

AGENDA



Thursday, November 18, 2010

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 43**

Subject: Authorize award and execution of a contract with RONNIE MAX OLDHAM, dba CLEANFUEL CONVERSIONS, Austin, TX, or the other qualified bidder to IFB-BV No. AMC0022, to provide equipment and services to retrofit Prius vehicles with alternative power in an estimated amount not to exceed \$440,100.

Amount and Source of Funding: Funding in the amount of \$437,100 is available in the Fiscal Year 2010-2011 Emission Reduction grant from the Comptroller of Public Accounts, State Energy Conservation Office.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Sai Xoomsai, Buyer I, 972-4016

Purchasing Language: Best evaluated bid of two bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

On May 13, 2010, the Austin City Council approved the acceptance of \$607,209 in American Recovery and Reinvestment Act grant funds from the U.S. Department of Energy through the Texas Comptroller of Public Accounts' State Energy Conservation Office, Ordinance No. 20100513-010. These grant funds will be used in an emissions reduction project which includes the conversion of Prius vehicles to Plug-in Hybrid Electric Vehicles (PHEVs) and the installation of 38 PHEV recharging stations.

This contract will convert a total of 38 City-owned Prius vehicles to PHEVs. This will reduce annual fuel usage by 4,600 gallons and result in annual savings of \$14,500. This conversion will also reduce the City's annual carbon (CO₂) emissions by 45,396 pounds or 22.7 tons once all City fueling sites are powered by emissions-free electricity from Austin Energy's Green Choice Program.

In order to determine the best value to the City, evaluation criteria included a labor cost for initial installation, equipment purchase cost, round-trip delivery cost, non-warranty labor cost, cost for training, full replacement warranty period, number of training hours provided annually, number of years experience in alternative fuel retrofits, plug-in equipment, and conversion installation for hybrid vehicles, discount from MSRP, and the Vendor's proximity to the State Capitol.

This contract will bring the City closer to its objective of obtaining carbon neutrality by 2020.

This request allows for the execution of a contract with a bidder, who provides the best value to the City, that Council selects. If this bidder does not execute a contract with the City, staff will return to Council so that Council may select another best value bidder and authorize a contract with this bidder.

MBE/WBE solicited: 2/2

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Ninety-five notices were sent, including two MBEs and two WBEs. Two bids were received, with no response from the MBE/WBEs.
- c. This is the first purchase of its type; therefore, there is no pricing history available.

APPROVAL JUSTIFICATION

- a. Best evaluated bid of two bids received.
- b. The Purchasing Office concurs with the Fleet Services Division's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.