



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt Resolution Approving Specifications for a Compressed Natural Gas (CNG) Packaged Electric Motor Drive Compressor System for the Municipal Service Center CNG Fueling Station Expansion, and Authorizing City Manager to Negotiate a Contract to Award to GreenField Compression, Inc., as the Sole Supplier (Not to Exceed \$182,000)

MEETING DATE: December 7, 2005

PREPARED BY: Public Works Director

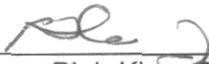
RECOMMENDED ACTION: That the City Council adopt a resolution approving specifications for a compressed natural gas (CNG) packaged electric motor drive compressor system for the Municipal Service Center (MSC) CNG fueling station expansion and authorizing the City Manager to negotiate a contract not to exceed \$182,000 to award to GreenField Compression, Inc., as the sole supplier.

BACKGROUND INFORMATION: The MSC has an existing CNG fueling station that was completed in May 2004 to provide fuel for the City's transit buses and other CNG-powered vehicles. The heart of that system is a heavy-duty premium efficiency 125 horsepower electric motor drive skid-mounted compressor package that was purchased from GreenField Compression, Inc. (formerly known as GreenField-Sultzter).

When the CNG fueling station was installed, the addition of a future second compressor was anticipated (the station layout provided space, the concrete foundation/pad, piping, etc.). The existing compressor has performed very well but now has approximately 5,000 hours on it and is due for a major service. Adding a second compressor will allow us to maintain uninterrupted service while compressor maintenance takes place, both now and in the future. It will also provide the ability to alternate between compressors and provide a back up should there be an unanticipated problem or failure.

Standardization of this equipment provides cost benefits to the City, saves on parts and training, allows back-to-back filling of buses due to a short recovery cycle, and requires only one vendor to service both machines. Familiarization of the compressors by staff is paramount and is simplified if we only have one model. The interchangeability of parts from one compressor to the other, especially in an emergency, provides an advantage.

It is critical that we continue to provide reliable CNG fueling for our City's transit and general fleet. This second compressor package is the key component of that system's dependability. Staff is recommending that we purchase another compressor from the same manufacturer that is identical to the existing unit, and that GreenField Compression, Inc., be deemed as the sole supplier.

APPROVED: 
Blair King, City Manager

Adopt Resolution Approving Specifications for a Compressed Natural Gas (CNG) Packaged Electric Motor Drive Compressor System for the Municipal Service Center CNG Fueling Station Expansion, and Authorizing City Manager to Negotiate a Contract to Award to GreenField Compression, Inc., as the Sole Supplier (Not to Exceed \$182,000)

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Page 2

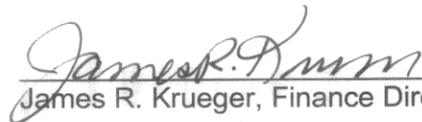
Specifications have been prepared and are on file in the Public Works Department. Specifications from GreenField Compression, Inc., for their Model C4U117.1 compressor package meet the City's specifications.

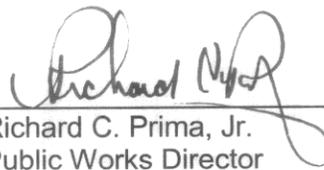
GreenField Compression, Inc., has indicated to the City of Lodi that they have a 5% price increase scheduled to go into effect January 1, 2006. Staff is seeking this purchase approval now in order to finalize a purchase contract before that increase.

FISCAL IMPACT: There is \$36,400 in TDA cost involved in purchase, the operational cost for running two compressors will be insignificantly higher, as the compressors will be sequenced to alternate. The maintenance costs will increase some but will be offset by greater reliability from the dual compressor operation.

Also, overtime call-outs for service will likely decrease, since the second compressor can be used instead.

FUNDING AVAILABLE: Funding will be provided by a Congestion Mitigation and Air Quality (CMAQ) grant from the San Joaquin Council of Governments; Transportation Development Act (TDA) funds will be used as matching funds.


James R. Krueger, Finance Director


Richard C. Prima, Jr.
Public Works Director

Prepared by Dennis J. Callahan, Fleet and Facilities Manager

RCP/DJC/pmf

cc: Tiffani Fink, Transportation Manager
Roger Rich, Fleet Supervisor
Joel Harris, Purchasing Officer
Steve Schwabauer, City Attorney

RESOLUTION NO. 2005-248

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING SPECIFICATIONS FOR A COMPRESSED NATURAL GAS (CNG) PACKAGED ELECTRIC MOTOR DRIVE COMPRESSOR SYSTEM FOR THE MUNICIPAL SERVICE CENTER CNG FUELING STATION EXPANSION, AND FURTHER AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND AWARD CONTRACT WITH SOLE SUPPLIER

WHEREAS, Lodi Municipal Code §3.20.070 authorizes dispensing with bids for purchases of supplies, services, or equipment when it is in the best interest of the City to do so; and

WHEREAS, the Municipal Service Center (MSC) has an existing compressed natural gas (CNG) fueling station that was completed in May 2004 to provide fuel for the City's transit buses and other CNG-powered vehicles; and

WHEREAS, the heart of the system is a heavy-duty premium efficiency 125 horsepower electric motor drive skid-mounted compressor package that was purchased from GreenField Compression, Inc., (formerly known as GreenField-Sultzter); and

WHEREAS, the addition of a second compressor was anticipated, as the station layout provided the necessary space with concrete foundation/pad, piping, etc.; and

WHEREAS, the existing compressor has performed very well, but has been utilized approximately 5,000 hours and is due for a major service; and

WHEREAS, with the installation of a second compressor, uninterrupted service will be maintained as well as providing necessary backup for any unanticipated system problem or failure; and

WHEREAS, staff recommends the purchase of a second identical compressor unit from the same manufacturer and that GreenField Compression, Inc. be deemed as the sole supplier.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby approves the specifications for a CNG Packaged Electric Motor Drive Compressor System for the MSC CNG Fueling Station Expansion; and

BE IT FURTHER RESOLVED that the City Council hereby approves standardizing the above-referenced compressor equipment and deems GreenField Compression, Inc., as the sole supplier; and

BE IT FURTHER RESOLVED that the City Manager is hereby authorized and directed to negotiate a contract to award the sole-source purchase to GreenField Compression, Inc., in an amount not to exceed \$182,000.

Dated: December 7, 2005

I hereby certify that Resolution No. 2005-248 was passed and adopted by the City Council of the City of Lodi in a regular meeting held December 7, 2005, by the following vote:

AYES: COUNCIL MEMBERS – Beckman, Hansen, Johnson, Mounce, and Mayor Hitchcock
NOES: COUNCIL MEMBERS – None
ABSENT: COUNCIL MEMBERS – None
ABSTAIN: COUNCIL MEMBERS – None


SUSAN J. BLACKSTON
City Clerk