



# CITY OF LODI

## COUNCIL COMMUNICATION

**AGENDA TITLE:** Authorize Purchasing Officer to Negotiate with Sulzer USA, Inc., for the Purchase of a Used Compressed Natural Gas (CNG) Dryer and Skid Enclosure

**MEETING DATE:** May 19, 1999

**PREPARED BY:** Public Works Director

**RECOMMENDED ACTION:** That the City Council authorize the Purchasing Officer to negotiate with Sulzer USA, Inc., for the purchase of a used compressed natural gas (CNG) dryer and skid enclosure.

**BACKGROUND INFORMATION:** The City of Lodi has seven converted (CNG) Dial-A-Ride buses. Public Works is considering converting one of the diesel GrapeLine buses to CNG as well. The City of Lodi also is going out to bid for six new CNG buses for the GrapeLine. Currently, we have an agreement with Fleetstar to 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. City Council has approved the purchase of a used CNG compressor and storage vessels, and an agreement with J-Mar Services for design and engineering. As part of the compressor project, the City needs to acquire ancillary components, including a dryer and skid enclosure.

J-Mar has found a one-year old CNG dryer that has never been placed into operation and a used skid enclosure that also hasn't been placed into service. Buying the one-year old dryer and skid enclosure, not to exceed \$45,000, would save approximately \$9,000.

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| <b>FUNDING:</b> | San Joaquin Valley Unified Air Pollution Control District | \$36,000 |
|                 | Federal Transit Administration                            | \$ 9,000 |

*for Sharon Blangfus*  
 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: \_\_\_\_\_

*Janet So Kater for DF*  
 H. Dixon Flynn -- City Manager