



**City of Austin
Capital Contracting Office
Certificate of Exemption**

DATE: 04/20/2017

DEPT: Fleet Services Department

TO: Capital Contracting Officer or Designee

FROM: Urcha Dunbar-Crespo

PHONE: 512-974-2690

Chapter 252 of the Local Government Code requires that municipalities comply with the procedures established for competitive sealed bids or proposals before entering into a contract requiring an expenditure of \$50,000 or more, unless the expenditure falls within an exemption listed in Section 252.022.

This Certification of Exemption is executed and filed with the Capital Contracting Office as follows:

1. The undersigned is authorized to submit this certification.
2. The undersigned certifies that the following exemption is applicable to this purchase. (Please check which exemption you are certifying)

☐ a procurement made because of a public calamity that requires the immediate appropriation of money to relieve the necessity of the municipality's residents or to preserve the property of the municipality

☐ a procurement necessary to preserve or protect the public health or safety of municipality's residents

☐ a procurement necessary because of unforeseen damage to public machinery, equipment, or other property

☐ a procurement for personal, professional, or planning services

☐ a procurement for work that is performed and paid for by the day as the work progresses

☐ a purchase of land or right-of-way

☒ a procurement of items available from only one source, including: items that are available from only one source because of patents, copyrights, secret processes, or natural monopolies; films, manuscripts, or books; gas, water, and other utility services; captive replacement parts or components for

equipment; books, papers, and other library materials for a public library that are available only from the persons holding exclusive distribution rights to the materials; and management services provided by a nonprofit organization to a municipal museum, park, zoo, or other facility to which the organization has provided significant financial or other benefits

☐ a purchase of rare books, papers, and other library materials for a public library

☐ paving, drainage, street widening and other public improvements, or related matters, if at least one-third of the cost is to be paid by or through special assessments levied on property that will benefit from the improvements

☐ a public improvement project, already in progress, authorized by voters of the municipality, for which there is a deficiency of funds for completing the project in accordance with the plans and purposes as authorized by the voters

- ☐ payment under a contract by which a developer participates in the construction of a public improvement as provided by Subchapter C, Chapter 212
- ☐ personal property sold: at an auction by a state licensed auctioneer; at a going out of business sale held in compliance with Subchapter F, Chapter 17, Business & Commerce Code; by a political subdivision of this state, a state agency of this state, or an entity of the federal government; or under an interlocal contract for

cooperative purchasing administered by a regional planning commission established under Chapter 391

- ☐ services performed by blind or severely disabled persons
- ☐ goods purchased by a municipality for subsequent retail sale by the municipality
- ☐ electricity
- ☐ advertising, other than legal notices

3. The following facts as detailed below support an exemption according to Section 252.022 of the Local Government Code for this purchase. Please verify the steps taken to confirm these facts. If you are citing the following exemptions, please provide the additional information requested below. A more detailed explanation of these exemptions is attached.

- **Preserve and Protect the Public Health and Safety** – Describe how this purchase will preserve and protect the public safety of residents.
- **Sole Source** – Describe what patents, copyrights, secret processes, or natural monopolies exist. Attach a letter from vendor supporting the sole source. The letter must be on company letterhead and be signed by an authorized person in company management.
- **Personal Services** – Describe those services to be performed personally by the individual contracted to perform them.
- **Professional Services** – Describe what mainly mental or intellectual rather than physical or manual and/or disciplines requiring special knowledge or attainment and a high order of learning, skill, and intelligence are required to perform this service.
- **Planning Services** – Describe the services primarily intended to guide governmental policy to ensure the orderly and coordinated development of the state or of municipal, county, metropolitan, or regional land areas.


The upgrade is necessary to provide needed redundancy to the existing Compressed Natural Gas (CNG) Fueling Facility, located at 2400 Business Center Drive, and to expand the fast-fill area that is used by the public. This includes installing an additional compressor and a new natural gas dryer, upgrading the control system, upgrading the card reader system, enhancing the fast fill area with new dispensers and redesigning and expanding the lanes to accommodate heavy duty-vehicles. The upgrade and expansion will also equip the current CNG station to support the planned growth of the City's natural gas garbage truck fleet and to service the increased number of heavy-duty natural gas vehicles traveling along nearby I-35 and Highways 71 and 183. Trillium is the sole source provider for this proposed upgrade since it includes the continued use of Trillium's proprietary software necessary to manage and operate the fueling site, as well as their patented hydraulic compressor that is needed to meet the demands of both fast-fill and slow-fill operations.

4. Please attach any documentation that supports this exemption.
5. Please provide any evaluation conducted to support the recommendation. Include the efforts taken to ensure the selected vendor is responsible and will provide the best value to the City (Ex: evaluation of other firms, knowledge of market, etc).

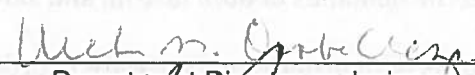
Trillium has intimate knowledge and experience with the existing fuel site since they were selected to design, construct, install, test and maintain the original fueling system. Having designed and built the original system, Trillium is able to tie into the existing monitoring systems to allow for this upgrade, avoiding additional costs by utilizing much of the existing equipment components and proprietary software. Trillium has designed and installed CNG fuel systems for 20 years and currently operate and maintain over 100 CNG stations, many of which have the same design as that proposed in this request. The upgraded system will continue to utilize Trillium patented HyC compressors designed to provide extremely fast fill times with reduced energy costs.

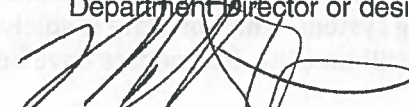
6. Because the above facts and documentation support the requested exemption, the City of Austin intends to contract with Trillium Transportation Fuels, LLC dba Trillium CNG for a total contract amount not to exceed \$1,399,700 (Estimate with breakdown of cost attached).

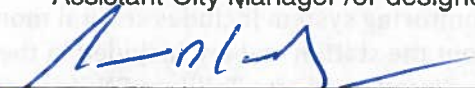
Recommended
Certification

 4-25-2017
Originator Date


Approved
Certification

 5/2/2017
Department Director or designee Date


 5/4/17
Assistant City Manager /or designee Date

 5-7-17
Chief Financial Officer/or designee Date

Capital Contracting

 5/16/17
Contract Relations Division Manager Date

Exemption Authorized
(if applicable)

 5/16/17
Capital Contracting Officer or designee Date

08/29/16



1111 Bagby, Suite 2400, Houston, TX 77002

February 3, 2017

Mr. Rick Fudge
Sr. Contract Compliance Specialist
Fleet Services
City of Austin, Texas

Re: Sole Source Justification for CNG Fueling System Upgrade & Expansion

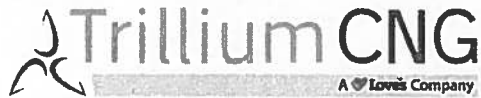
Dear Mr. Fudge,

The purpose of this letter is to explain the reasoning for sole-source procurement for the compressed natural gas (CNG) fueling station system expansion located adjacent to your current fueling facilities. Trillium CNG (previously Pinnacle CNG) was awarded a contract in 2006 to design, construct, test, install, operate, and maintain the original CNG fueling station, as well as the subsequent station expansion in 2014. This existing fueling station incorporates the use of Trillium CNG's proprietary controls system and patented hydraulic compressor (HyC) to meet the demands of both fast-fill and slow-fill operations.

Trillium CNG utilizes controls with proprietary software in order to connect to, monitor, and manage this fueling system. This software is solely owned, maintained, and supported by Trillium CNG. No licenses have been issued for its use outside the company.

Trillium CNG's remote monitoring system includes several monitoring devices that are situated throughout the station and are included in the station design. This monitoring system is directly tied into Trillium CNG's operations and support software, which allows for remote monitoring, analysis, and diagnostics. Furthermore, it allows Trillium CNG to remotely reset equipment if needed and initiates alarm call-outs for Trillium CNG technicians. The compatibility of the hardware and software of the existing station and proposed expansion is critical to its continued successful function and operation.

The existing station design includes a hydraulic compressor (HyC). This particular piece of proprietary equipment has been designed and is manufactured only by Trillium CNG. This equipment not only allows for fast fill times, but is also more economical than other solutions and requires less power than other solutions. In effect this reduces the amount of electricity that is required to compress the fuel.



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Trillium not only designed and built the existing fueling system, but has been the sole provider of operations and maintenance activities and is most familiar with the station design and operation.

Please feel free to let me know if you have any further questions or concerns regarding this project or the information presented in this letter.

Sincerely,

Teri Weitz

Sr. Manager - Sales & Customer Support

Cell: (920) 660-6931

TVWeitz@TrilliumCNG.com



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February 3, 2017

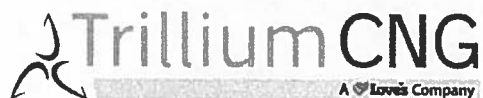
Mr. Rick Fudge
Sr. Contract Compliance Specialist
Fleet Services
City of Austin, Texas

Re: Most Qualified Contractor for CNG Fueling System Upgrade & Expansion

Mr. Fudge,

The purpose of this letter is to provide support for the sole-source procurement of the proposed upgrade to the Compressed Natural Gas (CNG) Fueling Station located adjacent to your current fueling facilities. The following is a list of reasons that Trillium feels are justification for being the most qualified contractor for this sole-source procurement:

- Trillium was selected for the design, build, maintenance, upgrade, and operation of the current fueling system. Having designed and built the original system, as well as successfully performed the previous station expansion in 2014, Trillium is able to tie into the existing systems to allow the system expansion to occur with little or no interruption to the current fueling system.
- The existing controls system and patented hydraulic compressor (HyC) at the station are proprietary to Trillium.
- Trillium was selected for the operation and maintenance (O&M) contract for the existing fueling system. Being the O&M contractor, Trillium has experience with the current system, as well as the City's fueling needs and would be able to coordinate upgrade activities with our construction staff to ensure minimal disruption to the current fueling system.
- Trillium has over twenty years in the CNG industry with a successful track record for the design and construction of CNG fueling stations. Trillium has completed over 100 CNG fueling station projects across the continental United States.



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- Trillium has significant experience upgrading existing CNG stations, including those owned by New York City Transit (Jackie Gleason depot), San Diego Metropolitan Transit System (3 locations), and most recently, the City of Visalia, California in 2016, which included a similar scope to the proposed project for Austin. The Visalia project was also originally built by Pinnacle CNG (which later became Trillium CNG), has both time fill posts for refuse vehicles and a fast fill dispenser for public use, and included controls upgrades, a new fast-fill dispenser, and added more compression with the help of grant funding - all similar to the proposed project for the City of Austin. In addition, we successfully completed this project with minimal downtime to fueling operations while fulfilling the contractual requirements of the grant.
- Trillium also has been successful at maintaining and operating over 100 CNG fueling stations across the continental United States. Trillium has achieved uptimes for these stations that are above 99% of the time, and continues to provide 24-hour customer support services for any instances in which customers need assistance.
- The proposed system expansion is similar to several public fueling systems that Trillium has designed and built in the past. Two regional examples are located in Rosenberg, Texas, as well as Waco, Texas. As part of this letter you will find some photographs of the Waco station, which is now a high-volume public, fast-fill station.

Please feel free to contact me if you have any questions or concerns about the proposed project or Trillium's qualifications.

Sincerely,

Teri Weitz

Sr. Manager - Sales & Customer Support

Cell: (920) 660-6931

TVWeitz@TrilliumCNG.com

CNG Station in Waco, TX

