



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 9/17/2019

ALL

Item Creation Date:

E29163 – Fuel, Low Emission Diesel (MOTIVA ENTERPRISES, LLC) –
ORDINANCE

Agenda Item#: 64.

Background:

63-E29163 – Approve an ordinance authorizing an agreement between the City of Houston and Motiva Enterprises, LLC. for fuel, low emission diesel through an interlocal purchase with the Metropolitan Transit Authority of Harris County, Texas in the maximum contract amount not to exceed \$56,222,220.00 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 an agreement between the City of Houston and **Motiva Enterprises, LLC. (MOTIVA)** for the purchase of fuel, low emission diesel for a **three (3) years initial term with two (2) one-year options** through an interlocal agreement with the Metropolitan Transit Authority’s (METRO) existing contract with MOTIVA, in the maximum contract amount not to exceed **\$56,222,220.00** for the Fleet Management Department.

The scope of work requires MOTIVA 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, low emission diesel fuel (aka low sulfur diesel) 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 MOTIVA fuel loading terminals in Pasadena and Houston and transported to various fuel storage facilities and satellite sites throughout the City of Houston. The Department’s estimated volume for low emission diesel is 18,599,582 gallons, which includes hurricane and force majeure related contingencies.

This recommendation is made pursuant to Section 791.025(a) of the Texas Government Code, which provides an exemption for Interlocal Cooperation Contracts for "A local government, including a council of governments, may agree with another local government or with the state or a state agency, including the comptroller, to purchase goods and services".

M/WBE Subcontracting:

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

Hire Houston First:

This procurement is exempt from the City’s Hire Houston Ordinance. Bids/proposals were not solicited because the department is utilizing an Interlocal Purchasing Agreement for this purchase.

Fiscal Note:

Funding for this item is included in the FY 2020 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

9/5/2019

DocuSigned by:
Jerry Adams
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Jerry Adams, Chief Procurement Officer
Finance/Strategic Procurement Division

DocuSigned by:
Victor Agres
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Department Approval Authority Signature

Estimated Spending Authority:

Department	FY 2020	Out Years	Total
Fleet Management Department	\$7,367,627.00	\$48,854,593.00	\$56,222,220.00

Amount of Funding:

\$56,222,220.00
Fleet Management Fund
Fund No.: 1005

Contact Information:

NAME:	DEPARTMENT/DIVISION	PHONE
Richard Morris, Division Manager	FIN/SPD	(832) 393-8736
Yesenia Chuca, Senior Staff Analyst	FIN/SPD	(832) 393-8727
Victor Ayres, Director	FMD	(832) 395-6901

ATTACHMENTS:**Description**

OBO Waiver

Form A - Campaign Finance Ordinance

Form B - Campaign Finance Ordinance

Tax Report

Affidavit of Ownership

Funding

Funding - Ooutline Agreement

COH - Agreement - Motiva

Metro Agreement

Type

Backup Material

Backup Material

Backup Material

Backup Material

Backup Material

Financial Information

Financial Information

Backup Material

Backup Material