

AGENDA



Thursday, August 26, 2010

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 35**

Subject: Authorize award and execution of two contracts with AUSTIN TRUCK & EQUIPMENT INC LTD, d.b.a. FREIGHTLINER OF AUSTIN, Austin, TX, for the purchase of one service truck in an amount not to exceed \$118,604, and with LONGHORN INTERNATIONAL TRUCKS LTD, Austin, TX, for the purchase of four service trucks in an amount not to exceed \$467,486.

Amount and Source of Funding: Funding in the amount of \$586,090 is available in the Fiscal Year 2009-2010 Capital Budget of Austin Energy.

Fiscal Note: A fiscal note is attached.

For More Information: Aiden Cohen, Senior Buyer, 972-4008

Purchasing Language: Lowest bids meeting specifications of six 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: Recommended by the Electric Utility Commission.

These contracts are for the purchase of five replacement flat-bed service trucks including the following: one 12' steel platform, winch and chassis; one distribution/overhead service body and chassis; one sub-station service body and chassis; and two underground line construction service bodies and chassis. These vehicles will be assigned to Austin Energy for use in the construction and maintenance of overhead, under ground, and distribution systems for electrical lines and street lighting.

The Austin Climate Protection Program team and Fleet staff have worked together to develop a vehicle purchasing process in our progress towards the 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. All replacement vehicles purchased under this contract will meet or exceed the new 2011 diesel vehicle emissions guidelines. Additionally, two of the vehicles included in this purchase have hybrid engines and drive-trains which will further reduce fuel use and the corresponding emissions of green-house gases.

Austin Energy 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 vehicles are appropriate for the intended 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. Sixty-one notices were sent. There are no known MBE/WBEs available for this commodity. Six bids were received.
- c. This is the first purchase of vehicles with these specific configurations; therefore, there is no pricing history available.

APPROVAL JUSTIFICATION

- a. Lowest bids received.
- 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.