

15. Blanket Order Contract to US Gain, a Division of US Venture Inc., for Compressed Natural Gas Fueling Services (Spec No. 24-049) (Non-General Fund)

Department(s):

Recommended Action: Award Blanket Order Contract to US Gain, a Division of US Venture Inc., for compressed natural gas fueling services, in amount not to exceed \$240,000, on an as-needed basis, for an initial one-year term beginning April 16, 2024 and expiring April 15, 2025, with provisions for one, one-year renewal option.



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
April 16, 2024

TOPIC: Compressed Natural Gas Fueling Services

AGENDA TITLE

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RECOMMENDED ACTION

Award Blanket Order Contract to US Gain, a Division of US Venture Inc., for compressed natural gas fueling services, in amount not to exceed \$240,000, on an as-needed basis, for an initial one-year term beginning April 16, 2024 and expiring April 15, 2025, with provisions for one, one-year renewal option.

GOVERNMENT CODE §84308 APPLIES: Yes

DISCUSSION

The City's Public Works Agency utilizes a variety of heavy equipment vehicles and trucks to deliver street maintenance, water, and sewer services. The City recently completed its goal of transitioning all heavy equipment vehicles from diesel fuel-powered to natural gas-powered.

On August 17, 2021, the City Council approved an agreement with OPAL Fuels Station Services, LLC (formerly TruStar Energy, LLC) to provide services for Phase I, Design; Phase II, Equipment Procurement; and Phase III, Construction of a new Compressed Natural Gas (CNG) fueling station at the City Corporate Yard. On December 20, 2022, the City Council approved an amendment to the agreement with OPAL Fuels Station Services to update the agreement's scope of work to include a publicly-accessible fuel station.

The City's 31 CNG-powered vehicles had been fueling at the City's Corporate Yard with supplemental fueling performed at a US Gain fueling station located within City boundaries at 1601 East 1st Street. During the past few months, the Corporate Yard's CNG station stopped being functional and after numerous maintenance and repair services efforts, it has been determined to be cost-prohibitive to repair Corporate Yard's CNG station. The above-mentioned project with OPAL Fuels Station Services is over a year away from completion. Staff is requesting contract authority to allow for CNG fueling services with US Gain, which will allow City CNG-powered fleet vehicles to

continue their everyday operations without any fueling interruptions while City staff actively seeks contracting options for CNG fueling services.

FISCAL IMPACT

Funding is available in the current FY 2023-24 budget and funding for subsequent fiscal year will be included in the proposed budget for City Council consideration.

Fiscal Year	Accounting Unit- Account #	Fund Description	Accounting Unit, Account Description	Amount
2023-24 Apr – Jun	07617102-63301	Stores & Property Control	Stores & Property Control, Alternative Fuel-CNG	\$45,000
2024-25	07617102-63301	Stores & Property Control	Stores & Property Control, Alternative Fuel-CNG	\$120,000
2025-26	07617102-63301	Stores & Property Control	Stores & Property Control, Alternative Fuel-CNG	\$75,000
TOTAL				\$240,000

Submitted By: Nabil Saba, P.E., Executive Director – Public Works Agency

Approved By: Alvaro Nuñez, Acting City Manager