

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting: April 26, 2018

Item Number: **024**

Purchasing Office

Authorize award and execution of two multi-term contracts with Kblb-Ken, LTD. D/B/A San Marcos Chrysler Dodge Jeep Ram and Georgetown Mac Haik Dodge Chrysler Jeep, LTD, to provide parts and repair services for Dodge and Ram vehicles, for up to five years for total contract amounts not to exceed \$1,650,000 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 insufficient availability of M/WBES; therefore, no subcontracting goals were established).

Lead Department	Purchasing Office.
Fiscal Note	Funding in the amount of \$8,750 is available in the Fiscal Year 2017-2018 Operating Budget of Aviation. Funding in the amount of \$183,750 is available in the Fiscal Year 2017-2018 Operating Budget of Fleet Services. Funding for the remaining contract terms are contingent upon available funding in future budgets.
Purchasing Language	The Purchasing Office issued an Invitation for Bids (IFB) 7800 ELL0055REBID for these goods and services. The solicitation issued on November 27, 2017 and it closed on December 21, 2017. Of the three 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/vendor_connection/solicitation/solicitation_details.cfm?sid=122548 >.
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> NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Erika Larsen, at 512-974-3127 or Erika.Larsen@austintexas.gov <mailto:Erika.Larsen@austintexas.gov> .
Client Department(s)	Aviation; Fleet Services.

Additional Backup Information:

The 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 377 Dodge and Ram vehicles in the fleet inventory. Kblb-Ken, LTD. D/B/A San Marcos Chrysler Dodge Jeep Ram will provide repair services with associated parts to supplement the work performed by City technicians at the Aviation and Fleet service centers to increase responsiveness to city departments. Parts will be purchased from Georgetown Mac Haik Dodge Chrysler Jeep, LTD for maintenance and repairs handled in-house.

The requested authorization amount was determined using departmental estimates based on historical spend and will allow for a small annual growth for parts and repair services requirements associated with aging vehicles and future vehicle acquisitions.

These contracts are necessary to supply Fleet 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 a contract, 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.

Contract Detail:

Contract Term	Length	Contract of Term Authorization
Initial Term	2 yrs.	\$ 660,000
Optional Extension 1	1 yr.	\$ 330,000
Optional Extension 2	1 yr.	\$ 330,000
Optional Extension 3	1 yr.	\$ 330,000
TOTAL	5 yrs.	\$1,650,000

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

