

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council		Item ID:	59188	Agenda Number	46.
Meeting Date:		June 23, 2016			
Department:		Purchasing			
Subject					
Authorize negotiation and execution of two contracts through the HOUSTON-GALVESTON AREA COUNCIL cooperative purchasing program for vehicles with NATIONAL BUS SALES & LEASING INC. in an amount not to exceed \$834,150 and with SANTEX TRUCK CENTER LTD in an amount not to exceed \$94,028, for total, combined amount not to exceed \$928,178.					
Amount and Source of Funding					
Funding in the amount of \$834,150 is available in the Fiscal Year 2015-2016 Capital Budget of Aviation. Funding in the amount of \$94,028 is available in the Fiscal Year 2015-2016 Operating Budget of the Parks and Recreation Department.					
Fiscal Note					
A fiscal note is attached.					
Purchasing Language:	Multiple cooperative purchase programs were reviewed for these goods. The Purchasing Office has determined these Contractors best meet the needs of the departments to provide the goods required at the best value for the City.				
Prior Council Action:					
For More Information:	Marian Moore, Buyer II, 512-974-2062				
Boards and Commission Action:					
Related Items:					
MBE / WBE:	The contracts were reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for these contracts, there were no certified M/WBEs, therefore, no subcontracting goals were established.				
Additional Backup Information					

The contracts are for the purchase of one new truck and five replacement buses to be distributed among Aviation and the Parks and Recreation Department.

The vehicles have been recommended for purchase utilizing a process that involves the Fleet Officer, affected department directors, and assistant city managers (ACMs). ACM approval is required for all new additions to the City's fleet prior to any requests being made to the Purchasing Office.

Departments review the list of vehicles determined eligible by Fleet Services for replacement based on mileage, hours of use, and maintenance costs. From that list, priority uses are determined within the departments, and the proposed vehicles are reviewed by the Fleet Service Center Manager to ensure the specified vehicles are appropriate for the use. Funding for these vehicles has been approved by Council in the current fiscal budget.

An analysis was conducted to determine the Houston-Galveston Area Council (HGAC) cooperative purchasing program contract was the best value to the City. This contract offers the lowest vehicle prices and is able to fully meet the needs of the departments listed above. Each of the awarded companies, listed in the subject line, are contracted through HGAC to supply vehicles to other public entities as a result of a competitive bidding process.

Fleet Services and the Office of Sustainability have worked together to develop a vehicle purchasing process to progress towards our citywide objective of obtaining carbon neutrality by 2020. This purchasing standard incorporates the following criteria: pollutant and greenhouse gas emissions impact, available technologies on the market, physical demands on the vehicle, service application, and life-cycle cost. These criteria are applied to all vehicle purchase requests submitted to Fleet.

One of these vehicles is powered by an engine capable of operating on B20 biodiesel (20% biodiesel blended with 80% petro-diesel). The B20 biodiesel that the City currently purchases is soy-based biodiesel blended with Texas Commission on Environmental Quality, Low Emissions Diesel compliant ultra-low sulfur diesel. A new technology vehicle operating on B20 produces at least 10% less particulate matter, at least 10% less carbon monoxide, and at least 10% less unburned hydrocarbons than one running on petro-diesel, while also reducing life-cycle greenhouse gas emission by at least 15%.

Five of these vehicles are powered by propane. Propane is a domestically produced, well-established, clean-burning fuel that increases energy security, provides convenience and performance benefits, and improves public health and the environment. Propane costs less than gasoline and offers a comparable driving range to conventional fuel. Propane is nontoxic, nonpoisonous, and insoluble in water in addition to being a cleaner-burning fuel than conventional gasoline and diesel. Switching to propane from gasoline can also result in substantial air pollutant reductions of hydrocarbons, carbon monoxide, and oxides of nitrogen.

All of the replacement vehicles have met the Fleet Officer's eligibility criteria for replacement. The Fleet Service Center Managers have inspected the vehicles to be replaced and determined that the mileage or hours of use of the vehicles proposed for replacement cannot be increased without risking a significant increase in repair costs and loss of productivity due to downtime. New units must be put on order as soon as possible to ensure their place in the production schedule in order to be received before the old units are rendered unusable.

The vehicles in this purchase will be assigned to the following City departments:

Aviation

Five 22-passenger buses – Replacement

Parks and Recreation Department

One dump truck – New

