



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt Resolution Awarding Contract for Municipal Service Center (MSC) Additional Compressed Natural Gas (CNG) Installation Project to Performance Mechanical, Inc., of Pittsburg, CA (\$44,600) and Appropriate Additional Funds (\$10,000)

MEETING DATE: August 2, 2006

PREPARED BY: Public Works Director

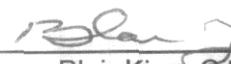
RECOMMENDED ACTION: That the City Council adopt a resolution awarding the contract for the above project to Performance Mechanical, Inc. (PMI), of Pittsburg, CA, in the amount of \$44,602 and appropriate additional funds in accordance with the recommendation shown below.

BACKGROUND INFORMATION: This project consists of the installation of additional Compressed Natural Gas (CNG) fueling equipment within the existing fueling facility at the Municipal Service Center (MSC). The City previously constructed a CNG fueling facility at the MSC to accommodate transit vehicles and miscellaneous CNG-fueled City equipment. This project will install a second compressor at the MSC, allowing for additional fueling capacity for an expanding transit fleet, as well as backup so that the compressors can be serviced without disrupting the fueling capabilities of the City fleet. Council authorized the purchase of the second CNG compressor and auxiliary equipment (\$180,000) as a separate bid on December 7, 2005. Bidding the equipment separate from the installation was the most cost effective and efficient way to build the CNG station, reducing the cost of the equipment by avoiding mark-up of the manufacturer's price.

Funding for the installation project is through a Congestion Mitigation and Air Quality (CMAQ) grant from the San Joaquin Council of Governments with matching funds (minimum 20%) from Transportation Development Act (TDA) transit capital funds. The total project cost (equipment and installation) is estimated to be \$230,000 including contingencies. At the time the grant was submitted, the cost of the additional compressor and its installation was estimated to cost \$220,000, however, the actual cost is \$230,000 and, therefore, an appropriation of an additional \$10,000 is being requested to cover the project cost.

Plans and specifications for this project were approved on June 7, 2006. The City received only one bid for this project on July 12, 2006, but the bid from PMI was within the Engineer's estimate. In addition, PMI has proven to be a competent contractor, including serving as the general contractor on the City of Lodi/ LUSD CNG fueling station project. The total installation costs including contingencies are expected to be \$50,000.

| Bidder | Location | Bid |
|------------------------------|-----------|--------------------|
| Engineer's Estimate | | Less than \$50,000 |
| Performance Mechanical, Inc. | Pittsburg | \$44,602 |

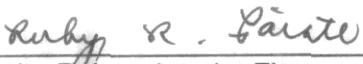
APPROVED: 
Blair King, City Manager

FISCAL IMPACT: Failure to award the contract for construction of the facility would result in the recently-purchased equipment going unused and a loss of fueling backup capability.

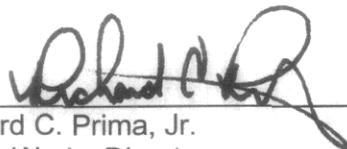
FUNDING AVAILABLE: Funds, including a 10% contingency, were appropriated with the approval of the Federal Transit Administration grant in the amount of \$220,000. An additional appropriation of \$10,000 is required to fund the total project and will come from TDA funds.

Project Recap:

| | |
|---|-----------|
| 1) Equipment and Engineering | \$180,000 |
| 2) Construction (original estimate) | \$ 40,000 |
| Construction Adjustment (per bid, including contingency) | \$ 10,000 |
| Revised Project Total: | \$230,000 |



Ruby Paiste, Interim Finance Director



Richard C. Prima, Jr.
Public Works Director

Prepared by Dennis Callahan, Fleet and Facilities Manager
Tiffani M. Fink, Transportation Manager

RCP/DJC/pmf

cc: City Attorney
Purchasing Officer
Transportation Manager

RESOLUTION NO. 2006-146

A RESOLUTION OF THE LODI CITY COUNCIL AWARDING
THE CONTRACT FOR THE MUNICIPAL SERVICE CENTER
ADDITIONAL COMPRESSED NATURAL GAS INSTALLATION
PROJECT, AND FURTHER APPROPRIATING ADDITIONAL
FUNDS FOR THIS PROJECT

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed bids were received and publicly opened on July 12, 2006, at 11:00 a.m. for the Municipal Service Center Additional Compressed Natural Gas Installation Project, described in the specifications therefore approved by the City Council on June 7, 2006; and

WHEREAS, said bids have been compared, checked, and tabulated and a report thereof filed with the City Manager as follows:

| <u>Bidder</u> | <u>Bid Amount</u> |
|---|--------------------|
| Engineer's Estimate | Less than \$50,000 |
| Performance Mechanical, Inc., Pittsburg | \$44,602 |

WHEREAS, staff recommends award of the contract for the Municipal Service Center Additional Compressed Natural Gas Installation Project, be made to the sole bidder, Performance Mechanical, Inc., of Pittsburg, California, in the amount of \$44,602.00.

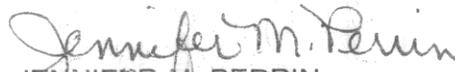
NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that the award of the contract for Municipal Service Center Additional Compressed Natural Gas Installation Project be and the same is hereby awarded to the sole bidder, Performance Mechanical, Inc., of Pittsburg, California, in the amount of \$44,602.00; and

BE IT FURTHER RESOLVED that an additional \$10,000.00 be appropriated from Transportation Development Act funds for this project.

Dated: August 2, 2006

I hereby certify that Resolution No. 2006-146 was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 2, 2006, 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


JENNIFER M. PERRIN
Interim City Clerk