

AN ORDINANCE TO AUTHORIZE AND APPROVE THE FIRST AMENDMENT TO THE FLEET MANAGEMENT AND MAINTENANCE CONTRACT (CONTRACT 18001PWPS) BETWEEN THE CITY OF WILMINGTON AND TRANSDEV FLEET SERVICES, INC.

#0501

Sponsor:

**Council
Member
Oliver**

WHEREAS, pursuant to Section 2-308 and Section 8-200 of the City Charter, the City of Wilmington is authorized to enter into contracts for the supply of personal property or the rendering of services for a period of more than one year if approved by City Council by ordinance; and

WHEREAS, the City publicly advertised a request for proposals for the Fleet Management and Maintenance Contract (Contract 18001PWPS) (the “Contract”), and subsequently awarded the Contract, a copy of which is attached as Exhibit A to Substitute No. 1 to Ordinance No. 17-028, to First Vehicle Services, Inc., the vendor that submitted the highest ranked proposal; and

WHEREAS, the term of the Contract is for the period from October 1, 2017 through June 30, 2022, with the possibility of three (3) one-year extensions thereafter; and

WHEREAS, the City has exercised all three (3) extension options, the last of which will expire on June 30, 2025; and

WHEREAS, the City would like to amend the Contract to extend it for five (5) years with the option of three (3) additional one-year extensions thereafter on the terms and conditions set forth in the First Amendment to Fleet Management and Maintenance Contract (the “First Amendment”), a copy of which, in substantial form, is attached hereto and incorporated by reference herein as Exhibit “A”; and

WHEREAS, the estimated price for the first year of the extension will be Two Million Three Hundred Twenty-Nine Thousand Three Hundred Eighty Seven Dollars and Seventy-Seven Cents (\$2,329,387.77), with the possibility of a price adjustment for each subsequent year not to exceed the Bureau of Labor Statistics Consumer Price Index - Philadelphia-

Wilmington-Atlantic City for the previous 12-month period ending in April (the CPI Increase”); and

WHEREAS, it is the recommendation of the Department of Public Works that City Council authorize the City to enter into the First Amendment to extend the Contract for five (5) years with the option to further extend it for three (3) additional periods of one (1) year; and

WHEREAS, City Council deems it necessary and appropriate to authorize the City to enter into the First Amendment to extend the Contract for five (5) years with the option to further extend it for three (3) additional periods of one (1) year.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON HEREBY ORDAINS:

SECTION 1. The First Amendment to the Contract (being the Fleet Management and Maintenance Contract (Contract 18001PWPS) between the City of Wilmington and Transdev Fleet Services, Inc. f/k/a First Vehicle Services, Inc.) to extend the Contract for five (5) years with the option to further extend the Contract for three (3) additional periods of one (1) year thereafter, a copy of which, in substantial form, is attached hereto and incorporated by reference herein as Exhibit “A”, at an estimated price for the first year of Two Million Three Hundred Twenty-Nine Thousand Three Hundred Eighty Seven Dollars and Seventy-Seven Cents (\$2,329,387.77) (the “Year One Cost”), with the possibility of a price adjustment to the Year One Cost for each subsequent year not to exceed the CPI Increase, is hereby approved, and the Mayor, or his designee, is hereby authorized to enter into the First Amendment, as well as to take all additional undertakings related thereto as may be necessary.

SECTION 2. This Ordinance shall become effective upon its passage by City Council and approval by the Mayor.

First Reading.....November 7, 2024
Second Reading.....November 7, 2024
Third Reading.....

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved this ____ day of _____, 2024.

Mayor

SYNOPSIS: This Ordinance authorizes the City to execute the first amendment to the Fleet Management and Maintenance Contract (Contract 18001PWPS) with Transdev Fleet Services, Inc. f/k/a First Vehicle Services, Inc., which will extend the contract for five (5) years with the option of three (3) one-year extensions thereafter.

FISCAL IMPACT STATEMENT: The fiscal impact of this Ordinance is a five-year contract extension with the option of three (3) one-year extensions thereafter at an estimated price for the first year of Two Million Three Hundred Twenty-Nine Thousand Three Hundred Eighty Seven Dollars and Seventy-Seven Cents (\$2,329,387.77) (the “Year One Cost”), with the possibility of a price adjustment to the Year One Cost for each subsequent year not to exceed the Bureau of Labor Statistics Consumer Price Index - Philadelphia-Wilmington-Atlantic City for the previous 12-month period ending in April.

W0126898

EXHIBIT A

**FIRST AMENDMENT TO
FLEET MANAGEMENT AND MAINTENANCE CONTRACT**

(Contract 18001PWPS)

This First Amendment to Fleet Management and Maintenance Contract (Contract 18001PWPS) (this “Amendment”) is entered into this ____ day of _____ 2024, to be effective as of July 1, 2025, by and between the City of Wilmington, a municipal corporation of the State of Delaware (the “City”), and Transdev Fleet Services, Inc. f/k/a First Vehicle Services, Inc., a Delaware corporation (the “Contractor”).

RECITALS:

WHEREAS, the City publicly advertised a request for proposals for the Fleet Management and Maintenance Contract (Contract 18001PWPS) (the “Contract”), awarded the Contract to the Contractor (the vendor that submitted the highest ranked proposal), and, with the approval of City Council, entered into the Contract dated on or about October 1, 2017 with the Contractor;

WHEREAS, the Contract’s term was from October 1, 2017 to June 30, 2022, with the possibility of three (3) one-year extensions thereafter;

WHEREAS, the City has exercised all of the extension options, the last of which will end on June 30, 2025; and

WHEREAS, the City and the Contractor would like to amend the Contract to extend it for five (5) years with the option of three (3) one-year extensions thereafter.

NOW, THEREFORE, WITNESSETH that the City and the Contractor hereby agree, with the intent to be legally bound, as follows:

1. Recitals. The above recitals are incorporated herein and made a part hereof.
2. Term. The term of the Contract is extended for a period of five (5) years, with such extension commencing on July 1, 2025 and ending on June 30, 2030. The City, in its sole discretion, but with the mutual agreement of the Contractor, shall have the option to extend the Contract for three (3) additional periods of one (1) year thereafter, each extension year commencing on July 1st and ending on June 30th.
3. Pricing.
 - a. “Target Budget”. The “Target Budget” for the period from July 1, 2025 through June 30, 2026 (“Year One”) shall not exceed Two Million Three Hundred Twenty-Nine Thousand Three Hundred Eighty-Seven Dollars and Seventy-Seven Cents (\$2,329,387.77) unless mutually agreed to by the City and the Contractor in writing.

- b. Non-Contract Hourly Labor Rate. The non-Contract hourly labor rate for Year One shall be \$55.20.
 - c. Increases for Years Subsequent to Year One. Adjustments to the annual “Target Budget” and the non-Contract hourly labor rate in the years subsequent to Year One will be made pursuant to an annual meeting between the City and the Contractor and shall be considered in light of the following limitation: the change in all costs (non-target labor rates and target services) shall not exceed the Bureau of Labor Statistics Consumer Price Index - Philadelphia-Wilmington-Atlantic City for the previous 12-month period ending in April.
4. Certificate of Insurance. The Contractor shall provide to the City a new certificate of insurance in compliance with the coverage required in the Contract prior to the commencement of the extended term of the Contract, as set forth in Section 2 of this Amendment.
 5. Governing Law and Forum. The Contract and the interpretation of the provisions contained herein shall be governed by and construed in accordance with the laws of the State of Delaware. All disputes in connection with the Contract shall be resolved by a court of competent jurisdiction located in New Castle County, Delaware. The Contractor agrees to submit exclusively to the jurisdiction and venue of said court.
 6. Successors and Assigns. The Contract, and all the terms and provisions hereof, shall be binding upon and shall inure to the benefit of the City and the Contractor and their respective successors and permitted assigns.
 7. Other Contract Provisions. Except as otherwise expressly modified in this Amendment, all other terms and conditions of the Contract shall remain in full force and effect.

[signature page follows]

IN WITNESS WHEREOF, the parties, through their duly authorized representatives, have executed this Amendment on the date first written above.

CITY OF WILMINGTON

WITNESS: _____

By: _____
Vincent R. Carroccia
Deputy Commissioner of Public Works

TRANSDEV FLEET SERVICES, INC.

WITNESS: _____

By: _____
Name:
Title:

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