



Recommendation for Action

File #: 23-2296, **Agenda Item #:** 53.

7/20/2023

Posting Language

Authorize execution of a contract for original equipment manufacturer parts and repair services for Cummins diesel engines with Doggett Freightliner of South Texas, LLC d/b/a Freightliner of Austin, a local bidder that offers the City the best combination of contract price and additional economic development opportunities including the employment of residents and increased tax revenue, for a term of five years in an amount not to exceed \$3,253,000.

[Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C (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

Financial Services Department.

Client Department(s)

Fleet Mobility Services.

Fiscal Note

Funding in the amount of \$162,650 is available in the Fiscal Year 2022-2023 Operating Budget of Fleet Mobility Services. Funding for the remaining contract terms is contingent upon funding in future budgets.

Purchasing Language:

The Financial Services Department issued an Invitation for Bids (IFB) 7800 BRS1065 for these goods and services. The solicitation was issued on February 20, 2023, and closed on March 30, 2023. Of the five offers received, the recommended contractor submitted the lowest responsive offer considering local presence. 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://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=138419.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

Additional Backup Information:

The contract will provide original equipment manufacturer (OEM) parts and repair services for Cummins diesel engines in City-owned vehicles on an as-needed basis. The City currently has a diverse fleet of vehicles with Cummins diesel engines, including fire apparatus, ambulances, refuse trucks, and other service vehicles and equipment used by Emergency Medical Services, Austin Energy, Austin Resource Recovery, and the Austin Fire Department.

This recommendation is in accordance with Local Government Code 271.905 and Resolution No. 20140807-113 to invoke local preference. This local bidder is offering the best combination of contract price and additional economic development opportunities for the City created by the contract award, including the employment of residents and increased tax revenues.

This contract will replace a contract which expired on June 26, 2023. The requested authorization amounts were determined by using departmental estimates based on historical spend and will allow for a small annual growth for parts associated with aging vehicles. The recommended contractor was not the previous provider for these goods and services.

If the City is unable to secure a contract, the City will not have a reliable and continuous source for OEM parts and repair services for Cummins diesel engines and will be forced to procure these items on an as-needed basis, which may result in higher pricing and higher operational costs.