

Sweetened pot: Win Miami-Dade CNG infrastructure, will build bus mfg. plant, company says

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A company vying to win contracts to support a large-scale deployment of CNG buses and trucks by Miami-Dade County is seeking to sweeten the pot. Karsan USA, a division of Turkish vehicle maker Karsan has collaborated with Coral Gables-based Nopetro in submitting proposals in response to RFPs issued by Miami Dade County to design, build, operate, maintain and finance CNG infrastructure needed to support the county's deployment of the CNG buses and trucks. Karsan says if it and Nopetro are awarded a CNG infrastructure contract by Miami-Dade, it will invest \$5 million in converting a building somewhere in the county into a bus assembly facility. Karsan says it would sell the buses made at the facility to Miami-Dade Transit for \$514,000 apiece.

In addition to the Karsan-Nopetro team, teams led by Clean Energy Fuels and Trillium CNG have submitted bids to compete for the Miami-Dade CNG deployment contracts. Miami-Dade County staff has yet to release a ranking of the proposals that it received from the three competitors. A release of the rankings is expected within the next three months, after which agreements between the county and the DBOM firm(s) will need to be negotiated and approved by the county's governing commission to take effect. There are two RFPs, and the county could elect to award both contracts to the same bidder, or award the CNG bus deployment contract to one company and the contract to support the CNG vehicle deployment by the public works department to another bidder.

RFP 00096 was the transit solicitation. Miami-Dade Transit operates a fleet of about 815 diesel buses and the county plans to go "all in" on a full fleet conversion from diesel to CNG buses. This RFP called for a contractor to offer a turnkey solution for transitioning the fleet to CNG buses as diesel buses are retired including designing, building, operating, and maintaining the infrastructure needed to fuel and maintain the buses. The RFP called for the contractor to finance both the acquisition of the buses and the infrastructure. The county's plans call for an initial procurement of 300 CNG buses and development of associated fueling and maintenance infrastructure to fuel a bus fleet of this size with a phased in delivery of additional buses as diesel buses are retired over ten years. Miami-Dade Transit's buses consumed about 10.6 million gallons of diesel in 2013.

Snapshot of Miami-Dade CNG Program

- 2 RFPs issued in 2014: 1 RFP for Transit and 1 RFP for Public Works
- 817 CNG buses over 10 years
- Fueling & Maintenance at 3 bus barns
- 622 HD CNG trucks
- Fueling and Maintenance at Public Works Garage
- Fueling at 8 waste transfer facilities
- Turnkey DBOM & Finance Solution

- Best value, not lowest cost
- Public-private partnership
- Bid rankings to be announced in about 90 days

RFP 00085 was the public works solicitation and also called for a master developer to propose a full DBOM and finance turnkey solution for CNG fueling infrastructure. Miami-Dade has identified 622 heavy-duty vehicles as being suitable for conversion from diesel to CNG that are operated by the county's Department of Public Works and Waste Management (PWWM), Internal Services Department (ISD), and Water and Sewer Department (WSD) The plan is to replace 63 diesel trucks per year with CNG trucks as the diesel trucks are retired over a ten-year period. A PWWM /ISD facility at 58th Street needs to be retrofitted for vehicle fueling and maintenance, and the proposal also calls for fueling to be installed at eight refuse collection, disposal and transfer stations.

In soliciting proposals, the county elected to use a best value, public-private partnership (P3) model, which evaluates vendors based on the total solution they offer and not simply a vendor's ability to meet minimum-stipulated technical requirements at lowest cost. Under the public-private partnership model, the CNG stations built under the public works solicitation would, in addition to fueling county CNG vehicles, also sell CNG to commercial fleets, other government entities, and the general public, with resulting revenues being shared between the private partner and the county.

Karsan says a study that it commissioned projects the proposed bus assembly project could create 80 jobs and have a \$20 million annual economic impact initially, and grow up to 150 jobs and generate an economic impact of \$44 million should the company obtain contracts with other localities.

<http://ngvtoday.org/2015/04/02/sweetened-pot-win-miami-dade-cng-infrastructure-will-build-busmfg-plant-company-says/>