

# Mayor and Council Communication

**DATE:** 06/13/23

**M&C FILE NUMBER:** M&C 23-0450

**LOG NAME:** 13P BLANKET COOPERATIVE AUTHORIZATION FLEET ACQUISITIONS ADK

**SUBJECT**

(ALL) Authorize Purchase Agreements with Multiple Vendors for the Purchase of Fleet Vehicles, Off-Road Vehicles, and Other Motorized Equipment up to the Amount of Available Funding in Capital Projects Across Multiple Funds Citywide using Multiple Cooperative Contracts and Interlocal Agreements for Three Years for the Property Management Department

**RECOMMENDATION:**

It is recommended that the City Council authorize the execution of purchase agreements with multiple vendors for the purchase of fleet vehicles, off road vehicles, and other motorized equipment up to the amount of available funding in Capital Projects Across Multiple Funds Citywide using multiple cooperative contracts and interlocal agreements for three years for the Property Management Department.

**DISCUSSION:**

The Property Management Department's Fleet Acquisitions Division is currently in the process of fulfilling a multi-year backlog of City vehicle and equipment purchases. The biggest challenge in trying to overcome this backlog is the availability of vendors, inventory, and the time it takes for the City to make purchases when vehicles are available. Currently, the City has a backlog of eight (8) years totaling more than \$30 million dollars.

The City currently has contracts with the following vendors using cooperative contracts:

<b>VENDOR</b>	<b>COOPERATIVE AGENCY</b>
Siddons Martin Emergency Group, LLC	BuyBoard
Siddons Martin Emergency Group, LLC	Houston-Galveston Area Council (HGAC)
JHouston Holdings, LLC	BuyBoard
Versalift	Sourcewell
Lake Country Chevrolet	The Interlocal Purchasing System (TIPS)
North Texas Trailers, LLC	Buyboard
Silsbee Ford	TIPS
Associated Supply Company (ASCO)	BuyBoard
Rogue Jet Boatworks, Inc.	General Services Administration (GSA)
Lenco Industries, Inc.	HGAC
Polaris Sales, Inc.	Sourcewell
Nationwide Trailers, LLC	BuyBoard
Crafco, Inc.	BuyBoard

However, due to limited inventory and availability, additional vendors and options are needed. Fleet Acquisitions has already identified twenty-nine additional vendors that are available through cooperatives.

Approval of this Mayor & Council Communication (M&C) authorizes the City to execute contracts with any vendor that is currently listed on any valid cooperative that has one or more vehicles or pieces of equipment that is a current need for the City's fleet. This authorization would also include purchases made using Interlocal Agreements with other governmental entities.

Fleet Acquisitions recently partnered with the Purchasing Division in an effort to better ensure that the City is able to purchase needed items as quickly and efficiently as possible. The Fleet team meets regularly with key personnel to ensure that specifications are appropriate for the City's fleet, costs are reasonable and acceptable, and that departments are receiving items that meet their business needs.

COOPERATIVE PURCHASE and INTERLOCAL AGREEMENTS - State law provides that a local government purchasing an item under a cooperative purchasing agreement or interlocal agreement satisfies state laws requiring that the local government seek competitive bids for purchase of the item.

AGREEMENT TERMS - Upon City Council approval of this M&C, the City will have authority to enter into one-time purchase agreements or annual agreements with available vendors for up to three years from the date of approval. At the expiration of three years from the date of approval, the City will seek additional authorization for any necessary contracts at that time.

BUSINESS EQUITY - an M/WBE goal is not assigned when purchasing from an approved purchasing cooperative or other public entity.

FUNDING - Currently, there is \$42,593,019.00 in the City's budget in capital projects across multiple funds citywide for the purpose of funding fleet acquisitions. Prior to each purchase agreement or contract being executed, staff will confirm that funding is available for that purchase and is appropriated for that purpose. All existing contracts shall be amended or terminated to release encumbered funds to ensure that the City is able to make purchases with the vendors that have needed items available for purchase on a rolling basis. No guarantee has been or will be made to any vendor regarding minimum purchases.

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**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are available in the current capital budgets, as previously appropriated, in the Vehicle and Equip Replacement Fund, W&S Capital Projects Fund, Stormwater Capital Projects Fund, Municipal Airport Capital Proj Fund, Solid Waste Capital Projects Fund, CCPD Capital Projects Fund, ITS Capital Fund, Fleet Capital Projects Fund, Environmental Prot Cap Proj Fund, Tax Note 2019 Fund and Tax Note 2020 Fund to support the approval of the above recommendation for the purchase of vehicles and equipment. Prior to any expenditures being incurred, the Property Management Department has the responsibility to validate the availability of funds.

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