# CITY OF EL PASO, TEXAS AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

AGENDA DATE: June 4, 2024
PUBLIC HEARING DATE: Not Applicable

#### **CONTACT PERSON(S) NAME AND PHONE NUMBER:**

Anthony R. Dekeyzer, Director of Mass Transit, (915) 212-3306

K. Nicole Cote, Managing Director (915) 212-1092

DISTRICT(S) AFFECTED: All

**STRATEGIC GOAL:** No. 7 – Enhance and Sustain El Paso's Infrastructure Network

**SUBGOAL:** 7.3 – Enhance regional comprehensive transportation system

#### **SUBJECT:**

Discussion and action on the request that the Managing Director of Purchasing & Strategic Sourcing be authorized to issue Purchase Order(s) for solicitation 2024-0340 AC Proprietary Parts to Thermo King West, Inc. dba Thermo King Chesapeake Inc., the sole and authorized distributor for a term of three (3) years for an estimated amount of \$3,240,000.00. Supplier will be required to provide an updated sole source letter and affidavit each year.

#### BACKGROUND / DISCUSSION:

This contract will allow Sun Metro to provide the required preventive and corrective maintenance for the Air Conditioner systems in the Sun Metro buses and streetcars.

#### **SELECTION SUMMARY:**

General Exemption under Texas Local Government Code Section 252.022 Part 7 (D) captive replacement parts or components for equipment. Themo King West, Inc. is the sole and authorized distributor of Thermo King Parts for the El Paso region.

#### **CONTRACT VARIANCE:**

The difference based in comparison to the previous contract is as follows: An increase of \$1,740,000.00 for the initial term, which represents a 116.00% increase due to additional contract capacity to maintain parts inventory.

#### **PROTEST**

N/A

#### PRIOR COUNCIL ACTION:

Ν/Δ

#### AMOUNT AND SOURCE OF FUNDING:

Amount: \$3,240,000.00

Funding Source: Federal Transit Administration Formula 5307 Grant Account: 560-3215-60050-531180- P6019-P60FTA117-G60225307

## 

HAVE ALL AFFECTED DEPARTMENTS BEEN NOTIFIED? X YES \_\_\_NO

### Project Form Non-Competitive

Please place the following item on the Regular Agenda for the Mass Transit Board Meeting of June 4, 2024

Strategic Goal 7 - Enhance and Sustain El Paso's Infrastructure Network

The linkage to the Strategic Plan is subsection: 7.3 Enhance a regional comprehensive transportation system

#### **Award Summary:**

Discussion and action on the request that the Managing Director of Purchasing & Strategic Sourcing be authorized to issue Purchase Order(s) for solicitation 2024-0340 AC Proprietary Parts to Thermo King West, Inc. dba Thermo King Chesapeake Inc., the sole and authorized distributor for a term of three (3) years for an estimated amount of \$3,240,000.00. Supplier will be required to provide an updated sole source letter and affidavit each year. This contract will allow Sun Metro to provide the required preventive and corrective maintenance for the Air Conditioner systems in the Sun Metro buses and streetcars.

#### **Contract Variance:**

The difference based in comparison to the previous contract is as follows: An increase of \$1,740,000.00 for the initial term, which represents a 116.00% increase due to additional contract capacity to maintain parts inventory.

Department: Mass Transit (Sun Metro)

Award to: Thermo King West, Inc. dba Thermo King Chesapeake Inc.

City & State: Tolleson, AZ

Item(s):AllInitial Term:3 YearsOption Term:N/ATotal Contract Time:3 Years

Annual Estimated Award: \$1,080,000.00 Initial Term Estimated Award: \$3,240,000.00

Option Term Estimated Award: N/A

Total Estimated Award: \$3,240,000.00

Account(s): 560-3215-60050-531180- P6019-P60FTA117-G60225307

Funding Source(s): Federal Transit Administration Formula 5307 Grant

District(s):

Non-Competitive Procurement under Local Government General Exemption: Section 252.022 - (7) a procurement of items that are available from only one source – (D) captive replacement parts or components for equipment;

The Purchasing & Strategic Sourcing and Mass Transit (Sun Metro) Departments recommend award as indicated to Thermo King West, Inc. dba Thermo King Chesapeake Inc., under the exemption listed above.

It is requested that the City Manager be authorized to establish the funding sources and make any necessary budget transfers and execute any and all documents necessary for execution of this award.



**Thermo King LLC** 314 W. 90<sup>th</sup> St. Bloomington, MN 55420 Tel (952) 887-2200

www.thermoking.com

January 30th, 2024

Norma E. Jimenez Contract Compliance Manager Sun Metro

Subject: Thermo King Sole Source

Dear Ms. Jimenez,

This letter is to verify that Thermo King LLC is the sole source of genuine Thermo King parts.

Thermo King LLC distributes these parts exclusively through our authorized Dealers or via the Bus OEMs. These components are for replacement and new units if parts cannot be repaired.

The Thermo King HVAC systems, including compressors, were original equipment installed by New Flyer, and previously NABI, when manufactured.

Parts replacement with OEM parts maintains uniformity across the fleet by keeping buses as original as possible.

Themo King Dealers are the only authorized warranty service centers for Thermo King products. They are assigned Primary Areas of Responsibility and are encouraged to suppose these areas.

Please feel free to call or email me with any questions on this topic.

Sincerely,

Ryan Freeman

Bygon Freeman

General Manager, Bus HVAC

Thermo King LLC 651-280-8565

rfreeman@thermoking.com





## PURCHASING & STRATEGIC SOURCING DEPARTMENT SOLE SOURCE AFFIDAVIT

THIS IS AN OFFICIAL PURCHASING DOCUMENT-RETAIN WITH PURCHASE ORDER FILE

|     | fore me, the undersigned official, on this day, personally appeared — a person known to me to be the rson whose signature appears below, whom after being duly sworn upon his/her oath deposed and said:  |
|-----|---|
| 1.  | My name is Ryan Freeman. I am over the age of 18, have never been of a convicted crime and am competent to make this affidavit.   |
| 2.  | I am an authorized representative of the following company or firm: Thermo King LLC   |
| 3.  | The above named company or firm is the sole source for the following item(s), product(s) or service(s):  (renuine Thermo King parts, Thermo King warranty  service through our Themo King dealer ne twork.  |
| 4.  | Competition in providing the above named item(s) product(s), service(s) is precluded by the existence of a patent, copyright, secret process or monopoly as stated under Section 252.022, Subchapter A of the Local Governmental Code 7A or as provided for under 7B-F of the same section. Also, attached hereto is a sole source letter, which sets forth the reasons why this Vendor is a sole source provider (dated and signed). |
| 5.  | There is/are no other like item(s) or product(s) available for purchase that would serve the same purpose or function.  |
| 6.  | Note: This Vendor understands that by providing false information on this Sole Source Affidavit, it may be considered a non-responsible Vendor on this and future purchases and may result in discontinuation of any/all business with the City of El Paso.  Signature  |
|     | Signature 7   |
| SU  | BSCRIBED AND SWORN to before me on this 1845 day of January 2024  |
|     | Bark Johnson- Laron   |
|     | NOTARY PUBLIC Barbara A. Johnson-Lave   |
|     | BARBARA ANN JOHNSON-LARSON PRINTED NAME JOHNSON 31, 2026  |
|     | MY COMMISSION EXPIRES  MY COMMISSION EXPIRES  |
| СО  | MPANY NAME: Therm. King LLC   |
|     | DRESS, CITY, STATE & ZIP CODE 314 W 90th St., Bloomington MN 55420  |
|     | ONE: 952 - 887 - 2200 FAX NUMBER:   |
|     | NTACT NAME AND TITLE: Kyan Freeman, General Manager Bus HVAC  |
|     | BADDRESS: www. theimsking.com EMAIL: Freeman & theimsking.com   |
| EEI | DERAL TAY ID NI IMRER: TEYAS SALES TAY NI IMRER:  |