



AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Cassey Ogden
DATE: July 16, 2023

SUBJECT

Consider adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Grapevine DCJ LLC, as the primary vendor, Gilchrist Automotive Group LLC dba Pegasus CDJR LLC, as the secondary vendor, and GPI TX-DCIV, Inc. dba Denton Chrysler Dodge Jeep Ram, as the tertiary vendor, for the supply and repair of light-medium duty vehicles which include sedans, passenger vans, pickup trucks, hybrid, and electric vehicles for the Fleet Services Department; providing for the expenditure of funds therefor; and providing an effective date (RFP 8462 – awarded to Grapevine DCJ LLC, Gilchrist Automotive Group LLC dba Pegasus CDJR LLC, and GPI TX-DCIV, Inc. dba Denton Chrysler Dodge Jeep Ram, for one (1) year, with the option for four (4) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$10,000,000.00).

STRATEGIC ALIGNMENT

This action supports Key Focus Area: Enhance Infrastructure and Mobility.

INFORMATION/BACKGROUND

The proposed contract is for an annual supply agreement for the purchase of light-medium duty vehicles for various City departments. These vehicles consist of electric, hybrid, gasoline, and alternative-fueled sedans, passenger and cargo vans, sport utility vehicles, police patrol vehicles, and pickup trucks. Fleet replacement history and forecasts indicate the need to purchase up to 200 light-duty vehicles over the five (5) year life of this contract, not including additional units that may be approved for fleet growth. Once replacement criteria are met, every effort is made to right-size the new vehicle for its intended application, minimize emissions, and reduce lifecycle costs. This contract also includes repairs of vehicles as needed.

The estimated need for vehicle acquisitions for replacements and additions over the next five (5) years is \$27,500,000 and the estimated cost of repairs is \$2,500,000.00. The total estimated expenditures will be dispersed over three (3) original equipment manufacturers (OEM), estimated at \$10,000,000 each, with alternate vendor options. The manufacturer selected for each vehicle will be chosen based on the departments' operational requirements, asset availability, and cost. Contract approval for the other OEMs, Ford and Dodge, will be presented to City Council for approval as separate agenda items.

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Vehicle Acquisitions for Replacements & Additions	\$10,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$27,500,000
Vehicle Repairs	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,500,000
Contract Spend Per Each Manufacturer (Chevrolet, Ford, Dodge)						\$ 10,000,000

After reference checks, Grapevine DCJ LLC, Gilchrist Automotive Group LLC dba Pegasus CDJR LLC, and GPI TX-DCIV, Inc. dba Denton Chrysler Dodge Jeep Ram are established businesses that have experience working with larger entities and possess the competence to perform the work requested in a timely manner.

Vendor	Award*
Grapevine DCJ LLC	Primary
Gilchrist Automotive Group LLC dba Pegasus CDJR LLC	Secondary
GPI TX-DCIV, Inc. dba Denton Chrysler Dodge Jeep Ram	Tertiary

*If the Primary contractor fails to provide a suitable vehicle for the specifications requested, then the Secondary and Tertiary contractors will be contacted.

Request for Proposals was sent to 146 prospective suppliers, including six (6) Denton firms. In addition, specifications were placed on the Procurement website for prospective suppliers to download and advertised in the local newspaper. Four (4) proposals were received, references were checked, and proposals were evaluated based upon published criteria including compliance with specifications, probable performance, price, and no charge add-ons. Best and Final Offers (BAFO) were requested from all firms. Based upon this evaluation, the department is awarding contracts to Grapevine DCJ LLC, Gilchrist Automotive Group LLC dba Pegasus CDJR LLC, and GPI TX-DCIV, Inc. dba Denton Chrysler Dodge Jeep Ram.

NIGP Code Used for Solicitation:	071 – Automobiles, SUVs, and Vans, 072 - Trucks
Notifications sent for Solicitation sent in IonWave:	146
Number of Suppliers that viewed Solicitation in IonWave:	10
HUB-Historically Underutilized Business Invitations sent out:	15
SBE-Small Business Enterprise Invitations sent out:	45
Responses from Solicitation:	4

RECOMMENDATION

Award a contract with Grapevine DCJ LLC, as the primary vendor, Gilchrist Automotive Group LLC dba Pegasus CDJR LLC, as the secondary vendor, and GPI TX-DCIV, Inc. dba Denton Chrysler Dodge Jeep Ram, as the tertiary vendor, for the supply of light-medium duty vehicles which include sedans, passenger vans, pickup trucks, hybrid, and electric vehicles for the Fleet Services Department, in a one (1) year, with the option for four (4) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$10,000,000.

PRINCIPAL PLACE OF BUSINESS

Grapevine DCJ LLC
Grapevine, TX

Gilchrist Automotive Group LLC dba Pegasus CDJR LLC
Ennis, TX

GPI TX-DCIV, Inc. dba Denton Chrysler Dodge Jeep Ram
Denton, TX

SUSTAINABILITY MEASURES

New vehicle selections will first accommodate department function requirements, then minimize emissions and greenhouse gas (GHG) levels to the extent possible through the engine, driveline, and fuel type selections. City of Denton fleet GHG reports are provided to the North Central Texas Council of Governments and DFW Clean Cities annually. The contract includes available alternative fueled and Battery Electric Vehicles produced by the original equipment manufacturer in the light-medium duty class.

ESTIMATED SCHEDULE OF PROJECT

This is an initial one (1) year contract with options to extend the contract for four (4) additional one (1) year periods, with all terms and conditions remaining the same.

FISCAL INFORMATION

These items will be funded from Motorpool Fund, various Vehicle Replacement Funds, and capital funds as approved in the budget approval process. Requisitions will be entered on an as-needed basis. The budgeted amount for this item is \$10,000,000. The City will only pay for services rendered and is not obligated to pay the full contract amount unless needed.

EXHIBITS

Exhibit 1: Agenda Information Sheet

Exhibit 2: Pricing Evaluation

Exhibit 3: Presentation

Exhibit 4: Ordinance and Contracts

Respectfully submitted:
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Purchasing Manager

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Legal point of contact: Marcella Lunn at 940-349-8333.