include: the Board could negotiate to adjust the terms to 5 years and no minimum GGE; less emission for CNG vehicles; County can decide if it wants to replace CNG vehicles with CNG, CNG dual fuel, or some other type of product; and the cost of CNG is less volatile than diesel fuel. The cons include: the price may be impacted if no minimum usage is required; limited fueling sites available and more travel time required for some vehicles to fuel up; more engine maintenance required; and less HP than diesel or gasoline equivalents.

Mr. Williams addressed the pros and cons if the County chooses not to renew the Agreement, noting the pros include: no minimum requirements; no CNG additional vehicle costs; and Clean Energy Fuel has a CNG filling station at its Pilot gas station on County Road (CR) 326 and Interstate 75 (I-75) that can be used by current CNG vehicles. The cons include: the County would pay consumer price and/or find additional points of sale; CNG vehicle sales are very limited; and no alternative fuels would be utilized by Marion County.

Commissioner Stone questioned if there could be a financial impact if the County did not utilize alternative fuels.

Mr. Williams opined that there is no financial impact that he is aware of; however, the County has been using CNG as an alternative fuel choice. He stated he was advised by a local/international dealer that electric heavy vehicles would be available within the next 2 years.

Chairman Gold questioned the life expectancy of CNG vehicles. Mr. Williams advised that most of the CNG vehicles have between 5 and 8 years of life expectancy left.

Commissioner Bryant advised that she and Commissioner Zalak were on the Board when the CNG program was brought forward and were in support of the program due to diesel prices at that time reaching over \$4.00 per gallon. She opined that it would be financially prudent to select Option 2 (renew contract with modified terms and conditions). Commissioner Bryant noted the County already has the CNG inventory and expressed concern with the cost to try and retrofit CNG vehicles to gasoline or diesel fuels.

Commissioner Zalak noted most companies that provide waste management services utilize CNG vehicles. He opined that there should be some type of replacement rate for CNG vehicles to keep the CNG fleet at a reasonable level.

General discussion ensued.

It was the general consensus of the Board to utilize Option 2 and direct staff to negotiate with the vendor.

Commissioner Curry commented on where the trend is going under the current Presidential Administration as it relates to fossil fuels, noting prices went up as soon as

he went into office. He opined that the County should not get into a long-term contract, noting his preference would be to renegotiate with the vendor. Commissioner Curry stated he was not in favor of replacing CNG vehicles.

General discussion ensued.

Mr. Bouyounes stated staff will bring this matter back before the current contract expires. Commissioner Zalak requested Fleet staff review the forward trend, as well as other opportunities that are available.

General discussion resumed.

Commissioner Curry expressed his appreciation to Mr. Williams and his staff for bringing this matter forward, noting the information presented was very clear, professional, and easy to understand.

## **BOARD DISCUSSION AND CLOSING COMMENTS**

There being no further business to come before the Board, the meeting thereupon adjourned at 3:17 p.m.

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Jeff Gold, Chairman

Attest:

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Gregory C. Harrell, Clerk

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