

Mayor
Willard Rodarmel
Mayor Pro Tem
John Plourde
Council Members
John Gordon
John Murray
William Siegel



City of

LEMOORE
CALIFORNIA

Staff Report

Public Works Department

711 W. Cinnamon Drive
Lemoore, CA 93245
Phone (559) 924-6735
FAX (559) 924-6708

Item # 4F

To: Lemoore City Council
From: Lauren Apone, Administrative Analyst
Date: March 24, 2011
Subject: Termination of Contract with Adrianus Resources and CNG Station Update

Discussion:

On December 15, 2009, Council authorized the City Manager to execute a contract with Ron Smith of Adrianus Resources for scoping, preliminary design, bid evaluation, and project management of the Compressed Natural Gas fueling station to be constructed with the four area school districts at 857 Iona Avenue. The scope of the project created with the assistance of Adrianus Resources was to be design-build, where one firm is awarded a contract and is in charge of the design and construction of the station. As you may remember, staff updated Council at the March 1, 2011 meeting that recent changes made by Caltrans, who is administering the \$188,000 CMAQ grant for this project, no longer allow a design-build project.

The simplest solution to satisfy Caltrans' guidelines is to move away from the design-build approach and go with a standard design, bid, and then build process. That involves terminating our contract with Adrianus Resources. This contract was originally for \$25,000. The City has paid Adrianus \$13,000 to date for scoping and preliminary design, which was included in the Request for Qualifications for engineering design services released by Lemoore Union High School District. The contract between the City and Adrianus Resources allows for the early termination of the contract by either party.

The delay in the project resulting from this change is not expected to be significant. We are also not anticipating a major change in the budget, and still do not anticipate going over our allotted funding for the project, which includes the Leprino funds, a grant from AB118, and the above-mentioned CMAQ money. The net effect of this change is that we are moving the design portion to before the construction bid, instead of including it in the construction bid. The Lemoore Union High School District will be responsible for awarding both the design and the construction contracts for the station.

At their Board Meeting on March 24, 2011, LUHSD awarded the engineering design contract to AECOM out of Bakersfield, CA, after a selection committee reviewed five competitive proposals. AECOM has indicated that they can have bid documents ready for advertisement within two to three months, at which time LUHSD will advertise the bid for this project, as per our MOU.

"In God We Trust"

Budget Impact:

The termination of the Adrianus Resources contract will result in a \$12,000 savings to the project.

Recommendation:

Staff recommends that Council authorize the City Manager to terminate the contract with Adrianus Resources.