



City of San Antonio

Agenda Memorandum

File Number: 17-1785

Agenda Item Number: 6.

Agenda Date: 3/30/2017

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Purchase of Right Hand Drive Compact SUV's

SUMMARY:

This ordinance authorizes the acceptance of a contract with Ancira Motor Company to provide the Solid Waste Management Department with eleven right hand drive compact sport utility vehicles for a total cost of \$346,445.00. The right hand drive compact sport utility vehicles will be purchased utilizing funds available from the Equipment Renewal and Replacement Fund (ERRF) and Solid Waste Management Department (SWMD) Operating Fund.

BACKGROUND INFORMATION:

Submitted for City Council consideration and action is the attached tabulation of three bids to provide the Solid Waste Management Department with eleven right hand drive compact sport utility vehicles for a total cost of \$346,445.00.

This purchase will provide six replacement and five additional right hand drive compact sport utility vehicles to the City's fleet. These vehicles will be used by the SWMD for curb side inspection of Recycle and Organics Collection Bins.

As SWMD is transitioning to the Pay As You Throw (PAYT) system for garbage, recycling, and organics collection programs, the inspection of the recycling and organics carts is critical to minimize contamination. With the existing truck configuration, inspectors have to stop and get out of their vehicles to perform an inspection which does not allow inspectors to meet their performance expectations. To do so, two inspectors

have been riding together; one driving and the other inspecting the carts from the right side. While this process is effective and satisfies the performance expectations, it is inefficient because it reduces the number of employees available to conduct inspections by 50%. The right hand drive vehicles will permit inspectors to drive in the right hand lane and stop next to the carts to inspect the contents from within the vehicle. This will dramatically improve the effectiveness and efficiency of cart the inspection program. Furthermore, inclement weather will not impede the inspection process.

If the inspector sees a contaminated cart, they can tag the cart, take a picture of the cart and contamination along with the house in the background to substantiate that the contamination came from that resident.

ISSUE:

This contract will provide the Solid Waste Management Department with eleven right hand drive compact sport utility vehicles. The replacement of the six vehicles is consistent with the City's ERRF. Five of the units are additional vehicles to the city's fleet and will be funded from the SWMD Operating Fund. The life expectancy of the new vehicles is 120 months.

The vehicles are covered by a three year/36,000 miles bumper to bumper basic warranty and five year/60,000 miles powertrain warranty.

The Small Business Economic Development Advocacy Ordinance requirements were waived due to the lack of qualified SMWBE's available to provide the goods and services.

In accordance with the Local Preference Program, the recommended award to Ancira Motor Company, a local business, is 0.8% higher in price than the non-local bid. The LPP award will result in an additional cost to the City of \$2,761.00.

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

ALTERNATIVES:

Should this contract not be approved, the SWMD's ability to provide waste collection services to the residents of San Antonio could be negatively impacted by limiting the expansion of the curb side inspection of the recycle and organic materials collection bins.

To ensure the success of the Pay As You Throw (PAYT) system for garbage, recycling, and organics collection programs, the inspection of the recycling and organics carts is critical to minimize contamination.

All of the replaced vehicles have met or will meet their age or mileage requirement cycles before replacement. The replacement date is considered the optimum time for replacement as delaying the acquisition could make the vehicles no longer economically feasible to repair. The five additional vehicles will be utilized for the expansion of the curb side inspection of recycle and organic materials collection bin program.

FISCAL IMPACT:

The total cost of these contracts is \$346,445.00 of which \$157,475.00 will be paid through Solid Waste Management Department (SWMD) Operating Fund, and the balance of \$188,970.00 will be funded from Equipment Renewal and Replacement Fund (ERRF).

The replacement of these units is consistent with the City's vehicle replacement program. Moreover, the additional five vehicles will be placed in the ERRF upon entry into service.

RECOMMENDATION:

Staff recommends the approval to purchase eleven right hand drive compact sport utility vehicles from Ancira Motor Company for a cost of \$346,445.00.

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