



Legislation Text

File #: 20-48, **Version:** 1

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: January 22, 2020

COUNCIL DISTRICT(S): All

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a three-year master agreement with, two one-year renewal options, for compressed natural gas for equipped fleet vehicles for the Department of Equipment and Fleet Management - Clean Energy, a California corporation, registered to do business in Texas as California Clean Energy, Inc., only bidder - Estimated amount of \$2,686,250.88 - Financing: Equipment and Fleet Management Fund

BACKGROUND

This action does not encumber funds; the purpose of a master agreement is to establish firm pricing for goods, for a specific term, which are ordered on an as needed basis according to annual budgetary appropriations. The estimated amount is intended as guidance rather than a cap on spending under the agreement, so that actual need combined with the amount budgeted will determine the amount spent under this agreement.

This master agreement will provide compressed natural gas (CNG) for the City's equipped fleet vehicles for the Department of Equipment and Fleet Management. The City requires CNG fueling capability to support the City's 1,000 CNG vehicles. Currently, the City purchases an average of 40,000 gallons of CNG fuel monthly using multiple stations located throughout the Dallas area. Fuel stations are outfitted with an automated card reader system for a billing infrastructure that tracks usage, vehicle identification number, and bills the City accordingly on a monthly basis.

In addition, with an increased use of heavy-duty CNG vehicles, the City constructed two of its own CNG facilities in 2011. These stations provide overnight filling of vehicles, thus saving staff time and ensuring completely filled tanks at the beginning of each shift. These two stations provide an average of 21,000 gallons of CNG monthly.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors. Additionally, in an effort to secure more competition, the Office of Business Diversity sent notifications to chambers of commerce and advocacy groups to ensure maximum vendor outreach.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On April 22, 2015, City Council authorized Supplemental Agreement No. 1 to extend the contract for an additional nine-months and increase the maintenance and operations contract for Compressed Natural Gas (CNG) fueling facilities at the Southeast and Northwest Service Centers by Resolution No. 15-0751.

On March 23, 2016, City Council authorized to execute an acquisition contract, which resulted in a three-year master agreement with two one-year renewal for purchase of compressed natural gas for equipped fleet vehicles for Equipment and Fleet Management by Resolution No. 16-0419.

On March 23, 2016, City Council authorized to execute a three-year service contract of compressed natural gas fuel stations parts and maintenance for equipped fleet vehicles for Equipment and Fleet Management by Resolution No. 16-0420.

FISCAL INFORMATION

Equipment and Fleet Management Fund - \$2,686,250.88 (Estimated amount)

Fund	FY 2019-20	FY 2020-21	Future Years
Equipment and Fleet Management Fund	\$895,416.96	\$895,416.96	\$895,416.96
Total	\$895,416.96	\$895,416.96	\$895,416.96

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$2,686,250.88	Goods	18.00%	0.00%	\$0.00
• This contract does not meet the M/WBE goal, but complies with good faith efforts.				

PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Low Bid	<ul style="list-style-type: none">• Recommended vendor is based on the lowest competitive quoted price, who is also technically and financially capable of performing and completing the contract, and otherwise meets all material specification requirements
	<ul style="list-style-type: none">• Negotiations are not allowed

The Office of Procurement Services received the following bid from solicitation number BN19-00011124. We opened it on November 22, 2019. We recommend the City Council award this master agreement in its entirety to the only bidder.

<u>Bidder</u>	<u>Address</u>	<u>Amount</u>
Clean Energy, a California corporation, registered to do business in Texas as California Clean Energy, Inc.	4675 MacArthur Court Suite 800 Newport Beach, CA 92660	\$2,686,250.88

Note: The Office of Procurement Services conducted a single bid review and found no exceptions.

OWNER

Clean Energy, a California corporation, registered to do business in Texas as California Clean Energy, Inc.

Andrew J. Littlefair, President
Barclay F. Corbus, Vice President
Mitchell W. Pratt, Secretary