



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 17-00235

City Council

5/11/2017

LEGISLATIVE ACTION ITEM

SPONSOR: Ashton J. Hayward, III, Mayor

SUBJECT:

PENSACOLA ENERGY - PALAFOX COMPRESSED NATURAL GAS (CNG) STATION EXPANSION

RECOMMENDATION:

That City Council authorize the Mayor to approve a contract with Zeit Energy, LLC to furnish and install seven (7) time-fill slots at the Palafox CNG Station for \$174,160 plus a 5% contingency of \$8,708 for a total contract amount of \$182,868.

HEARING REQUIRED: No Hearing Required

SUMMARY:

The Sanitation Services and Fleet Management Department requires an expansion of the Palafox CNG site, located at 2759 N Palafox Street, in order to accommodate new sanitation equipment. The station currently has seven (7) time-fill slots. The expansion includes the addition of seven (7) new time-fill slots and asphalt resurfacing in the parking area to fuel a total of nine (9) CNG sanitation trucks plus future additions to the CNG fleet.

Zeit Energy, LLC constructed all previous CNG stations. This contract will allow for a single point of contact, Zeit Energy, LLC to warrant and maintain all three of Pensacola Energy's CNG stations.

PRIOR ACTION:

October 10, 2011 - Council awarded a contract to Zeit Energy, LLC to construct up to three CNG stations.

FUNDING:

Budget:	\$ 183,000
Actual:	\$ 174,160 Zeit Installation Contract
	<u>8,708</u> 5% Contingency
Total:	<u>\$ 182,868</u>

FINANCIAL IMPACT:

Funding for the project has been appropriated in the Gas Utility Fund.

CITY ATTORNEY REVIEW: Yes

5/1/2017

STAFF CONTACT:

Eric W. Olson, City Administrator
Richard Barker, Jr., Chief Financial Officer
Don J. Suarez, Pensacola Energy Director

ATTACHMENTS:

- 1) Installation Quote from Zeit Energy

PRESENTATION: No