

City of Fayetteville Staff Review Form

2021-0718

Legistar File ID

10/5/2021

City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

Sara Glenn

9/15/2021

FLEET OPERATIONS (770)

Submitted By

Submitted Date

Division / Department

Action Recommendation:

An ordinance waiving the requirements of formal competitive bidding of vehicles procured through a manufacturer's authorized body of dealers, including but not limited to General Motors/Chevrolet, Ford, Dodge, Toyota, etc. for the purchase of vehicles, within budget, after obtaining quotes from different vehicle manufacturer's authorized dealers, and authorizing the Mayor to execute agreements with manufacturers as necessary to participate in government fleet programs.

Budget Impact:

Various	Various
Account Number	Fund
Various	Various
Project Number	Project Title
Budgeted Item? <u>Yes</u>	Current Budget \$ 10,383,743.00
	Funds Obligated \$ 5,034,204.11
	Current Balance \$ 5,349,538.89
Does item have a cost? <u>No</u>	Item Cost \$ -
Budget Adjustment Attached? <u>No</u>	Budget Adjustment
	Remaining Budget \$ 5,349,538.89

V20210527

Purchase Order Number: _____

Previous Ordinance or Resolution # _____

Change Order Number: _____

Approval Date: _____

Original Contract Number: _____

Comments:



MEETING OF OCTOBER 05, 2021

TO: Mayor and City Council
THRU: Terry Gulley, Director of Transportation
FROM: Sara Glenn, Fleet Operations Superintendent
DATE: September 14, 2021
SUBJECT: Bid Waiver for Fleet Vehicles

RECOMMENDATION:

An ordinance waiving the requirements of formal competitive bidding of vehicles procured through a manufacturer's authorized body of dealers, including but not limited to General Motors/Chevrolet, Ford, Dodge, Toyota, etc. for the purchase of vehicles, within budget, after obtaining quotes from different vehicle manufacturer's authorized dealers, and authorizing the Mayor to execute agreements with manufacturers as necessary to participate in government fleet programs.

BACKGROUND:

New Vehicles are available at a discounted rate directly from the manufacturer's authorized body of dealer networks utilizing various government fleet programs. Using these programs allows a government agency to leverage its spending power by having government pricing that is consistent regardless of dealer and includes numerous other benefits including technician training and searching available inventories statewide, including cancelled orders. Not all dealers are part of a manufacturer's authorized dealer network and the government fleet program pricing can only be guaranteed by ordering from an authorized dealer.

DISCUSSION:

Purchasing new vehicles utilizing these government fleet programs enables the City to secure competitive pricing which is based on a high-volume discount and bid-assist pricing provided to dealers directly from the manufacturer. These programs also increase standard warranties and provide discounts on diagnostic software and parts.

Authorizing the purchases within approved budget allows the City to place orders in short ordering windows, purchase existing inventory when available, and ensure staff has the equipment to maintain operations and continue to provide services to residents.

Competitive bidding is not feasible or practical because dealers do not have pricing prior to the ordering window, the window is often not open long enough for the City to complete its internal bidding process, and the pricing that would be submitted in a bid response is the same as through the government fleet programs. Fleet needs the flexibility to obtain quotes quickly from different manufacturers based on the specific needs of a division or department

Fleet's continued mission is to provide efficient equipment to our user departments, so that they can in turn provide service to the citizens of Fayetteville.

BUDGET/STAFF IMPACT:

Funds will be spent within allowed approved budget authorized by City Council.