

CIP BUDGET FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:
CONTACT DEPARTMENT(S):

12/15/11
Public Works

SUBJECT: Authorize award and execution of a contract through the Houston-Galveston Area Council of Governments Cooperative Purchasing Program (HGAC) with: SANTEX TRUCK CENTERS, LTD., San Antonio, TX for the purchase of an asphalt distributor truck chassis in an amount not to exceed \$88,287.

CURRENT YEAR IMPACT:

Project Name:	Vehicles & Equipment (Fy12)
Project Authorization:	2011-2012 Capital Budget
Funding Source:	Contractual Obligations and Transportation Fund
Fund/Dept/Unit:	8400 6207 8087

Current Budget	3,003,000
Unencumbered Balance	2,211,007
This Action	(88,287)
Estimated Available	<u>2,122,720</u>

ANALYSIS / ADDITIONAL INFORMATION: This contract is for the purchase of a replacement asphalt distributor truck chassis to be used by the Public Works Department. This equipment is used in the daily construction and repair activities performed by the Public Works Department.

All of the pieces of equipment are powered with engines capable of burning biodiesel (B20) fuel. In line with Austin Climate Protection Program goals, B20 provides an approximate 25% reduction in greenhouse gas emissions versus using gasoline and an approximate 5% reduction versus using petro-diesel.

All of the replacement equipment has met the Fleet Officer's eligibility criteria for replacement. The Fleet Service Center Managers have inspected each vehicle to be replaced, and determined that the mileage or hours of use of each piece of equipment proposed for replacement cannot be increased without risking a significant increase in repair costs and loss of productivity due to down time.

The Purchasing Office conducted an analysis to determine that the Santex Truck Centers, Ltd, HGAC contracts is the best value to the City. This contract offered the lowest price and is able to provide equipment that fully meets the needs of the using department. Santex Truck Centers, Ltd, is contracted through HGAC to supply this type of specialized heavy-duty equipment to other public entities statewide as a result of a competitive bidding process. Utilizing the HGAC contracts provides for volume discount pricing as well as the earliest opportunity to place the City's equipment orders.