



CITY OF TOPEKA

CITY COUNCIL COMMITTEE
MEETING MINUTES

PUBLIC WORKS INFRASTRUCTURE SPECIAL COMMITTEE

CITY COUNCIL
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Date: June 9, 2021

Time: 10:00 a.m.

Location: Executive Conference Room; 3rd Floor Conference Room – City Hall 215 SE 7th Street (*option to attend virtually via Zoom*)

Committee members present: Council members Tony Emerson, Neil Dobler and Michael Lesser

City staff present: City Manager Brent Trout, Chief of Staff Bill Cochran, Public Works Director James Jackson, Public Works Deputy Director Hannah Uhrig, Brian Bigenwalt (Fleet), Leigha Boling (Contracts & Procurements), Deputy Mayor Michael Padilla

Call to Order

Chairman Dobler called the meeting to order at 10:00am. He introduced the other Committee members, and additional Council in attendance.

Approve Minutes from May 27, 2021 meeting

Committee member Lesser made a motion to approve the minutes. Committee member Emerson seconded the motion. Motion passes 3:0.

Fleet Lease Program

Chief of Staff Bill Cochran reviewed the goal of a fleet replacement program. In the long-term, a cash funded program would be recommended as it is more profitable and would put the City in a much better situation down the road. However, that is not always feasible or sustainable, so looking at the lease program and how it fits in with the modification and scalable size, would be the goal. Today's recommendation is to seek approval from the committee to enter into a leasing program on a scalable size. CoS Cochran noted that direction provided by Committee member Lesser to check into other programs, and Staff had done that.

Public Works Director James Jackson has been able to review the information for the fleet program that is offered, and made an apology to Deputy Director Uhrig for not reviewing that information sooner, and stated after doing so he feels comfortable with the recommendation being brought forward.

Chairman Dobler asked for information about the local companies, and the State's process. Deputy Director Uhrig provided the steps taken:

- In partnership with Contracts & Procurements, Staff took a random sampling of both local and national companies that offer lease programs to determine whether or not the type of programs they offer were viable, and if they were comparative to the Enterprise solution.
- Looking at those, in terms of the need to go forward with an RFP, or being able to piggyback off of the Sourcewell contract. Sourcewell is a well-known and highly utilized purchasing co-op, which the City is looking to take advantage of in other ways.
- It is a competitively bid process, that is in line with our procurement policies. Additional measures were taken to ensure we were not limiting ourselves, so Staff took a random sampling.
- Contracts Staff helped pick that sampling which allowed Deputy Director Uhrig to be completely removed from the process, in terms of identifying the vendors, which removed bias.
- In the conversations with vendors, one stated they did not provide the type of program we would look for. That vendor was not interviewed.
- The others from the list were each asked set questions that included inquiring about the types of programs they offered to the experience they have with Municipal Governments or public entities, and the make of our “like” comparison.

Following the interviews, none of the competitors were able to meet the needs that were scaled similarly to Enterprises, with the endpoint being a resale value back to the City. The others offered trade-in value, but that value is significantly less than the public resale on a used car would be. It provided an additional option, in terms of a more standard lease program, but was not tailored in the same model that Enterprise was.

Additionally, a number of the vendors contacted, whether they were local or national, had a limited exposure with public entities; especially ones that could range up to our size of the light duty fleet.

After discussing with vendors, and reviewing information with Contracts, we determined that it was not necessary to move forward with an RFP at this time, and instead we would seek to piggyback off the Sourcewell agreement that had been competitively bid. The companies that were considered for that, or had put in for it, were listed as well in the overall evaluation form. Staff would be able to provide additional documentation upon request if needed to support a decision.

With the Sourcewell process, it is one where we are able to take advantage of their pricing and scaled model, and do so in a way that would not require us to go

through the additional process internally, which does save our resources and helps to expedite the program in terms of being able to move forward once approved by the Governing Body.

Chairman Dobler asked for additional questions from the Committee. There were none.

Chairman Dobler asked for the next steps moving forward. Director Jackson stated Staff is recommending approval for the program and is seeking approval from the Committee today, if possible. CoS Cochran noted that once approval has been given, Staff will be ready to move forward with putting additional specifics for the program together. Once the Committee has provided permission to act on moving forward, Staff will confirm the final number of vehicles we want to lease. We want to begin with a manageable size of vehicles, initially, to see how successful the program is. After a year, we will evaluate it and can decide to expand it or make another decision at that point. Once those final details are in place, Staff will bring it back to the Committee for a final approval, or denial. If approved by the Committee, it will then move to the full Governing Body for a review. Cos Cochran thought a viable plan could be in place by September.

Chairman Dobler inquired if this meant that the program would then begin in 2022? Deputy Director Uhrig confirmed, and stated that the current program rates are based off of 2021 model year, so the new 2022 model pricing would have to be reviewed. This will likely be around September.

CoS Cochran added that the initial program would be looking at 25-50 light duty vehicles.

Chairman Dobler recapped that the action does not require full Governing Body approval. And stated that the Committee would make the decision to recommend or not recommend proceeding with the program. At which time, Staff would then move forward with finalizing all details of the process and bring the information to the Committee in September. City Manager Brent Trout confirmed. City Manager stated that although there legally may not be a requirement to seek approval from the Governing Body, he would prefer to seek that, as it would be a policy change from what has been done in the past, as it relates to the budget. This would be in the form of a resolution. City Manager Trout would prefer to have the support for the program from the Governing Body.

Chairman Dobler sought a motion of recommendation from the Committee to allow Staff to move into a full-scale proposal for the Fleet Lease Program with Enterprise. Committee member Emerson made the motion, Committee member Lesser seconded the motion. Approved 3:0.

Adjourn

Additional details regarding the next meeting will be made available on the committee's webpage and the City's Public Meeting Calendar, once known.

Chairman Dobler adjourned the meeting at 10:15am.

Video of the meeting can be viewed at: <https://youtu.be/rlPd9UZnM34>