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AGENDA MEMORANDUM
Action Item for the City Council Meeting of November 14, 2023

DATE: November 14, 2023

TO: Peter Zaroni, City Manager

FROM: Charles Mendoza, Director of Asset Management
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Offsite Repairs for Fleet Ford Vehicles

CAPTION:

Resolution authorizing execution of one-year service agreement with two one-year options, with Crosstown Partners Inc., dba Sames Ford, of Corpus Christi, for an amount not to exceed \$328,200.00, and a potential amount of \$984,600.00 if options are exercised, for offsite repairs for Ford vehicles for Asset Management-Fleet, with FY 2024 funding of \$300,850.00 from the Fleet Maintenance Service Fund.

SUMMARY:

This motion authorizes a one-year service agreement with two one-year option periods for parts and services for repairs to Ford vehicles for the Asset Management Department, Fleet Division. Ford parts and services are necessary to keep the Fleet available to City departments.

BACKGROUND AND FINDINGS:

The purpose of this service agreement is to repair parts and services of the City's Ford vehicles. Asset Management utilizes these services on an as-needed basis to keep Ford vehicles up and running. The contractor is a Ford dealer and is certified in Hybrid repairs and with the Texas Railroad Commission to work on (CNG) compressed natural gas vehicles.

PROCUREMENT DETAIL:

Finance & Procurement conducted a competitive Request for Bid process to obtain bids. The City received one responsive, responsible bid. Staff is recommending Crosstown Partners Inc. dba Sames Ford of Corpus Christi, Texas the lowest, responsive, responsible bidder to provide as-needed offsite repairs of Fleet Ford vehicles. Crosstown Partners Inc. dba Sames Ford is the incumbent for offsite repairs of Fleet Ford vehicles and has an hourly rate that has a competitive market increase of 21% from the previous contract in 2021.

With the reception of a single bid, Finance & Procurement entered into negotiations with the incumbent and reduced his original bid from a 33% increase to 21%. The price increase is driven by both increases in labor and material costs for the vendor.

ALTERNATIVES:

The alternative would be not to secure a long-term supply agreement; however, the Asset Management Department would have to process individual purchase orders when repairs are needed. This would not be as productive. A long-term agreement allows for a better economy of scale.

FISCAL IMPACT:

The fiscal impact for Asset Management in FY24 is \$300,850.00, with the remaining cost of \$656,400.00 funded in future years through the annual budget process.

FUNDING DETAIL:

Fund:	5110 Fleet Maintenance Services
Organization/Activity:	40170 Fleet Operations
Department:	13
Project # (CIP Only):	N/A
Account:	530100 Vehicle Repairs

RECOMMENDATION:

Staff recommends approval of this resolution authorizing the execution of a one-year service agreement with Crosstown Partners Inc. dba Sames Ford as presented.

LIST OF SUPPORTING DOCUMENTS:

Resolution
Bid Tabulation
Service Agreement