

Legislation Text

File #: 15-15794, Version: 1

Compressed Natural Gas for Solid Waste Services

Action:

- A. Approve the purchase of compressed natural gas, by the sole source exemption,**
- B. Approve a contract with Piedmont Natural Gas for the purchase of compressed natural gas for the term of seven years, and**
- C. Authorize the City Manager to renew the contract for up to three, one-year terms with possible price adjustments and to amend the contract consistent with the purpose for which the contract was approved.**

Staff Resource(s):

Rodney Jamison, Solid Waste Services

Sole Source Exemption

- G.S. 143-129 (e) (6) provides that formal bidding requirements do not apply when:
 - Performance or price competition are not available;
 - A needed product is available from only one source or supply; or
 - Standardization or compatibility is the overriding consideration.
- Sole sourcing is necessary for this contract because there is only one supply source.
- City Council approval is required for any purchases made under the sole source exception.

Explanation

- Solid Waste Services' (SWS) current fleet includes 31 refuse trucks that are fueled by compressed natural gas (CNG).
- On March 28, 2016, a pilot program was approved to install a CNG fueling station to provide a centralized, less expensive option than purchasing CNG elsewhere.
- The site is located on city property adjacent to the SWS facility located at 1000 Otts Street in Council District 1.
- The onsite station provides cost avoidance by reducing miles driven directly to the vendor's fueling site and results in a reduction in maintenance and fuel costs.
- CNG is a less carbon intensive fossil fuel than petroleum, producing less local air emissions, and helps to diversify the fuel sources used by city fleet
- CNG can serve as a bridge to reduce air emissions until a feasible technology using a more fully zero-carbon fuel source is available.
- Annual expenditures are estimated to be \$360,000.

Charlotte Business INclusion

This is a sole source contract and is exempt (Part A: Appendix 1.27 of the Charlotte Business INclusion Policy).

Fiscal Note

Funding: SWS Operating Budget