

# Agenda Report

September 30, 2013

**TO:** Honorable Mayor and City Council  
**FROM:** Department of Public Works  
**SUBJECT: AUTHORIZE ISSUANCE OF A PURCHASE ORDER WITH ORPAK, USA FOR PURCHASE AND INSTALLATION OF NEW FUEL MANAGEMENT SYSTEM IN AN AMOUNT NOT TO EXCEED \$100,000**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that this action is exempt under the California Environmental Quality Act (CEQA) in accordance with Section 15061 (b) (3), the General Rule that CEQA only applies to projects that may have an effect on the environment;
2. Grant the proposed purchase order contract an exemption from the competitive selection process of the Competitive Bidding and Purchasing Ordinance pursuant to Pasadena Municipal Code Section 4.08.049 (B), contracts for which the City's best interests are served; and
3. Authorize the issuance of a purchase order to Orpak, USA in an amount not to exceed \$100,000 for the purchase of a new SiteOmat fuel management system, without competitive bidding pursuant to City Charter section 1002(C), contracts for labor, materials, supplies or services available from only one vendor.

## **BACKGROUND:**

Orpak, USA is the manufacturer and service provider of the City's fuel management system RNI-2000, which was installed and has been operating effectively on City vehicles and equipment since 1999. The fuel management system provides secure automated control and monitoring of fuel dispensing as well as detailed fuel transaction and inventory reports for the City's fuel-powered equipment and vehicles. RNI-2000 has come to the end of its product lifecycle, and as of August 2013, Orpak will no longer support system maintenance or offer replacement parts. As a result, the Fleet Management Division recommends the fuel management system be upgraded to Orpak's new web-based system called SiteOmat.

Unlike the current system which requires a hard wire connection to the fueling nozzles and fill-spouts on vehicles and equipment, SiteOmat is a wireless, web-based system. SiteOmat requires the replacement of the main controllers located in the Fleet Maintenance Facility at the City Yard. These controllers gather information from the other fueling sites located at the Police Department, Fire Station 33, and Civil Defense and then download the information directly into the fleet maintenance billing software. New wireless fuel card readers will be installed at the City Yards, Police Department, Fire Station 33. The Card readers are used by supervisors who fill equipment which normally remains on the job site.

Although the new system is web-based, it remains compatible with the hardware installed on the fueling pumps and on the vehicles currently installed on City vehicles, capturing the vehicle unit number and amount of fuel dispensed. When new vehicles or equipment are purchased or the old hardware becomes defective, new hardware will be installed. The new hardware connects directly to the vehicle on-board diagnostic system allowing for additional data recovery such as odometer readings, engine hours and engine idle-time, providing for better fleet and fuel management. Additionally, the new system is capable of real-time monitoring of the fuel storage tanks and fuel dispensing at all four of the City's fueling sites.

Other manufacturers sell fuel management systems; however, it is in the best interest of the City to purchase the software from Orpak, USA, because no other software is compatible with the hardware currently installed on more than 700 vehicles and pieces of equipment. Purchasing from another vendor would require the City to purchase a complete fuel management system including hardware for the vehicles and fuel pumps. If a new fuel management system was purchased, the current system would need to be removed and new hardware installed, which would leave the City without an automated fueling system for several months until the new installations were complete. The cost to purchase an entire system would be more \$300,000 plus labor costs for hardware removal and installation.

**COUNCIL POLICY CONSIDERATION:**

This project is consistent with the City Council's goal to maintain fiscal responsibility and stability.


**ENVIRONMENTAL IMPACT:**

This action is exempt from CEQA pursuant to State CEQA Guidelines Section 15061 (b) (3), the General Rule that CEQA only applies to projects that may have an effect on the environment.

**FISCAL IMPACT:**

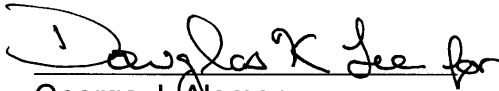
The cost of this action is \$100,000 which includes installation fees, and funding will be addressed by the utilization of existing budgeted appropriations in the Fuel Island Automatic Refueling System Upgrade CIP project (budget account 71544). It is anticipated that the entire cost will be spent during the current fiscal year. Indirect and support costs such as operations and maintenance will be addressed annually by utilization of existing budgeted appropriations in the Public Works Department, Fleet Maintenance and Repair operating budget account (503-766200).

Respectfully submitted,



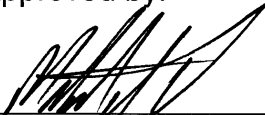
\_\_\_\_\_  
SIOBHAN FOSTER  
Director of Public Works

Prepared by:



\_\_\_\_\_  
George J. Aeman  
Management Analyst

Approved by:



\_\_\_\_\_  
MICHAEL J. BECK  
City Manager

**Disclosure Pursuant to the  
City of Pasadena Taxpayer Protection Amendment  
Pasadena City Charter, Article XVII**

Contractor/Organization hereby discloses its trustees, directors, partners, officers, and those with more than 10% equity, participation, or revenue interest in Contractor/Organization, as follows:

*(If printing, please print legibly. Use additional sheets as necessary.)*

1. Contractor/Organization Name: ORPAK USA, INC

2. Type of Entity:  
 non-government       nonprofit 501(c)(3), (4), or (6)

3. Name(s) of trustees, directors, partners, officers of Contractor/Organization:

<u>MR SHOMO SLOTWIDER, PRESIDENT</u>

4. Names of those with more than a 10% equity, participation or revenue interest in Contractor/Organization:

<u>N/A</u>

Prepared by: MORAE SHAKEN  
Title: VP MARKETING  
Phone: 201-441-9820 EXT. 112  
Date: SEP 11 / 2013