

# Mayor and Council Communication

DATE: 06/22/21

M&C FILE NUMBER: M&C 21-0481

LOG NAME: 13P21-0029 CLASS 6-8 CAB & CHASSIS CC PMD

## **SUBJECT**

(ALL) Authorize Execution of Non-Exclusive Agreements for Class 6-8 Cab and Chassis with Texas Kenworth Co. d/b/a MHC Kenworth - Fort Worth, Rush Truck Centers of Texas, L.P. d/b/a Rush Truck Center - Fort Worth and Southwest International Trucks, Inc., for a Combined Annual Amount Up to \$1,200,000.00 for the Initial Term, and Authorize Four One-Year Renewal Options in the Combined Amount of \$1,260,000.00 for the First Renewal, \$1,323,000.00 for the Second Renewal, \$1,389,150.00 for the Third Renewal and \$1,458,608.00 for the Fourth Renewal for the Property Management Department

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## **RECOMMENDATION:**

It is recommended that the City Council authorize execution of non-exclusive agreements for class 6-8 cab and chassis with Texas Kenworth Co. d/b/a MHC Kenworth - Fort Worth, Rush Truck Centers of Texas, L.P. d/b/a Rush Truck Center - Fort Worth and Southwest International Trucks, Inc., for a combined annual amount up to \$1,200,000.00 for the initial term, and authorize four one-year renewal options in the combined amount of \$1,260,000.00 for the first renewal, \$1,323,000.00 for the second renewal, \$1,389,150.00 for the third renewal and \$1,458,608.00 for the fourth renewal for the Property Management Department.

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## **DISCUSSION:**

The Property Management Department approached the Purchasing Division to procure an agreement for class 6-8 cab and chassis. The items will be used to build medium and heavy duty trucks (dump trucks, services trucks, etc.) which may be used in applications of maintenance of City resources. In order to procure these items staff issued an invitation to bid (ITB). The ITB consisted of detailed specifications regarding the vehicle requirements. The ITB was advertised in the *Fort Worth Star-Telegram* on December 16, 2020, December 23, 2020, December 30, 2020 and January 6, 2021. The City received 4 bids. Sam Pack's Five Star Ford was deemed non-responsive due to not meeting the extended warranty coverage and the engine type listed in the specifications.

Staff evaluated the bid responses and recommends awarding one-year agreements to Texas Kenworth Co. d/b/a MHC Kenworth - Fort Worth, Rush Truck Centers of Texas, L.P. d/b/a Rush Truck Center - Fort Worth and Southwest International Trucks, Inc. along with four one-year options to renew. No guarantee was made that a specific amount of these items will be purchased. It is recommended that each annual award amount include the average industry standard of 5% increase in cost per year.

In addition, an administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated. Upon City Council approval, this agreement shall begin upon execution and end one year from that date.

Business Equity: A waiver of the goal for M/WBE subcontracting requirements is approved by the Office Business Diversity, in accordance with the BDE Ordinance, because the application of the purchase of good or services is from sources where subcontracting or supplier opportunities are negligible.

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## **FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are available in the current operating budget, as previously appropriated, in the participating departments' Operating Funds to support the approval of the above recommendation and execution of the agreement. Prior to any expenditure being incurred, the participating departments have the responsibility to validate the availability of funds.

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