

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	7813	Agenda Number	44.
---------------------	----------	------	---------------	-----

Meeting Date:	August 18, 2011
---------------	-----------------

Department:	Purchasing
-------------	------------

## Subject

Authorize award and execution of a contract through the Texas Local Government Purchasing Cooperative (BuyBoard) with PHILPOTT MOTORS, LTD, Nederland, TX, for the purchase of 32 light-duty pick up trucks in an amount not to exceed \$728,774.65.

## Amount and Source of Funding

Funding in the amount of \$105,334.75 is available in the Fiscal Year 2010-2011 Vehicle Acquisition Fund. Funding in the amount of \$398,064 is available in the Fiscal Year 2010-2011 Capital Budget of Austin Energy. Funding in the amount of \$162,175.05 is available in the Fiscal Year 2010-2011 Capital Budget of Austin Water Utility. Funding in the amount of \$63,200.85 is available in the Fiscal Year 2010-2011 Operating Budget of the Parks and Recreation Department.

## Fiscal Note

A fiscal note is attached.

Purchasing Language:	Cooperative Purchase.
----------------------	-----------------------

Prior Council Action:	
-----------------------	--

For More Information:	Sharon Patterson, Senior Buyer, 972-4014
-----------------------	--

Boards and Commission Action:	Recommended by the Water and Wastewater Commission. Recommended by the Electric Utility Commission.
-------------------------------	---

MBE / WBE:	This Cooperative Contract is exempt from the MBE /WBE Ordinance. This exemption is in compliance with Chapter 2-9D of the City Code (Minority –Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this contract.
------------	---

Related Items:	
----------------	--



#### Additional Backup Information

This contract is for the purchase of twenty-three replacement and nine new light-duty trucks. These trucks will be used by various City Departments in the day-to-day operations of City business and will be equipped with various types of equipment. The type of equipment to be installed on the trucks include spotlights, heavy-duty steel toolboxes with locking lids, light bars, backup alarm, and a trailer hitch.

The Austin Climate Protection Program team and Fleet staff have worked together to develop a vehicle purchasing process in our progress towards our citywide objective of obtaining carbon neutrality by 2020. The development of the purchasing criteria incorporates emissions impact, available technologies on the market, physical demands on the vehicle, and service application. These criteria are applied to all vehicles submitted to Fleet for purchase.

All of these trucks are powered by E85 flex fuel, meaning they can operate on a blend of 85% ethanol with 15% gasoline. E85 provides roughly a 15% reduction in greenhouse gas emissions relative to gasoline.

The vehicles in this RCA have been recommended for purchase utilizing a process that involves 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 requests being made to the Purchasing Office.

Departments review the list of vehicles determined eligible for replacement by Fleet Services based on mileage, hours of use, and maintenance costs. From that list, priority uses were determined within the departments, and the proposed equipment was reviewed by the Fleet Service Center Manager to insure the specified vehicle is appropriate for the use.

All of these replacement vehicles have met the Fleet Officer's eligibility criteria for replacement. The Fleet Service Center Managers have inspected each vehicle to be replaced, and determined that the mileage or hours of use of each vehicle proposed for replacement cannot be increased without risking a significant increase in repair costs and loss of productivity due to down time.

The vehicles in this purchase will be assigned to the following City Departments:

##### Austin Energy

10 Ford F-150 4x2 with extended cab and long bed – 6 New, 4 Replacements

7 Ford F-150 4x4 with extended cab and long bed – Replacements

##### Austin Water Utility

6 Ford F-150 4x2 with extended cab – Replacements

1 Ford F-150 4x4 with extended cab and long bed – Replacement

##### Parks and Recreation Department

8 Ford F-150 4x2 with extended cab – 3 New, 5 Replacements

In the interest of validating the best use of the City's acquisition funds, as well as the impact of local purchase versus using a cooperative procurement, the City conducted a "Best Value" bid solicitation for light-duty trucks.

The best-value criteria included the cost of the trucks (70 of 100 points), local economic impact (15 of 100 points), dealer's markup on optional equipment (10 of 100 points), and hourly labor rate to install optional equipment (5 of 100 points). Points for local economic impact were assigned based on the bidder's answer to two (2) questions: a) Is your business located in the Greater Austin Metropolitan Area and b) State the number of people you employ in the Greater Austin Metropolitan area.

The results of this solicitation were compared with price quotes from the available cooperatives. The price offered by Philpott Motors, through the BuyBoard Cooperative, is \$71,517.40 less than the best-value bid received from a local

vendor that responded to our best-value solicitation. Based on the criteria of the bid, the cooperative purchase scored the highest in the evaluation process.

Philpott Motors is contracted through BuyBoard to supply these types of trucks to other public entities statewide as a result of a competitive bidding process. Utilizing BuyBoard contracts provides for volume discount pricing as well as the earliest opportunity to place the City's trucks on order.