



Contract for Compressed Natural Gas (CNG) Fuel

Customer Service, Safety &
Mobility Committee

July 6, 2021

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Today's Action

- Approval of a one-year contract, with a one-year option for Compressed Natural Gas (CNG) Fuel to the Texas General Land Office (GLO).
- Approval of this contract will help achieve Board Strategic Priority 2: Provide stewardship of the transit system, agency assets and financial obligations; and Priority 5: Enhance DART's role as a recognized local, regional and national transportation leader.



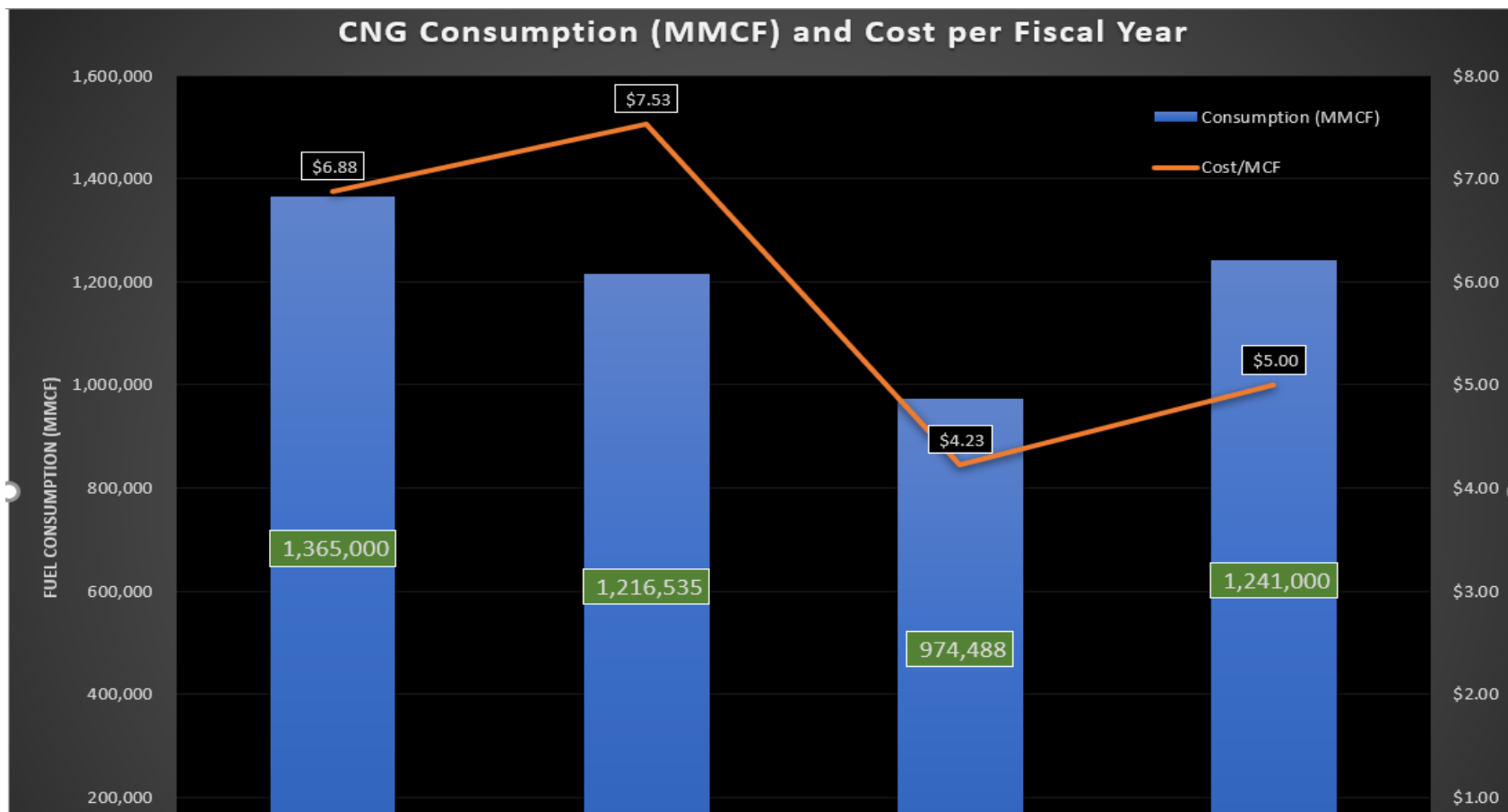
Business Purpose

- DART is required to purchase the appropriate fuel to operate its fleet of up to 674 vehicles that are using Compressed Natural Gas (CNG).
- DART has three (3) CNG fueling stations, one at each Bus Operating Facility, that have an ongoing need for the supply of natural gas.





Fuel Usage and Costs




Contract Summary

- Sufficient funding for this contract is within current Budget and FY 2021 Twenty-Year Financial Plan.
- The current contract expires on September 30, 2021.
- The contract is an Indefinite Delivery (ID) / Indefinite Quantity (IQ) and helps achieve the fuel price stability assumed in the current twenty-year financial plan.



Expenditure Justification

Board-Approved Expenditure Justification Contract for Compressed Natural Gas (CNG) Fuel

PURPOSE OF CONTRACT/ AGREEMENT	DOLLAR AMOUNT	CONTRACT TERM	TYPE OF PROCUREMENT	<ol style="list-style-type: none"> 1. Is it necessary? 2. Does it need to happen now? 3. Can it be phased? 4. Can we reduce the amount?
Provide natural gas required to fuel CNG Buses. 	\$ 6,000,000	1-Year, with a One-Year option	Indefinite Delivery (ID) / Indefinite Quantity (IQ)	<ol style="list-style-type: none"> 1. Yes, DART’s bus fleet requires CNG to operate and provide service. 2. Yes, the current contract expires September 30, 2021, and supply will be interrupted if not executed. 3. No, contract provides an uninterrupted supply of natural gas to operate DART's bus fleet. 4. No, a 1-year contract, with a one-year option, allows for Procurement's negotiated price point analysis. This amount uses the operating profile that represents DART fleet size under service adjustments, per miles and hours model.

Recommendation

Approval of a resolution authorizing the President & Chief Executive Officer or her designee to award a one-year contract, with a one-year option, to Texas General Land Office (GLO) to provide Compressed Natural Gas (CNG) Fuel for a total authorized amount not to exceed \$6,000,000.



Questions?

