

Mayor and Council Communication

DATE: 11/08/22

M&C FILE NUMBER: M&C 22-0914

LOG NAME: 21FY2023 INDUSTRIAL POWER AND EQUIPMENT REPAIRS & SVS

SUBJECT

(ALL) Authorize Sole Source Purchase Agreement with Industrial Power, LLC for Original Equipment Manufacturer Allison Equipment Parts and Repairs in an Amount Up to \$770,000.00 Per Year with Four One-Year Renewal Options for the Property Management Department

RECOMMENDATION:

It is recommended that the City Council authorize a sole source purchase agreement with Industrial Power, LLC for original equipment manufacturer Allison transmission parts and repairs in an amount up to \$770,000.00 per year with four one-year renewal options for the Property Management Department.

DISCUSSION:

The Property Management Department (PMD) approached the Purchasing Division for assistance in obtaining replacement parts and services to maintain City owned Allison equipment. Industrial Power, LLC is the authorized service facility for Allison transmission maintenance, service repairs and original equipment manufacturer (OEM) replacement parts. The City of Fort Worth has class 6-8 vehicles and equipment that are equipped with Allison transmissions and range in model year from 1975 to 2018. Allison transmissions offer OEM parts needed to ensure optimal performance from equipment during standard business hours and after hour field service calls.

Staff reviewed the prices and determined them to be fair and reasonable. No guarantee was made that a specific amount of goods and services would be purchased. The City anticipates spending approximately \$770,000.00 during the first agreement period, which provides an adequate amount of funds for repairs and service needed for City equipment.

Funding is budgeted in the Fleet Service Outside Repair & Maintenance account of the Property Management Department's Fleet & Equipment Service Fund.

DVIN: Property Management was approved for a sole source exemption by Assistant City Attorney - Taylor Paris. Therefore, the business equity goal requirement is not applicable.

This procurement is exempted from the competitive bidding requirements as provided for under Section 252.022(7) of the Texas Local Government Code because, Industrial Power is the documented sole source original equipment manufacturer Allison transmission parts, repairs and maintenance services for Allison transmissions.

ADMINISTRATIVE CHANGE ORDER - An administrative change order or increase may be made by the City Manager in the amount up to \$50,000.00 and does not require specific City Council approval as long as sufficient funds have been appropriated.

Upon City Council approval, the Agreement shall begin upon execution of the Agreement and expire one year from that date.

RENEWAL OPTIONS - This Agreement may be renewed for four additional one-year renewal periods. This action does not require specific City Council approval provided that the City Council has appropriated sufficient funds to satisfy the City's obligations during the renewal term.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation, funds are available in the current operating budget, as previously appropriated, in the Fleet & Equipment Service Fund. Prior to any expenditure being incurred, the Property Management Department has the responsibility to validate the availability of funds.

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