

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
2	05/13/13	Open	Action	04/11/13

Subject: Awarding a Contract for Compressed Natural Gas Equipment Repair and Maintenance to Clean Energy

ISSUE

Whether or not to Award a Contract for Compressed Natural Gas Equipment Repair and Maintenance to Clean Energy.

RECOMMENDED ACTION

Adopt Resolution No. 13-05-_____, Awarding a Contract for Compressed Natural Gas Equipment Repair and Maintenance to Clean Energy.

FISCAL IMPACT

Budgeted:	Yes	This FY:	\$	0
Budget Source:	Operating	Next FY:	\$	25,000
Funding Source:		Annualized:	\$	
Cost Cntr/GL Acct(s) or Capital Project #:	37/630018	Total Amount:	\$	25,000
Total Budget:	\$ 375,000			

DISCUSSION

On January 28, 2013, the Board authorized solicitation of proposals for Compressed Natural Gas (CNG) Equipment Repair and Maintenance.

Staff released the RFP on January 29, 2013, advertised the solicitation in publications of general circulation and posted to RT's website under Contracting Opportunities. Seven firms received the RFP. In response, RT received one proposal on March 6, 2013, from Clean Energy.

In the past two years, it has become increasingly difficult to find vendors to provide services to the manufacturer's original specifications and performance standards due to the age of the CNG equipment located at 1323 28th Street, obsolete parts and technology changes. Additionally, a previous Invitation to Bid released for this project under a sealed low bid procurement method resulted in no bids received. This contract provides a minimum guarantee of \$25,000 annually, which possibly encouraged bidder interest. Clean Energy has a huge parts inventory that includes the obsolete and/or long lead-time parts for the CNG facility at 1323 28th Street that RT will have access to, in addition to maintenance support as needed. The contractor will provide all material, labor, tools and equipment required.

Approved:

Presented:

Final 05/08/13

General Manager/CEO

Director, Facilities

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Although the Facilities Maintenance Mechanics and Facilities Technician perform a large percentage of work on the compressors located at 1323 28th Street, they are limited due to the availability of required parts necessary for repair and/or rebuild, PLC diagnostics and software problems specific to the equipment. It is through the Facilities Mechanics and Technician's efforts and commitment that RT has not had a major failure. Facilities employees will continue to work on the compressors with the added benefit and knowledge of having the necessary resources and parts readily available when needed. Task Orders will be issued to Clean Energy as needed.

After reviewing the proposal, RT staff determined that Clean Energy's proposal is technically acceptable and its price proposal was determined to be fair and reasonable.

Staff recommends the Board award a three-year contract for CNG Equipment Repair and Maintenance to Clean Energy, for an amount not to exceed \$375,000.

RESOLUTION NO. 13-05-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

May 13, 2013

**AWARDING A CONTRACT FOR COMPRESSED NATURAL GAS EQUIPMENT
REPAIR AND MAINTENANCE TO CLEAN ENERGY**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE
SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Contract between Sacramento Regional Transit District, therein referred to as "RT," and Clean Energy, therein referred to as "Contractor," whereby Contractor agrees to provide Compressed Natural Gas Equipment Repair and Maintenance on an on-call/Task Order basis, as specified, for an amount not to exceed \$375,000, is hereby approved.

THAT, the Chair and General Manager/CEO are hereby authorized and directed to execute said Contract.

PATRICK HUME, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary