

# Agenda Report

April 30, 2018

**TO:** Honorable Mayor and City Council

**FROM:** Department of Public Works

**SUBJECT: CONTRACT AWARD NATURAL GAS SYSTEMS, INC. FOR OPERATIONS AND MAINTENANCE SERVICES OF CNG FUELING STATION FOR AN AMOUNT NOT TO EXCEED \$313,116**

## **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 a significant effect on the environment; and
2. i) Accept the bid dated March 28, 2018, submitted by Natural Gas Systems Incorporated (NGS) in response to the specifications to furnish labor and materials for operations and maintenance services of Compressed Natural Gas Fueling Station (CNG), ii) reject all other bids received, and iii) authorize the City Manager to enter into such contract for an amount not-to-exceed \$313,116 for a three-year period, inclusive of Consumer Price Index (CPI) increases, and two one-year options in an amount not-to-exceed \$104,372 annually, subject to the approval of the City Manager, for a maximum contract length of five years and a total contract amount of \$521,860.

## **BACKGROUND:**

The Department of Public Works, Building Systems and Fleet Management Division is responsible for the routine maintenance and emergency repair services for the City's CNG Fueling Station at the City Yard. Due to the specialized nature of this work, it is performed by an outside contractor.

The Department of Public Works prepared specifications in accordance with Section 4.08.070 of the Pasadena Municipal Code. On March 8, 2018, a Notice Inviting Bids for Operations and Maintenance of CNG Fueling Station was published in the *Pasadena Journal* and posted on Planetbids, which generated notices to 1,799 vendors of which

none were local. Eighteen vendors downloaded the bid documents. Five prospective bidders attended the mandatory pre-bid meeting on March 15, 2018, which was held at city yard to give them the opportunity to inspect and evaluate the condition of the existing systems and ask questions.

Three vendors submitted bids by the bid closing date of March 28, 2018. The following bids were received:

Bidder	Amount
1. Natural Gas Systems, Corona Del Mar, CA	\$94,372
2. Trillium USA Company, LLC, Houston, TX	\$98,081
3. Clean Energy, Newport Beach, CA	\$117,982*

\* Per the Notice Inviting Bids document, section 3.2 Evaluation of Bid, the dollar amount was revised by staff due to a calculation error by bidder on bid sheet.

The Department of Public Works recommends that NGS be awarded the contract for furnishing labor and materials for operations and maintenance of the CNG fueling station for a three-year period as they are the lowest responsive and responsible bidder. As proposed, the contract may be extended for two additional one-year renewal options with the approval of the City Manager. The proposed contract with NGS fully complies with the Competitive Bidding and Living Wage Ordinances.

The annual contract for this project will be set as follows:

Base Bid	\$ 94,372
Contingency	\$ 10,000
Contract "Not to Exceed" Amount	\$104,372

The City has done business with NGS in the past, issuing purchase orders totaling approximately \$224,000 since 2010 for routine maintenance and repair services for the CNG fueling station.

**COUNCIL POLICY CONSIDERATION:**

This authorization supports the City Council's strategic goal to improve, maintain, and enhance public facilities and infrastructure.

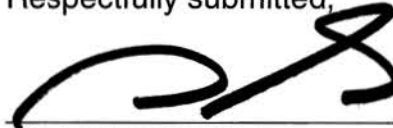
**ENVIRONMENTAL IMPACT:**

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 a significant effect on the environment.

**FISCAL IMPACT:**

The total cost of this action is \$313,116. Funding for this fiscal year will be addressed by utilization of existing budgeted appropriations in the Fleet Maintenance and Repair Fund under budget account 811400-51122058 and 811400-51122059. There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,



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