



City of San Antonio

Agenda Memorandum

File Number: 14-2480

Agenda Item Number: 6.

Agenda Date: 10/30/2014

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: 10

SUBJECT:

Compressed Natural Gas Fuel Facility Operations and Maintenance Services

SUMMARY:

This ordinance authorizes a contract with Transtar Energy Company LP d/b/a Clean Energy, to operate, maintain, and repair a compressed natural gas (CNG) refueling facility that services the City's CNG refuse truck fleet for an estimated annual amount of \$160,875.00 for a one year term with two additional one-year renewal options. Funding is available through the FY 2015 SWMD Operating Budget.

BACKGROUND INFORMATION:

Submitted for Council consideration and action is a proposal submitted by Transtar Energy Company LP d/b/a Clean Energy to operate, maintain, and repair a CNG refueling facility that services the City's CNG refuse truck fleet. The City owns the CNG station that was built in 2008 to refuel Solid Waste Management refuse trucks. The natural gas used by the station is supplied by CPS Energy and is paid directly by the City. The awarded contractor is responsible for preventive equipment maintenance, and performing all repairs and equipment replacements to ensure the station is in continuous operation. In the event of a breakdown, respondent is expected to arrive on-site within one hour. Respondent is responsible to provide within two hours all back-up components and to have compressor operational to ensure that thirty refuse truck tanks are fueled in the event of station equipment failure. Respondent is to provide its own station monitoring system and devices to remotely monitor station temperatures and pressures.

The City issued a Request for Competitive Sealed Proposal (RFCSP) for "Compressed Natural Gas Fuel Facility for Operations and Maintenance Services" (RFCSP 6100004482) on June 10, 2014. Three proposals were received from two respondents and reviewed in response to this solicitation. Two of the submitted proposals included an onsite emergency backup compressor while one proposal provided an option to travel to

an alternative fueling station in place of a backup compressor. An evaluation committee consisting of representatives from Building and Equipment Services and the Solid Waste Management Departments reviewed and scored each of the proposed solutions independently. The Finance Department, Purchasing Division assisted by ensuring compliance with City procurement policies and procedures. The proposals were evaluated based on the firm's experience, background, and qualifications, proposed plan, and price.

The evaluation of each proposal response was based on a total of 100 points; 40 points allotted for experience, background, qualifications, and references; 20 points allotted for proposed plan; and 40 points allotted for respondent's price schedule.

The evaluation committee met on August 20, 2014 to evaluate the three proposals received and again on September 23, 2014 to finalize the evaluation. After discussion of all proposals received, a decision was made to proceed with the solution providing an onsite compressor. Based upon the published evaluation criteria, Transtar Energy LP d/b/a Clean Energy received the highest ranking and is recommended for contract award.

Transtar Energy Company LP d/b/a Clean Energy has extensive experience with building, operating, and maintaining CNG refueling stations. The initial term of the contract shall be for a period of one year with two additional one-year renewals to be exercised at the City's option.

ISSUE:

Submitted for City Council consideration is the contract with Transtar Energy Company LP d/b/a Clean Energy to perform the CNG fuel facility operations and maintenance services for the Building and Equipment Services Department that services the City's CNG refuse truck fleet.

The Small Business Office approved the Small Business Economic Development Advocacy Program waiver due to the lack of qualified small, minority, and women-owned business vendors available to provide the required goods and services.

The recommended award is an exception to the Local Preference Program.

The Veteran-Owned Small Business Preference Program does not apply to goods/supplies/non-professional service contracts.

ALTERNATIVES:

Should this contract not be approved, the Building and Equipment Services Department will renew the contract with Transtar Energy Company LP d/b/a Clean Energy; however, the terms and conditions of the existing contract are not as favorable to the City. In the event of a malfunction at the fuel facility, the vendor's required response time per the existing contract is longer thus hindering refueling of SWMD refuse collection trucks.

FISCAL IMPACT:

This ordinance authorizes a contract in an estimated annual amount of \$160,875.00 for a period of three years to Transtar Energy LP d/b/a Clean Energy to operate, maintain, and repair a CNG refueling facility for the Building and Equipment Services Department.

RECOMMENDATION:

Staff recommends the approval of this contract with Transtar Energy Company LP d/b/a Clean Energy to provide the Building and Equipment Services Department with CNG fuel facility operations and maintenance services in an estimated annual amount of \$160,875.00.

This contract was procured by means of Request for Competitive Sealed Proposal and a Contracts Disclosure Form is required.