

REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2604
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CONSENT
February 20, 2007

Honorable Mayor and
Members of the City Council

Title: Contract: Upgrading the City's Automated Fuel System – Two Thirds Vote Required

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) Suspending competitive bidding in the best interests of the City; 2) transferring \$150,000 from the Meadowview Fuel System Upgrade Project (YB64) to the Fuel Storage and Support Equipment Program (CA91); and 3) awarding a contract to Maximus, Inc. for upgrading and implementing the City's Automated Fuel System at five remote sites for an amount not to exceed \$460,446.

Contacts: Keith Leech, Fleet Manager, 808-5869, Christopher Stewart, Procurement Services Manager, 808-6202

Presenters: Not Applicable

Department: General Services

Division: Fleet Management

Organization No: 3259

Description/Analysis:

Issue: The Department of General Services, Fleet Management Division operates six automated fueling sites located on City owned properties. The existing fueling system has obsolete parts and equipment which makes maintenance difficult. In addition, the current system currently tracks activity by using employee social security numbers, which affects employee privacy. In an effort to provide better tracking and improved operations, the current system needs to be replaced. Staff has identified resources to upgrade five existing facilities: (1) Meadowview Maintenance Facility; (2) Kinney Police Garage; (3) Rooney Police Garage; (4) Sutter's Landing; and (5) South Area Corporation Yard – 24th Street.

The fueling system is linked to the current work management system (M4)

provided by Maximus, Inc., which provides hardware and software support for the City's fueling system. This new agreement will include the purchase of new hardware components, sales/use tax and installation services. This upgraded solution known as FuelFocus offers several advantages over the current system including automated and secured fueling process and future integration with the City's eCAPS system. This is a sole source agreement, because Maximus, Inc. is the only company that provides the hardware and installation services for this system.

Policy Considerations: The recommendations in this report are in accordance with the provisions of the City Code Section 3.56.230(c), which authorizes suspension of formal competitive bidding is in the best interests of the City upon a two-thirds vote of the City Council.

Committee/Commission Action: Not Applicable.

Environmental Considerations: California Environmental Quality Act (CEQA) Guidelines, Section 15378 indicates that a "project" is the whole of an action which has the potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. The proposed upgrading and implementing of the City's Automated Fuel System would not result in a direct or indirect physical change in the environment. Therefore, the proposal is not considered a "project" under CEQA. CEQA Section 15060(c)(3) indicates that an activity is not subject to CEQA if the activity is not a project as defined in Section 15378. Therefore, because the proposed activity is not a "project," the proposed activity is not subject to CEQA.

Rationale for Recommendation: The existing fuel system, originally purchased in 1989, is functional but is now obsolete and can no longer be supported by the vendor. This action will authorize the Fleet Management Division to upgrade the existing system and take advantage of new technologies and functionalities. This will allow Fleet staff to perform all Fleet maintenance, asset management, and fuel management functions within one system. In addition, it will integrate with the City's future eCAPS system. In FY 2005/06, a pilot site (North Area – Corporation Yard) was upgraded for \$74,000.

The new fueling system will provide the following:

- **Accurate Vehicle Mileage Data Tracking** – Accurate vehicle usage (mileage/hours driven) is essential for predicting, scheduling and projecting vehicles use and maintenance needs as well as billing and replacement; this could potentially decrease the City's operations and maintenance costs over the long-run.
- **Enhanced Non-intervention Fueling** – The proposed system provides timely fuel consumption data, shortens fueling time and increases staff productivity. It eliminates duplicate data entry and maintains data integrity. It reduces shrinkage (waste and abuse) through automated fuel dispensing. An automated fuel system allows fuel sites to operate 24/7 without staffing.

- Improved Fuel Inventory Control – Fleet manages 2,338 units of sedans, light and heavy duty trucks, trailers, and tractors. These vehicles travel 16.9 million miles and consume more than 2.3 million gallons of fuel every year. Because of the high volume, many users, remote sites, and fluctuating prices, an upgrade to the system will improve inventory control to lower overall fuel expenditures. It also enhances safety and inventory reconciliation through monitoring of fuel storage tanks and pumps.

Risks of remaining with current environment:

- If the fuel system fails, Fleet will lack vendor support and replacement of parts and equipment.
- System failure will result in a higher cost of an alternative solution.

Financial Considerations: Sufficient funding is available within the Meadowview Fuel System Upgrade Project (YB64) to approve the transfer of \$150,000 to the Fuel Storage and Support Equipment Program (CA91). Upon completion of the transfer of funds from the Meadowview Fuel System Upgrade Project (YB64), sufficient funding will be available within the Fuel Storage and Support Equipment Program (CA91) to award the fuel system upgrade contract to Maximus, Inc. in an amount not to exceed \$460,446. This new agreement will include the purchase of new hardware components (\$367,168); sales/use tax (\$24,328); and installation services (\$68,950) for a total amount of \$460,446.

Emerging Small Business Development (ESBD): Maximus, Inc. is not certified as an Emerging/Small Business Enterprise (ESBE).

Respectfully submitted by:



Christopher Stewart
Procurement Services Manager

Respectfully submitted by:



Keith Leech
Fleet Manager

Approved by: 
Reina J. Schwartz
Director of General Services

Recommendation Approved:

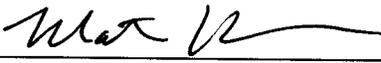
for 
Ray Kerridge
City Manager

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Attachment 1

Hardware Components (Equipment) Cost		
Part Description	Quantity	Cost
Meadowview Maintenance Facility:		
RFC-2500 Terminal - WAF 4 Optical Channels	3	\$33,507
Maximus DDA and Power Supply	6	\$5,610
Mechanical Pump Adapter Kit	3	\$4,080
WAF Antenna Box (one needed per ICU)	1	\$450
Mag Stripe Card Option	1	\$221
HID Proximity Reader Option	3	\$1,020
Nozzle Transponder Kit - Standard	12	\$2,448
Nozzle Transponder Kit - Vapor Recovery	12	\$2,448
RVB Programmer	1	\$1,190
Fleet Focus Integration Licenses	3	\$5,985
FuelFocus TLS Interface	1	\$2,795
HID Key fobs for balance of vehicles	1800	\$12,600
WAF Vehicle Controller - J1708 Connectivity	180	\$30,240
Fuel Inlet Antenna (all sizes)	180	\$3,240
	Sub Total:	\$105,834
Kinney Police Garage Site:		
RFC-2500 Terminal - 8 Hose - WAF Ready	0	Remaining Balance
WAF Antenna Box	1	from NACY Site
RVB Programmer	1	\$450
	Sub Total:	\$1,190
		\$1,640
Rooney Police Garage Site:		
RFC-2500 Terminal - 8 Hose - WAF Ready	1	\$11,379
WAF Antenna Box (one needed per ICU)	1	\$450
Mag Stripe Card Option	1	\$221
HID Proximity Reader Option	1	\$340
Nozzle Transponder Kit - Standard	4	\$816
Nozzle Transponder Kit - Vapor Recovery	4	\$816
RVB Programmer	1	\$1,190
Fleet Focus Integration Licenses	1	\$1,995
FuelFocus TLS Interface	1	\$2,795
	Sub Total:	\$20,002

Part Description	Quantity	Cost
Sutter's Landing Site:		
RFC-2500 Terminal - 4 Hose - WAF Ready	1	\$10,934
WAF Antenna Box (one needed per ICU)	1	\$450
Mag Stripe Card Option	1	\$221
HID Proximity Reader Option	1	\$340
Nozzle Transponder Kit - Standard	2	\$408
Nozzle Transponder Kit - Vapor Recovery	2	\$408
RVB Programmer	1	\$1,190
Fleet Focus Integration Licenses	1	\$1,995
FuelFocus TLS Interface	1	\$2,795
Sub Total:		\$18,741
South Area Corp Yard - 24 Street:		
RFC-2500 Terminal - 8 Hose - WAF Ready	4	\$45,518
WAF Antenna Box (one needed per ICU)	1	\$450
Mag Stripe Card Option	4	\$884
HID Proximity Reader Option	4	\$1,360
Nozzle Transponder Kit - Standard	13	\$2,652
Nozzle Transponder Kit - Vapor Recovery	13	\$2,652
RVB Programmer	1	\$1,190
Fleet Focus Integration Licenses	1	\$1,995
FuelFocus TLS Interface	1	\$2,795
Sub Total:		\$59,496
Other Equipment:		
WAF Vehicle Controller - J1708		
Connectivity	800	\$134,400
Fuel Inlet Antenna (all sizes)	800	\$14,400
Spare Parts Kits	2	\$11,800
Shipping & Handling	9	\$855
Sub Total:		\$161,455
TOTAL:		<u>\$367,168</u>
Sales/Use Tax		<u>\$24,328</u>
Grand Total		<u>\$391,496</u>

Installation Services Cost

Part Description	Service Unit	Cost
Meadowview Maintenance Facility:		
Installation Services	4	\$5,400
Training Services	2	\$2,700
Estimated Travel	1	\$2,000
Support Upgrade	3	\$4,500
	Sub Total:	\$14,600
Kinney Police Garage:		
Installation Services	1	\$1,350
Training Services	1	\$1,350
Support Upgrade	1	\$0
Estimated Travel	1	\$500
	Sub Total:	\$3,200
Rooney Police Garage:		
Installation Services	1	\$1,350
Training Services	1	\$1,350
Estimated Travel	1	\$500
Support Upgrade	1	\$1,500
	Sub Total:	\$4,700
Sutter's Landing Site:		
Installation Services	1	\$1,350
Training Services	1	\$1,350
Estimated Travel	1	\$500
Support Upgrade	1	\$1,500
	Sub Total:	\$4,700
South Area Corp Yard – 24th Street:		
Installation Services	4	\$5,400
Training Services	1	\$1,350
Estimated Travel	4	\$2,000
Support Upgrade	4	\$6,000
	Sub Total:	\$14,750
Other Services:		
Project Management	20	\$27,000
	TOTAL:	<u>\$68,950</u>
Total all services and equipment		\$460,446

RESOLUTION NO. 2007-XXXX

Adopted by the Sacramento City Council

February 20, 2007

**SUSPEND COMPETITIVE BIDDING IN THE BEST INTERESTS OF THE CITY,
TRANSFER \$150,000 FROM THE MEADOWVIEW FUEL SYSTEM UPGRADE
PROJECT (YB64) TO THE FUEL STORAGE AND SUPPORT EQUIPMENT
PROGRAM (CA91) AND AWARD A CONTRACT TO MAXIMUS, INC.
FOR UPGRADING AND IMPLEMENTING THE
CITY'S AUTOMATED FUEL SYSTEM AT FIVE REMOTE SITES
FOR THE AMOUNT NOT TO EXCEED \$460,446**

BACKGROUND

- A. The Department of General Services, Fleet Management Division, has a need to upgrade the City's current fueling system. In FY 2005/06, a pilot site (North Area) was upgraded for the amount of \$74,000.
- B. The new agreement will include the purchase of new hardware components (\$367,168), sales/use tax (\$24,328), and installation services (\$68,950) for a total amount of \$460,446.
- C. This is a sole source agreement, because Maximus, Inc. is the only company that provides the hardware and installation services for this system.
- D. Sufficient funding from the is available within the Meadowview Fuel System Upgrade Project (YB64) to approve the transfer of \$150,000 to the Fuel Storage and Support Equipment Program (CA91).
- E. Upon completion of the transfer of funds from the Meadowview Fuel System Upgrade Project (YB64) there will be sufficient funding available within the Fuel Storage and Support Equipment Program (CA91) to award the fuel system upgrade contract to Maximus, Inc. in an amount not to exceed \$460,446.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. Competitive bidding is suspended as it is in the best interests of the City for upgrading the City's Automated Fuel System.
- Section 2. The transfer of \$150,000 in from the Meadowview Fuel System Upgrade Project (YB64) to the Fuel Storage and Support Equipment Program (CA91) is approved.

Section 3. The contract is awarded to Maximus, Inc., 998 Old Eagle Road, Wayne, PA 19087 for the upgrading the City's Automated Fuel System for a total amount not to exceed \$460,446.