

## AGENDA



## Recommendation for Council Action

## AUSTIN CITY COUNCIL

Regular Meeting : February 15, 2018

Item Number: 038

## Purchasing Office

Authorize negotiation and execution of multi-term contracts through the General Services Administration, Houston-Galveston Area Council, National Joint Powers Alliance, Texas Association of School Boards, and Texas Multiple Award Schedule cooperative purchase programs with Caldwell Country Chevrolet, Chastang Enterprises, Inc., Cooper Equipment Co., Inc., Creative Bus Sales, Inc., Doggett Freightliner of South Texas, LLC, RDO Equipment Co., Santex Truck Center, LTD., Siddens-Martin Emergency Group, LLC, Silsbee Ford, Inc., and various other contractors, to provide vehicles and equipment, each for up to three years for total contract amounts not to exceed a total of \$128,330,000 divided among the contractors. (Note: This procurement was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this procurement, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

<b>Lead Department</b>	Purchasing Office.
<b>Fiscal Note</b>	Funding in the amount of \$38,205,209 is available in the Fiscal Year 2017-2018 Capital Budget of various City departments. Funding in the amount of \$1,544,791 is available in the Fiscal Year 2017-2018 Operating Budget of various City departments. Funding for the remaining contract terms are contingent upon available funding in future budgets.
<b>Purchasing Language</b>	Multiple cooperative purchase programs were reviewed for these goods. The Purchasing Office has determined these contractors best meet the needs of the departments to provide the goods required at the best value for the City.
<b>For More Information</b>	Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or <a href="mailto:AgendaOffice@austintexas.gov">AgendaOffice@austintexas.gov</a> or to the buyer, Jonathan

	Dalchau, at 512-974-2938 or <a href="mailto:Jonathan.Dalchau@austintexas.gov">Jonathan.Dalchau@austintexas.gov</a> <mailto:Jonathan.Dalchau@austintexas.gov>.
<b>Council Committee, Boards and Commission Action</b>	<p>January 10, 2018 - Unanimously recommended by the Water and Wastewater Commission on a 7-0 vote, with Commissioners Parton, Moriarty, Kellough and Bell absent.</p> <p>January 22, 2018 - Recommended by the Electric Utility Commission on a 7-1 vote, with Commissioner Hadden against, Commissioner Stout absent and two vacancies.</p>
<b>Client Department(s)</b>	<p>Austin Code Department; Austin Convention Center Department; Austin Energy; Austin Fire Department; Austin Public Health; Austin Police Department; Austin Public Library; Austin Resource Recovery; Austin Transportation Department; Austin Water; Aviation; Building Services Department; Communications and Technology Management; Development Services Department; Emergency Medical Services; Fleet Services; Parks and Recreation Department; Public Works; and Watershed Protection Department.</p>

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### **Additional Backup Information:**

These contracts will provide Fleet Services the ability to purchase new and replacement vehicles, trailers, and pieces of equipment. These items will be added to the City's fleet for use by various general fund and enterprise departments.

General Services Agreement, Houston-Galveston Area Council, National Joint Powers Alliance, Texas Association of School Boards, and Texas Multiple Award Schedule cooperatives establish competitively bid contracts that can be utilized by the State and other government agencies through a cooperative agreement. Cooperative agreements save taxpayer dollars by leveraging volume-buying power to drive down costs on hundreds of contracts through a streamlined cooperative purchasing program. These contracts offer the lowest prices for the budgeted vehicles and equipment and are able to meet the needs of City departments. Fleet Services will review quotes obtained from the listed cooperatives to ensure the offered pricing provides the best value to the City. If during the evaluation process, it is determined that purchasing these items through a competitive process will yield a better value for the

City, Fleet Services will work with the Purchasing Office to procure those items through the solicitation process and bring those contracts to Council for approval if applicable.

Fleet Services and the Office of Sustainability have collaborated to develop a vehicle and equipment purchasing process to progress towards our citywide objective of obtaining carbon neutrality by 2020. This purchasing standard incorporates the following criteria; pollutant and greenhouse gas emissions impact, available technologies on the market, physical demands on the vehicle or equipment, service application, and life-cycle cost. These criteria are applied to all vehicle and equipment purchase requests submitted to Fleet Services. Fleet Services recommends vehicles and pieces of equipment that use hybrid, electric, or alternative fuel (e.g. B20 biodiesel, E85 gasoline, propane) powered engines whenever possible.

The vehicles and pieces of equipment purchased on these contracts meet the purchase recommendations made by the Fleet Officer, affected Department Directors, and Assistant City Managers (ACMs). ACM approval is required for all new additions to the City's fleet prior to any procurement actions. For replacement units, Fleet Services reviews a list of vehicles and equipment and determines if they are eligible for replacement based on mileage, hours of use, and maintenance costs. Fleet Service Center Managers have inspected each vehicle and piece of equipment to be replaced and determined that the mileage or hours of use on each vehicle and piece of equipment proposed for replacement cannot be increased without risking a significant increase in repair costs and loss of productivity due to downtime. The departments' recommendations for vehicles and equipment have been reviewed by a Fleet Service Center Manager to ensure the new or replacement vehicles and equipment are appropriate for the specified use. New units must be put on order as soon as possible to ensure their place in the production schedule in order to be received before old units are rendered unusable.

This request includes replacement contracts for multiple contract requests approved by Council for Fiscal Year 2017.

Funding for these vehicles, trailers, and pieces of equipment in future years will be approved by Council during the budgeting process. Based on the remaining Council approved budget for Fiscal Year 2018, over \$39,750,000 is currently available for vehicle and equipment purchases. Authorization amounts for future fiscal years are estimates subject to annual budget approval.

If a contract is not secured, the City will realize an increase in administrative costs and burdens to procure vehicles, trailers, and pieces of equipment used to support City operations and services.

#### **Contract Detail**

	<b><u>Contract Term</u></b>	<b><u>Contract Authorization</u></b>
Initial Term	1 yr.	\$ 39,750,000
Optional Extension 1	1 yr.	\$ 44,290,000
Optional Extension 2	1 yr.	\$ 44,290,000
<b>TOTAL</b>	<b>3 yrs.</b>	<b>\$128,330,000</b>

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