



Meeting Date: August 31, 2023

Agenda Type: Consent Items for Action

From: Kenneth Allen
Fleet and Facilities Manager

Reviewed by: Shawn Schorn
Director of Business Planning

Submitted by: Shawn Schorn
Director of Business Planning

Approved by: Ryan Kelso
Interim Chief Executive Officer

RECOMMENDED ACTION: Authorize Interim CEO or His Designee to Negotiate and Execute a Contract with Merchants Automotive Group, Inc. for the Purchase of Fuel Card Services and Associated Support

BACKGROUND

On February 24, 2022, New Braunfels Utilities (“NBU”) entered into a contract with Merchants Automotive Group, Inc. (“Merchants Fleet”) to provide fuel card services including, fuel cards, effective controls, detailed reporting to simplify purchases and enhance compliance, and a streamlined expense management system (the “Services”). The term of the contract concluded on July 24, 2023. NBU now seeks to enter into a new contract with Merchants Fleet for the Services. The initial term of the contract is September 2023 to August 2024 with two (2) one-year automatic renewals through August 2026.

NBU selected Merchants Fleet for the Services through Sourcewell Contract Number #030122-MAG. NBU’s use of the Sourcewell Contract Number #030122-MAG satisfies the bidding requirements under Texas law.

NBU staff requests that the Board of Trustees approve the contract with Merchants Fleet for the Services.

This item is being presented to the Board because the total amount of the contract exceeds \$250,000.

FINANCIAL IMPACT

The total financial impact of the contract with Merchants is \$1,840,709. The amount of the initial term is \$567,000, the first renewal is \$612,360, and the second renewal is \$661,349. This item was budgeted in the fiscal years 2024 through 2026 Fleet and Facilities Operations and Maintenance Budget.

LINK TO STRATEGIC PLAN

Infrastructure and Technology

EXHIBITS

1. Contract with Merchants Automotive Group, Inc. for the Purchase of Fuel Card Services and Associated Support