



## Recommendation for Action

**File #:** 20-1822, **Agenda Item #:** 28.

4/23/2020

### **Posting Language**

Authorize award of two multi-term contracts with KBLB-KEN, Ltd. D/B/A San Marcos Dodge and Georgetown Mac Haik Dodge Chrysler Jeep, Ltd. D/B/A Mac Haik Chrysler Dodge Jeep Ram, to provide Dodge and Ram vehicle parts and repair services, each for up to five years for total contract amounts not to exceed \$3,460,000, divided between the contractors.

(Note: This solicitation 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 and services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

### **Lead Department**

Purchasing Office.

### **Client Department(s)**

Aviation; Fleet Mobility Services.

### **Fiscal Note**

Funding in the amount of \$10,000 is available in the Fiscal Year 2019-2020 Operating Budget of Aviation. Funding in the amount of \$288,333 is available in the Fiscal Year 2019-2020 Operating Budget of Fleet Mobility Services. Funding for the remaining contract terms is contingent upon available funding in future budgets.

### **Purchasing Language:**

The Purchasing Office issued an Invitation for Bids (IFB) 7800 JRH1023REBID for these goods and services. The solicitation issued on February 3, 2020 and it closed on February 27, 2020. Of the two offers received, the recommended contractors submitted the lowest responsive offers. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=134182)  
<[https://www.austintexas.gov/financeonline/account\\_services/solicitation/solicitation\\_details.cfm?sid=134182](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=134182)>.

### **For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or [AgendaOffice@austintexas.gov](mailto:AgendaOffice@austintexas.gov) <<mailto:AgendaOffice@austintexas.gov>>

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: John Hilbun, at 512-974-1054 or [john.hilbun@austintexas.gov](mailto:john.hilbun@austintexas.gov) <<mailto:john.hilbun@austintexas.gov>>.

### **Additional Backup Information:**

These contracts are for the supply of original equipment manufacturer parts (OEM) and repair services for city-owned Dodge and Ram vehicles on an as-needed basis. The City currently has approximately 317 Dodge and Ram vehicles in the fleet inventory. These contractors will provide a reliable supply of OEM parts and

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continuous repair services to supplement the work performed by City technicians, which will minimize delays in maintenance and repairs for Dodge and Ram vehicles.

These contracts are necessary to supply Fleet Mobility Services and Aviation service centers with a reliable supply of OEM parts and continuous repair services which will minimize delays in maintenance and repairs for Dodge and Ram vehicles. If the City is unable to secure these contracts, the departments will be forced to procure these parts and services on an as-needed basis which may result in higher prices for parts, higher operational costs and increased vehicle down time.

The recommended contractors are the current providers for these goods and services under the current contract which expires July 2, 2020. The requested authorization is based on historical spend and allows for a moderate annual increase to accommodate for aging vehicles no longer under warranty and future repairs.

**Contract Detail:**

<b><u>Contract Term</u></b>	<b><u>Length of Term</u></b>	<b><u>Contract Authorization</u></b>
Initial Term	2 yrs.	\$1,284,252
Optional Extension 1	1 yr.	\$ 690,602
Optional Extension 2	1 yr.	\$ 724,450
Optional Extension 3	1 yr.	\$ 760,696
<b>TOTAL</b>	<b>5 yrs.</b>	<b>\$3,460,000</b>

**Note:** Contract Authorization amounts are based on the City's estimated annual usage.

**Strategic Outcome(s):**

Mobility; Government that Works for All.