



AGENDA MEMORANDUM

Action Item for the City Council Meeting January 14, 2020

DATE: January 14, 2020

TO: Peter Zaroni, City Manager

FROM: Jim Davis, Director of Asset Management
JimD@cctexas.com
(361) 826-1919

Kim Baker, Director of Contracts and Procurement
KimB2@cctexas.com
(361) 826-3169

Off-Site Transmission Repairs for Vehicles up to 14,000 lbs.

CAPTION:

Motion authorizing two, three-year service agreements for a combined total amount not to exceed \$630,000.00, with Turn Key Transmission & Auto Service of Corpus Christi, Texas, in an amount not to exceed \$378,000.00 as the primary provider and Rittgers' Services, Inc. dba Greatstate Transmission of Corpus Christi, Texas, in an amount not to exceed \$252,000.00 as the secondary provider, for off-site transmission repairs for vehicles up to 14,000 lbs. Gross Vehicle Weight Rating, with FY 2020 funding in an amount of \$157,500.00 available through the Fleet Maintenance Service Fund.

SUMMARY:

This service agreement is for off-site transmission repairs. This service provides for repairing transmissions of City owned Class 1-3 vehicles. Classes 1-3 are that of vehicles that range in a gross vehicle weight rating (GVWR) from a sedan to an F-350 which is 14,000 lbs. max GVWR.

BACKGROUND AND FINDINGS:

The services to be provided from Turn Key Automotive and Rittgers' Services, Inc. dba Greatstate Transmissions are to repair transmissions of Police marked units (Explorers and Taurus's), Police marked units (Tahoe's), sedans, and pickup trucks, respectively. In each case, use of these services is to repair vehicles that operate in support of public health and safety requirements for the City of Corpus Christi. These services range across the spectrum of operational requirements. Approval of this initiative is essential for Asset Management (Fleet) to ensure successful Fleet readiness and availability.

The Contracts and Procurement Department conducted a competitive Request for Bids (RFB) process to obtain bids and the City received two responsive, responsible bids. In this RFB process, the quantity used was an estimated number to declare the lowest bidder, while the contract value was determined based on department's budget and past usage. That is why there is a difference in the bid price and the contract value. The bid indicated a primary and secondary award to provide for a backup contractor in the event the primary contractor is unable to provide the parts in a timely manner as indicated. An estimated 60/40 percentage split was used to determine the value of the contracts. Staff recommends award to Turn Key Transmission & Auto Service as the primary contractor and Rittgers' Services, Inc. dba Greatstate Transmission as the secondary contractor as the two lowest, responsive responsible bidders.

ALTERNATIVES:

The alternative is to buy new transmissions which can result in a higher cost and longer down time due to unforeseen transmission failures and availability of transmissions. This service agreement for repairs will aid in keeping overall cost down across the board and enabling great production for the City of Corpus Christi.

FISCAL IMPACT:

The fiscal impact for Asset Management in FY2020 is \$157,500.00 for this three-year service agreement. The remaining cost of \$472,500.00 will be budgeted in future years through the annual budget process.

FUNDING DETAIL:

Fund:	5110 Fleet Maint Svc
Organization/Activity:	40170 Fleet Operations
Mission Element:	202 Maintain the Fleet
Project # (CIP Only):	N/A
Account:	530100 Vehicle Repairs

RECOMMENDATION:

Staff recommends approval of this motion authorizing a three-year service agreement with Turn Key Transmission & Auto Service of Corpus Christi, Texas as the primary provider and Rittgers' Services, Inc. dba Greatstate Transmission of Corpus Christi, Texas as the secondary provider as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tab
Service Agreements (2)