



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ALL

Item Creation Date: 2/5/2021

E29164.A1 - Fuel, Alternative Fuels - ORDINANCE

Agenda Item#:

Background:

S63-E29164.A1 - Approve an ordinance authorizing a first amendment to Contract No. 4600015674 between the City of Houston and Sunoco, LLC (approved by Ordinance No. 2019-0738, passed on September 25, 2019) to allow for the addition of alternative fuels to the existing agreement for the Fleet Management Department.

Specific Explanation:

The Director of the Fleet Management Department and the Chief Procurement Officer recommend that City Council approve an ordinance authorizing a first amendment to the contract between the City of Houston and Sunoco, LLC to add alternative fuels to the existing contract for the Fleet Management Department (FMD).

This contract was awarded on September 25, 2019, by Ordinance No. 2019-0738 for three (3) year term, with two (2) one-year options for the purchase of unleaded fuel through an interlocal purchase with the Metropolitan Transit Authority of Harris County, Texas for a maximum contract amount of \$84,395,041.00. Expenditures as of February 5, 2021 totaled \$14,762,782.02.

The scope of work in the original contract requires Sunoco, LLC to provide all supervision, labor, parts, tools, equipment permits, insurance, including all applicable hazardous material and fuel certifications promulgated by state and federal regulations, and fueling terminal access necessary to supply, as ordered, unleaded gasoline fuel to support the City's daily fleet operations. The scope of services also guarantees the City fuel access during a hurricane or similar force majeure event. The fuel order will be picked up by the City's fuel transportation services contractor from Sunoco, LLC fuel loading terminals in Pasadena and transported to various fuel storage facilities and satellite sites throughout the City of Houston. FMD's estimated volume for unleaded gasoline fuel is 36,167,768 gallons, which includes hurricane and force majeure related contingencies.

FMD seeks to update the existing agreement by adding ethanol and biodiesel fuel types to allow the City to begin transitioning the municipal fleet from fossil fuel dependency to biofuels and renewable fuels. These additions will provide a lower carbon fueling alternative for compatible legacy vehicles currently operating with traditional fuels such as gasoline and petroleum diesel. This transition aligns with the actionable goals in both the Resilient Houston and Climate Action Plans by reducing the carbon footprint and improving air quality through vehicular emission reductions.

MWBE Subcontracting:

M/WBE Zero Percentage Goal document approved by the Office of Business Opportunity.

Fiscal Note:

There is no impact to the fiscal budget, therefore, no fiscal note is required.

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Jerry Adams
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2/10/2021

Jerry Adams, Chief Procurement Officer
Finance/Strategic Procurement Division

DocuSigned by:
Gary Glasscock
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2/12/2021

Department Approval Authority

Prior Council Action:

Ordinance 2019-0738 - passed September 25, 2019

Amount of Funding:

No funding required

Contact Information:

NAME:	DEPARTMENT/ DIVISION	PHONE
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FMD (832) 393-6910

ATTACHMENTS:

Description	Type
OBO Waiver	Backup Material
Ordinance No. 2019-0738	Ordinance/Resolution/Motion
Ownership Information Form	Backup Material
Executed Contract	Backup Material