



MEMORANDUM

TO: Mayor and Council

FROM: Jennifer Walls, Fleet Officer, Fleet Mobility Services Department

DATE: March 18, 2020

SUBJECT: March 26 City Council Item - Cooperative Purchases for Vehicles & Equipment (Item 35)

The [March 26th City Council agenda](#) includes an item for the Mayor and Council's consideration to authorize negotiation and execution of cooperative contracts for up to five years with various vendors to provide vehicles and equipment, for total contract amounts not to exceed \$289,000,000, divided among the contractors (see [Item 35](#) on the agenda).

Fleet Mobility Services (FMS) uses advanced information systems and physical inspections paired with manufacturer, and both operational and environmental stakeholder input in determining vehicle and equipment needs and is committed to providing cost effective, accessible forms of modality to transport City employees, tools and equipment to conduct the business of the City.

This master agreement gives FMS the ability to take advantage of new vehicle and equipment technology as it emerges in a very dynamic market. The flexibility offered and is essential in helping us to reduce lead times on vehicle purchases and delivery. Additionally, this tool allows FMS the flexibility to purchase vehicles funded and approved during the budget process in a way that avoids manufacturer build cut off dates that if missed can result in substantially higher acquisition costs.

The requested authorization is planned for purchases and replacements of approximately 649 vehicles and equipment per year for up to five years, for all City departments. Additions to the fleet for new programs and/or new FTE's that align with Strategic Direction 2023 (SD23) outcomes (Exhibit A) are included in these projections. This includes, but not limited to, additional authorization for new fire stations, composting, and reserves for Public Safety and Health. Additionally, the requested authorization includes conversion to electric, hybrid and alternative fuel when appropriate. Below reflects a summary of vehicles forecasted that could potentially be converted to Electric/Hybrid or Alternative Fuel during the five-year period (Exhibit B).

Exhibit A

| Strategic Outcome SD2023 | Total Investment |
|--------------------------------------|-------------------------|
| Health & Environment | \$74,219,087 |
| Culture & Lifelong Learning | \$16,301,633 |
| Safety | \$109,045,374 |
| Government that Works for All | \$1,624,436 |
| Economic Opportunity & Affordability | \$5,052,799 |
| Mobility | \$29,498,608 |
| Other Departments | \$53,035,381 |
| Grand Total | \$288,777,318 |

Exhibit B

| POSSIBLE CONVERSION to ELECTRIC / CNG / HYBRID | Sum of Total Units |
|---|---------------------------|
| REFUSE TRUCK | 123 |
| SEDAN | 115 |
| SUV | 280 |
| BUS | 37 |
| LIGHT DUTY PICKUP | 477 |
| APD PATROL RATED UNIT (SUV/SEDAN/UNMARKED/MARKED) | 497 |
| Grand Total | 1529 |

A few notable highlights contributing to the Carbon Neutral Plan, Net-zero community-wide greenhouse gases and cost reductions are:

- 2.9% increase or 201 fleet purchases of electric/plug-in hybrids since 2012. (National average)
- Purchased 78 electric/plug-in hybrids in 2019, which exceeded the Climate Mayor's National Climate Action Agenda purchasing goal of 71.
- Estimated an additional 129 fleet purchases of electric/plug-in hybrids in 2020.
- 72.5% usage in alternative fuels, lowering carbon emissions by 15% or 6,808 metric tons.

The primary goals are to lead, design and incorporate "Sharing, Electric vehicles, Telematics, and Autonomous Mobility Services" to reduce transportation costs, minimize under-utilized fleet assets and manage traffic congestion while improving the health, environment, safety and livability of Austin.

xc: Spencer Cronk, City Manager
 Gina Fiandaca, Assistant City manager
 James Scarboro, Purchasing Officer