

AGENDA



Thursday, June 24, 2010

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 39**

Subject: Authorize award and execution of a contract with AUSTIN TRUCK AND EQUIPMENT LTD., dba FREIGHTLINER OF AUSTIN, Austin, TX for the purchase of seven truck-mounted aerial devices in an amount not to exceed \$1,503,554.

Amount and Source of Funding: Funding is available in the Fiscal Year 2009-2010 Capital Budget of Austin Energy.

Fiscal Note: A fiscal note is attached.

For More Information: Sharon Patterson, Senior Buyer, 972-4014

Purchasing Language: Lowest bid meeting specifications of five bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9D 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.

Boards and Commission Action: To be reviewed by the Electric Utility Commission on June 21, 2010.

This contract is for the purchase of two replacement 45-foot sheave-height digger-derricks, chassis and bodies; two replacement 55-foot overcenter material-handling aerial devices, chassis and bodies; two replacement 50-foot telescopic material-handling aerial devices with elevator, chassis and bodies; and one replacement 65-foot non-overcenter material-handling aerial device, chassis and body. These aerial devices will be assigned to Austin Energy (AE) for use in the construction and maintenance of overhead distribution electrical lines and street-lighting systems.

The Austin Climate Protection Program team and Fleet staff have worked together to develop a vehicle purchasing process in our progress towards our citywide objective of obtaining carbon neutrality by 2020. The development of the purchasing criteria incorporates emissions impact, available technologies on the market, physical demands on the vehicle, and service application. These criteria are applied to all vehicles submitted to Fleet for purchase.

All of these vehicles 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.

AE reviewed the list of vehicles determined eligible for replacement by Fleet Services based on mileage, hours of use, and maintenance costs. From that list, priority uses were determined within the department, and the proposed equipment was reviewed by the Fleet Service Center Manager to insure the specified vehicle is appropriate for the use.

All of these replacement vehicles have 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 vehicle proposed for replacement cannot be increased without risking a significant increase in repair costs and loss of productivity due to down time.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Seventy-four notices were sent. There are no known MBE/WBEs available for this commodity. Five bids were received.
- c. The pricing offered for Item 2 represents a 4% increase to the last purchase made in August 2009. This is the first recent purchase for Items 1, 3, and 4; therefore, there is no pricing history available.

APPROVAL JUSTIFICATION

- a. Lowest bid received. Austin Truck and Equipment, dba Freightliner of Austin was not the previous supplier of this type equipment.
- b. The Purchasing Office concurs with Austin Energy's and Fleet Services' recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.