

# CIP EXPENSE DETAIL

**DATE OF COUNCIL CONSIDERATION:**  
**CONTACT DEPARTMENT(S):**

8/7/14  
Fleet

**SUBJECT:** Authorize award and execution of contracts for heavy-duty vehicles and equipment through the Houston-Galveston Area Council Cooperative with CHASTANG ENTERPRISES, INC. DBA CHASTANG FORD for the purchase of 21 heavy-duty truck chassis in an amount not to exceed \$3,163,644; SANTEX TRUCK CENTERS, LTD for the purchase of one heavy-duty truck in an amount not to exceed \$157,572; MAGNUM CUSTOM TRAILER MFG CO., INC. DBA MAGNUM TRAILERS for the purchase of one trailer in an amount not to exceed \$12,645; and NATIONAL BUS SALES AND LEASING, INC. for the purchase of three buses in an amount not to exceed \$472,980; for total contracts amount not to exceed \$3,806,841.

<b>Department:</b>	<b>Austin Resource Recovery</b>
Project Name:	2014 CIP Equipment
Fund/Department/Unit:	4800-1507-0115
Funding Source:	CIP Contractual Oblig.
Current Appropriation:	13,000,000.00
Unencumbered Balance:	13,000,000.00
Amount of This Action:	<u>(3,176,289.00)</u>
Remaining Balance:	<u>9,823,711.00</u>

<b>Department:</b>	<b>Austin Water Utility</b>
Project Name:	AWU Captial Vehicles-WW
Fund/Department/Unit:	4680-2307-8677
Funding Source:	Contractual Obligations
Current Appropriation:	3,990,230.00
Unencumbered Balance:	1,063,494.75
Amount of This Action:	<u>(157,572.00)</u>
Remaining Balance:	<u>905,922.75</u>

<b>Department:</b>	<b>Aviation</b>
Project Name:	Shuttles FY 2014
Fund/Department/Unit:	4910-8107-4055
Funding Source:	Airport Capital Fund
Current Appropriation:	480,000.00
Unencumbered Balance:	480,000.00
Amount of This Action:	<u>(472,980.00)</u>
Remaining Balance:	<u>7,020.00</u>

Total Amount of this Action	<u><u>3,806,841.00</u></u>
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**ANALYSIS / ADDITIONAL INFORMATION:** This contract is for the purchase of 19 replacement and seven new heavy-duty vehicles and equipment for the Austin Resource Recovery Department, Austin Water Utility Department, and Aviation Department.

Fleet Services and the Office of Sustainability have worked together to develop a vehicle purchasing process leading to the citywide objective of obtaining carbon neutrality by 2020. The purchasing criteria incorporate criteria pollutant and greenhouse gas emissions impact, available technologies on the market, physical demands on the vehicle, service application, and life-cycle cost. These criteria are applied to all vehicle purchase requests submitted to Fleet.

14 of these vehicles and equipment are powered with engines capable of operating on B20 biodiesel (20% biodiesel blended with 80% petro-diesel). The B20 biodiesel that the City of Austin currently purchases is TXLED compliant, ultra-low sulfur diesel, with the TCEQ approved KERN additive. A new technology for vehicles operating on B20 produces at least 10% less particulate matter, at least 10% less carbon monoxide, and at least 10% less unburned hydrocarbons than those running on petro-diesel. They also reduce life cycle greenhouse gas emissions by at least 15%.

Eight of these vehicles are powered with engines capable of burning Compressed Natural Gas (CNG) fuel. CNG provides at least a 6% reduction in life cycle greenhouse gas emissions versus using gasoline. Due to increasingly stringent emissions regulations, the gap between tailpipe [hydrocarbon](#), [oxides of nitrogen](#) (NOx), and [carbon monoxide](#) emission benefits from natural gas vehicles (NGVs) and conventional vehicles with modern emissions controls has narrowed. That's because the U.S. Environmental Protection Agency (EPA) is holding all fuels and vehicle types accountable to the same levels of air pollutants emitted from vehicle combustion. Still, NGVs continue to provide emissions benefits, especially when replacing older conventional vehicle or when considering life cycle emissions.

Three of these vehicles are powered by propane. Propane is a domestically produced, well-established, clean-burning fuel that increases energy security, provides convenience and performance benefits, and improves public health and the environment. Propane costs less than gasoline and offers a comparable driving range to conventional fuel. Propane is nontoxic, nonpoisonous, and insoluble in water plus is a cleaner-burning fuel than conventional gasoline and diesel due to its lower carbon content which offers life cycle greenhouse (GHG) emissions benefits over gasoline. Switching to propane from gasoline can also result in substantial air pollutant reductions of hydrocarbons, carbon monoxide, and oxides of nitrogen.

The vehicles and equipment in this RCA has been recommended for purchase utilizing a process that involves the Fleet Officer, affected Department Directors, and Assistant City Managers (ACMs). ACM approval is required for all new additions to the City's fleet prior to any requests being made to the Purchasing Office.

Departments review the list of vehicles and equipment determined by Fleet Services eligible for replacement based on mileage, hours of use, and maintenance costs. From that list, priority uses were determined within the departments, and the proposed vehicles were 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 piece proposed for replacement cannot be increased without risking a significant increase in repair costs and loss of productivity due to down time.

The vehicles and equipment in this purchase will be assigned to the following City Departments:

Austin Resource Recovery Department  
10 Autocar Chassis Diesel – Replacement  
3 Autocar Chassis Diesel – New  
8 Autocar Chassis CNG – Replacement  
1 PJ Performance Bar-Top Trailer – New

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Austin Water Utility Department

1 International Service Body Truck – Replacement

Aviation Department

3 Shuttle Buses Propane – New