



City of San Antonio

Agenda Memorandum

File Number:19-7538

Agenda Item Number: 5.

Agenda Date: 10/31/2019

In Control: City Council A Session

DEPARTMENT: Aviation

DEPARTMENT HEAD: Russell J. Handy

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Contract Award for Electrification of Ground Support Equipment For Emissions Reduction project at the San Antonio International Airport

SUMMARY:

City Council consideration of an ordinance awarding a construction contract with Rural Electric, Inc. for the installation of Electric Ground Support Equipment (eGSE) chargers that will support an Emissions Reduction project at the San Antonio International Airport in the amount of \$1,765,264.00. The project will purchase and install 31 eGSE charging units on the ramps for the charging of 62 pieces of eGSE servicing aircraft for Terminal A, Terminal B and East Cargo.

The Federal Aviation Administration (FAA) Voluntary Airport Low Emissions (VALE) Grant provides for 75%, or \$1,323,948.00, while the City's 25% match, or \$441,316.00, comes from the Airport Improvement & Contingency Fund. These funds are budgeted and available in the FY 2020 - FY 2025 Capital Improvement Program Budget.

BACKGROUND INFORMATION:

The FAA VALE program is intended to offset the costs of emission reduction improvements for airports in areas that the US Environmental Protection Agency has designated as marginal non-attainment with the 2015 ozone standards. On July 18, 2018, Bexar County met this designation, and the San Antonio Airport System began examining potential projects that assist in lowering emissions that would qualify for a VALE grant.

In April 2019, City Council authorized the submission of a grant application and the acceptance of grant funds for a FAA VALE grant for the Electrification of Ground Support Equipment For Emissions Reduction project, which would replace the current petroleum-based ground support equipment with eGSE that airlines and cargo operators use. This class of equipment has a range of functions including:

- Providing ground power and air conditioning to an aircraft
- Moving an aircraft
- Servicing an aircraft between flights
- Loading or unloading passengers, baggage or cargo
- Servicing the ramps, runways or other areas

This project will purchase and install 31 PosiCharge MVS400 charging stations on the ramps of Terminal A, Terminal B and East Cargo for the charging of 62 pieces of eGSE that service commercial and cargo aircraft at the San Antonio International Airport. The type of GSE will depend on the airline or cargo firm.

ISSUE:

On July 10, 2019, the City released an Invitation For Bids (low bid) solicitation for this project and four bids were opened on July 30, 2019. Freese and Nichols, the engineer for the project, reviewed the bids and found all four were responsive. Rural Electric, Inc, was determined to be the lowest responsive bidder with its bid of \$1,765,264.00 and recommended for award.

The solicitation was released under the FAA Disadvantaged Business Enterprise (DBE) Program. The Small Business Section of the Aviation Department has reviewed and approved the DBE Good Faith Effort Plan submitted by Rural Electrical. The DBE goal for this contract was set at 13%, which Rural Electrical exceeded.

On September 27, 2019, the City was notified it would receive the VALE grant.

ALTERNATIVES:

City Council could choose not to approve awarding the construction contract; however, the City is not equipped or staffed to construct the project.

FISCAL IMPACT:

This is a one-time capital expense in the amount of \$1,765,264.00 for the Electrification of Ground Support Equipment For Emissions Reduction project at San Antonio International Airport. The FAA VALE grant provides \$1,323,948.00, or 75%, while the City's 25% match of \$441,316.00 is available from the Airport Improvement & Contingency Fund. These funds are budgeted in the FY 2020 - FY 2025 Capital Improvement Program Budget.

RECOMMENDATION:

Staff recommends the award of a construction contract to Rural Electric, Inc. for the Electrification of Ground Support Equipment For Emissions Reduction project at San Antonio International Airport.