



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Authorize Purchasing Officer to Negotiate with FleetStar for the Purchase of a Used Natural Gas Compressor and Storage Vessels

MEETING DATE: January 20, 1999

PREPARED BY: Public Works Director

RECOMMENDED ACTION: That the City Council authorize the Purchasing Officer to negotiate with FleetStar for the purchase of a used natural gas compressor and storage vessels.

BACKGROUND INFORMATION: The City of Lodi has three converted compressed natural gas (CNG) buses operating on Dial-A-Ride. Two others are currently being converted and two more are scheduled. Also, the City of Lodi will be purchasing CNG replacement buses for the Grapeline. Currently, we have an agreement in which all transit vehicles will fuel at E. F. Kludt and Sons for two years so that the station has enough fuel load to be viable.

In addition to Transit, the Street and Water/Wastewater divisions, and the Electric Utility Department have all expressed interest in CNG vehicles, but do not want to pay the extra labor costs they would incur by sending employees 3.4 miles east of the Municipal Service Center (MSC) for fuel. Also, a second station would provide backup capability; thus, we wish to proceed on developing another CNG fueling station at the MSC.

We have learned that a station is being removed in Bakersfield and that the equipment may be available. A CNG compressor has a lifecycle of about 40 years so buying a 1- to 5-year-old compressor and storage vessels, not to exceed \$140,000, would save money and still be useful for the long term.

FUNDING:	San Joaquin Valley Unified Air Pollution Control District	\$100,000
	Federal Transit Administration	\$ 40,000

Richard C. Prima, Jr.
Public Works Director

Prepared by Carlos Tobar, Transportation Manager

RCP/CFT/lm

cc: Purchasing Officer
Fleet and Facilities Manager
Transportation Manager

APPROVED: _____

H. Dixon Flynn -- City Manager