

RIVERSIDE TRANSIT AGENCY
 1825 Third Street
 Riverside, CA 92507

June 23, 2005

TO: BOARD OF DIRECTORS

THRU: Larry Rubio, Chief Executive Officer

FROM: Vince Rouzaud, Director of Purchasing and Materials Management

SUBJECT: Authorization to Award a Contract to Natural Gas Systems Inc. (NGS), for Preventative Maintenance and Repair Services for the Agency's CNG Fueling Stations in Riverside and Hemet

Summary: The Agency has historically contracted on a month-to-month basis for routine preventative maintenance and repair services for its Compressed Natural Gas (CNG) fueling stations in both Riverside and Hemet.

Later this year, the Agency's new CNG station in Riverside is scheduled to become operational and will require the same level of preventative maintenance and repair services. With the addition of the new station, the maintenance requirements for the three fueling stations has now reached the point where staff felt it was appropriate to formally bid these services.

On April 4, 2005, Invitation For Bid (IFB) 05-008 was issued to nine (9) prospective firms capable of providing the services outlined in the IFB. The IFB requested vendors provide pricing for a one-year base period with three one-year options. On May 10, 2005, two (2) responsive and responsible bids were received as follows:

Vendor	Base Period	Option Year 1	Option Year 2	Option Year 3	Grand Total
Natural Gas Systems	\$47,736	\$52,500	\$57,756	\$63,540	\$221,532
The Hanover Company	\$162,800	\$163,800	\$171,960	\$180,600	\$679,160

The bids were reviewed by an evaluation committee which included staff from both purchasing and facilities maintenance. The lowest responsive and responsible bidder, Natural Gas Systems Inc., is certified and licensed to perform all work identified in the scope of work.

In addition to the base bid amount, the IFB requested bidders provide pricing for emergency repairs considered outside the scope of normal preventative maintenance. NGS' bid included an hourly labor rate of \$127.50 plus the cost of parts calculated at cost plus 25 percent. Since it is difficult to know with any certainty what to expect with regard to emergency repairs, staff is recommending the agreement include provisions to cover the cost for emergency situations. Based upon the total maintenance cost for FY 05, this amount would add approximately 30 percent to the annual amount making the total agreement amount \$287,991.60.

Staff recommends awarding a contract to Natural Gas Systems Inc., the lowest responsive and responsible bidder.

Fiscal Impact:

Funding in the amount of \$62,056.80 is included in the Agency's FY2005/06 operating budget for CNG maintenance services. Funding for future years will be requested in future year budgets.

Committee Recommendation:

This item was discussed at the Board Budget and Finance Committee meeting of June 1, 2005. The Committee members unanimously approved recommending this item to the full Board of Directors for their consideration.

Recommendation:

Authorize staff to award a one-year contract with three one-year options to Natural Gas Systems Inc., for Preventative Maintenance and Repair Services for the Agency's CNG fueling stations in Riverside and Hemet at a cost not-to-exceed \$62,056.80 for the base period. The total not-to-exceed amount for the base period and three one-year options, if exercised, would not exceed \$287,991.60.