



## City of Denton

City Hall  
215 E. McKinney Street  
Denton, Texas  
[www.cityofdenton.com](http://www.cityofdenton.com)

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### AGENDA INFORMATION SHEET

**DEPARTMENT:** Materials Management

**CM:** Todd Hileman

**DATE:** November 14, 2017

#### **SUBJECT**

Consider adoption of an ordinance accepting competitive bids and awarding a best value contract for the supply of light duty vehicles which include sedans, passenger vans, pickup trucks, and hybrid electric vehicles for various City departments; providing for the expenditure of funds therefor; and providing an effective date (IFB-BV 6577-awarded to James Wood Autopark in the three (3) year not-to-exceed amount of \$4,050,000).

#### **BACKGROUND**

This bid is to establish an annual supply agreement for the purchase of light duty vehicles for various City Departments. Light duty vehicles include electric, hybrid, gasoline and alternative fueled sedans, passenger and cargo vans, sport utility vehicles and trucks rated up to and including 1 ton. Fleet replacement history and forecasts indicate the need to purchase up to 150 light duty vehicles over the three (3) year life of this contract-not including any additional units that may be approved for fleet growth. A list of vehicles that have been approved in the Fiscal Year 2017-18 budget is attached as Exhibit 3. Vehicle acquisitions for years two and three of the contract will resemble the light duty vehicles identified on the attached list. Once replacement criteria is met, every effort is made to right-size the new vehicle for its intended application to minimize emissions and reduce lifecycle costs. The not-to-exceed amount of \$4,050,000 is based on replacements that are anticipated to meet the Fleet Services replacement criteria during the three (3) year contract period. The Fleet Services replacement criteria specifies that the vehicle must be ten years old and have more than five (5) maintenance points. The not-to-exceed amount also factors in fleet additions that may be needed as new FTE positions or services are approved during the same time period.

Standard City of Denton purchasing procedures were utilized. Invitations for Bid were sent to 58 prospective suppliers of these items. In addition, specifications were placed on the Materials Management website for prospective suppliers to download and advertised in the local newspaper. One (1) response meeting specifications was received from James Wood AutoPark, a local vendor. As part of the bid pricing sheet, the City specified that seven (7) additional services be required with the purchase of these vehicles. These services which are listed on Exhibit 2, will result in overall cost savings to the City of Denton with regards to maintenance of the vehicle thereby, extending the useful life. James Wood AutoPark offered these services at no additional cost. Cost savings to the City of Denton with regards to maintenance, transportation, and inspection of the vehicle is estimated to be \$1,884 per vehicle, during the life of the vehicle. The City is electing to not purchase the quoted available extended warranty.

Since this was a best value solicitation, IFB 6577 was evaluated based upon published criteria including performance, delivery, acceptance of standard terms and conditions, and price. Staff also obtained comparison pricing through the Buy Board Cooperative Purchasing Program where it was available. Pricing through the Buy Board was on average \$954 higher. Therefore, James Wood AutoPark was determined be the best value for the City based on pricing, service, and overall satisfactory performance during the past three years.

## **RECOMMENDATION**

Award a contract for Light Duty Vehicles to James Wood AutoPark in the amount of \$4,050,000.

## **ESTIMATED SCHEDULE OF PROJECT**

This is an initial one (1) year contract with options to extend the contract for two (2) additional one (1) year periods, with all terms and conditions remaining the same. Delivery of vehicles will occur within 75 to 150 days after receipt of order. Delivery times vary by product and model.

## **FISCAL INFORMATION**

The vehicles purchased through this contract will be purchased from department operating accounts and Certificate of Obligation accounts on an as needed basis. Thirty three (33) vehicles have been approved in the Fiscal Year 2017-18 budget. Fleet estimates another 100 vehicles may need to be acquired for years two and three of the contract term.

## **STRATEGIC PLAN RELATIONSHIP**

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

**Related Key Focus Area: Organizational Excellence**

**Related Goal: 1.1 Manage financial resources in a responsible manner**

## **EXHIBITS**

- Exhibit 1: Agenda Information Sheet
- Exhibit 2: Bid Tabulation
- Exhibit 3: Vehicle List for FY 2017-18
- Exhibit 4: Three Year List of Projected Replacements
- Exhibit 5: Cost Comparison
- Exhibit 6: Ordinance
- Exhibit 7: Contract
- Exhibit 8: Staff Presentation

Respectfully submitted:  
Karen Smith, 349-8436  
Purchasing Manager

For information concerning this acquisition, contact: Terry Kader at 940-349-8729.