



Legislation Details (With Text)

File #:	19-0619	Version:	1	Name:	FM - Amend contract w/Clean Energy Fuels Corp. for purchase of natural gas (CNG)
Type:	Contract	Status:	CCIS		
File created:	6/13/2019	In control:	City Council		
On agenda:	7/2/2019	Final action:	7/2/2019		

Title: Recommendation to authorize City Manager, or designee, to amend interim Munis Contract No. 3182200099 with Clean Energy Fuels Corporation, of Newport Beach, CA, for the purchase of compressed natural gas, by increasing the contract amount by \$180,000, for a revised total amount not to exceed of \$280,000, and extend the term to January 31, 2020. (Citywide)

Sponsors: Financial Management

Indexes:

Code sections:

Attachments: 1. 070219-C-8sr.pdf

Date	Ver.	Action By	Action	Result
7/2/2019	1	City Council	approve recommendation	Pass

Recommendation to authorize City Manager, or designee, to amend interim Munis Contract No. 3182200099 with Clean Energy Fuels Corporation, of Newport Beach, CA, for the purchase of compressed natural gas, by increasing the contract amount by \$180,000, for a revised total amount not to exceed of \$280,000, and extend the term to January 31, 2020. (Citywide)

On May 16, 2006, the City Council awarded a contract to Clean Energy Fuels Corporation (Clean Energy), to operate the compressed natural gas (CNG) fuel station at 2400 E. Spring Street. As part of that contract, the City received a price break for CNG fuel. To ensure continuity of service, interim Contract No. 3182200099, in the amount of \$100,000, was issued pursuant to the City purchasing guidelines. The interim contract is set to expire on June 30, 2019. The authorized amount under the current terms and conditions of the contract has been exhausted.

City Council approval is requested to increase the interim contract with Clean Energy by \$180,000, for a total amount not to exceed of \$280,000, and to extend the term to January 31, 2020. This amendment will allow for the continuation of service providing fuel to the City's 135 vehicles that use CNG fuel. A Request for Proposals (RFP) was conducted for the upgrade of the CNG station facilities and for daily operations. The long-term contract is being negotiated and will include new pricing for CNG fuel. The Fleet Services Bureau will utilize the new Clean Energy contract with the Energy Resources Department once it is fully-executed.

This matter was reviewed by Deputy City Attorney Taylor M. Anderson on June 13, 2019,

Purchasing Agent Tara Yeats on June 6, 2019, and by Budget Management Officer Rhutu Amin Gharib on June 14, 2019.

City Council action is requested on July 2, 2019, to allow for uninterrupted and timely purchasing of CNG fuel until long-term contracts are executed.

The requested action increases the contract by \$180,000, for a revised total amount not to exceed \$280,000. The cost for the purchase of CNG fuel under this contract is budgeted in the Fleet Fund Group in the Financial Management Department. Fuel costs are charged to user departments through the Fleet Services Memorandum of Understanding and are collected through the monthly billing process. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER