



City of San Antonio

Agenda Memorandum

File Number: 18-2373

Agenda Item Number: 6.

Agenda Date: 4/12/2018

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Annual Contract for Light Duty 4X4 Trucks

SUMMARY:

This ordinance authorizes annual contracts with Ancira Motor Company, Lake Country Chevrolet, and Silsbee Ford to provide the City of San Antonio with light duty 4x4/AWD trucks for an estimated total contract value of \$545,272.17 over a two year period. The total FY 2018 purchase is \$301,769.32. The initial FY 2018 purchase of light duty 4x4 trucks includes seven replacement and five additional trucks. Funding is available from the FY 2018 Equipment Renewal and Replacement Fund (ERRF) Budget in the amount of \$181,939.32 and the FY 2018 Development Services Fund Budget in the amount of \$119,830.00. Additional light duty truck purchases would be subject to the appropriation of funds.

BACKGROUND INFORMATION:

Submitted for City Council consideration and action is the attached tabulation of seven competitive bids to provide the Building and Equipment Services Department with an annual contract for the purchase of light duty 4x4/AWD trucks. The estimated total cost of the three proposed contracts is \$545,272.17 over a two year period. The light duty 4x4/AWD trucks purchased through these contracts will be utilized by City departments for a variety of tasks that include off road driving for inspections, storm channel maintenance, hauling equipment and transportation of staff to remote locations not easily accessible without the use of a 4x4 or all-wheel drive truck. These trucks shall be used by the Development Services, Fire, and Transportation and Capital Improvements Departments.

The initial term of this contract shall begin upon contract award through May 30, 2019. An additional one-year

renewal at the City's option shall also be authorized by this Ordinance. These annual contracts are expected to supply an estimated twelve light duty 4x4/AWD trucks for FY 2018; additional light duty 4x4/AWD truck purchases for FY 2019 will be subject to the appropriation of funds. Vehicles will be purchased by the City on an as needed basis from available funds for the replacement of existing light duty trucks and additional vehicles for new programs.

Pricing will be fixed for the initial model year as awarded by this contract. Price changes may be allowed for each new model year based upon the manufacturers' price changes. Any price change request will be validated to the Producers Price Index. The City reserves the right to accept or reject any price change request.

The Invitation for Bid (IFB) responses were evaluated based on the published bid specifications.

In accordance with the Local Preference Program, Item 1 is recommended for award to Ancira Motor Company which is a local business that is 0.53% higher in price than the non-local bid. The Local Preference Program award will result in an additional cost to the City of \$885.92 in the initial contract term.

Items 2 and 3 are recommended for award to Lake Country Chevrolet which is a non-local business. No local preference was applied since the local bidders were not within 3% of the recommended non-local bidder.

In accordance with the Local Preference Program, Item 4 is recommended for award to Ancira Motor Company which is a local business that is 2.00% higher in price than the non-local bid. The Local Preference Program award will result in an additional cost to the City of \$1,023.84 in the initial contract term.

Item 5 is recommended for award to Silsbee Ford which is a non-local business. No local preference was applied since the local bidders were not within 3% of the recommended non-local bidder.

In accordance with the Local Preference Program, Item 6 is recommended for award to Ancira Motor Company which is a local business that is 1.41% higher in price than the non-local bid. The Local Preference Program award will result in an additional cost to the City of \$1,579.68 in the initial contract term.

ISSUE:

These annual contracts will allow for the purchase of an estimated quantity of 21 light duty 4x4/AWD trucks over a two year period. Currently, there are 128 light duty 4x4/AWD Trucks in the City's fleet. Establishing a multi-year contract will eliminate the need for a bidding process in the option year of the contract resulting in administrative efficiencies. This will also allow orders to be placed in a more timely manner ensuring vehicles are replaced within scheduled parameters.

All units are covered by a minimum 36 month/36,000 mile warranty that will start on the day each unit is placed in service. The life expectancy of these light duty trucks ranges from 96 to 120 months.

The Small Business Economic Development Advocacy (SBEDA) Ordinance requirements were waived due to the lack of small, minority, and/or women businesses available to provide these goods and services.

The Veteran-Owned Small Business Preference Program does not apply to goods/supplies contracts, so no preference was applied to this contract.

ALTERNATIVES:

The current light duty trucks scheduled for replacement have met or will meet their age and or mileage requirement cycles before they are replaced. The replacement date is considered the optimum time for replacement in that delay of the acquisition could result in the vehicles incurring higher maintenance costs as a result of age or high mileage. This could impact the City's ability to provide essential services to the residents of San Antonio.

FISCAL IMPACT:

This ordinance authorizes annual contracts with Ancira Motor Company, Lake Country Chevrolet, and Silsbee Ford to provide the City of San Antonio with light duty 4x4/AWD trucks for an estimated total contract value of \$545,272.17 over a two year period.

The total FY 2018 purchase is \$301,769.32. The initial FY 2018 purchase of light duty 4x4 trucks includes seven replacement and five additional trucks. Funding is available from the FY 2018 Equipment Renewal and Replacement Fund (ERRF) Budget in the amount of \$181,939.32 and the FY 2018 Development Services Fund Budget in the amount of \$119,830.00.

Additional light duty truck purchases would be subject to the appropriation of funds.

RECOMMENDATION:

Staff recommends the approval of the purchase of an estimated twenty-one light duty 4x4/AWD trucks over a two year period from Ancira Motor Company in the amount of \$333,966.00, Lake Country Chevrolet in the amount of \$128,269.05 and Silsbee Ford in the amount of \$83,037.12 for a total cost of \$545,272.17.

These purchases are procured on the basis of low bid and a Contracts Disclosure Form is not required.