



City of Austin

Recommendation for Action

File #: 24-4166, Agenda Item #: 17.

4/4/2024

Posting Language

Authorize execution of two contracts for parts and repair services for John Deere equipment with Tellus Equipment Solutions LLC and Offutt Companies, Inc. d/b/a Rdo Equipment Co., each for a term of five years in amounts not to exceed \$3,500,000, divided between the contractors.

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

Department of Aviation, Fleet Mobility Services Department.

Fiscal Note

Funding in the amount of \$20,000 is available in the Fiscal Year 2023-2024 Operating Budget of the Department of Aviation.

Funding in the amount of \$330,000 is available in the Fiscal Year 2023-2024 Operating Budget of Fleet Mobility Services Department.

Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Financial Services Department issued an Invitation for Bids (IFB) 7800 EAB1001 for these goods and services. The solicitation was issued on September 28, 2023, and closed on October 17, 2023. 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. This information can currently be found at:

https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=139373.

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:

These contracts will provide original equipment manufacturer parts and repair services for City-owned John

Deere equipment on an as-needed basis. The City currently has approximately 209 John Deere units. The contractors will provide repair services with associated parts to supplement the work performed by Fleet technicians and parts will be purchased for maintenance and repairs conducted in-house.

These contracts will replace a contract, which expires on June 24, 2024. The requested authorization amount was determined using departmental estimates based on historical spending and allows for an annual growth for parts and repair services associated with the aging units. One of the recommended contractors is the current provider for these parts and services. A second contractor is recommended to allow flexibility for departments to source parts and support the increase in repair demands.

A delay in contract approval could affect the City's ability to make needed repairs to its equipment once the current contract expires.