



# City of San Antonio

## Agenda Memorandum

**File Number:**17-3322

---

**Agenda Item Number:** 7.

**Agenda Date:** 6/8/2017

**In Control:** City Council A Session

---

**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

Purchase of Medium and Heavy Equipment

### **SUMMARY:**

This ordinance authorizes acceptance of contracts with Anderson Machinery Company, Associated Supply Company, Inc. dba, ASCO Equipment Co, Centerline Supply, Cooper Equipment Co., Doggett Freightliner of South Texas, H & E Equipment Services, Holt Cat, Nueces Power Equipment, RDO Equipment Co., Vermeer Equipment of Texas and Waukesha-Pearce Industries, Inc. to provide City departments with medium and heavy equipment for a total cost of \$3,974,112.22. Funding for this purchase is available from the Equipment Renewal and Replacement Fund and the Storm Water Fund.

### **BACKGROUND INFORMATION:**

Submitted for City Council consideration and action is the attached bid tabulation of 19 competitive bids to provide 40 medium and heavy equipment items for a total cost of \$3,974,112.22. This purchase includes one wood chipper, one trailer mounted air compressor, one scissor lift, one skid mounted welder/generator, one thermoplastic applicator, two scrubber/asphalt scarifier, one tracked milling machine, one trailer attenuator, six skid loaders with eight attachments, five combination drum and pneumatic tired rollers, four articulated wheeled loaders, two tracked excavators, one dozer with high sprockets, two tracked loaders with bucket, one asphalt paver, one surface sealer distributor truck and one riding sweeper scrubber.

This equipment will be utilized by the Parks & Recreation, Solid Waste Management and Transportation & Capital Improvements departments for various construction and/or repair projects throughout the City.

The Invitation for Bid (IFB) was evaluated based on the published bid specifications. The low bid for item 1 was submitted by Vermeer Equipment of Texas, a non-local business. There were no bids submitted from local bidders for this item.

The low bid for item 2 submitted by Associated Supply Company, Inc. dba ASCO Equipment did not meet published specifications regarding two manually operated hose reels equipped with a minimum 50 ft. of industrial strength hose. The low responsive bid for item 2 was submitted by H & E Equipment Services, a non-local business. There were no bids submitted by local bidders for this item.

The low bids for items 3, 4 and 7 were submitted by H & E Equipment Services, a non-local business. There were no bids submitted by local bidders for these items.

Items 5, 9, 12, 15, 21 and 28 were deleted and will be re-bid at a later time.

The low bid for item 6 submitted by M-B Companies, Inc. did not meet bid specifications regarding the thermoplastic holding tank. The low responsive bid for item 6 was submitted by Centerline Supply, a non-local business. There were no bids submitted by local bidders for this item.

The low bid for item 8 submitted by Nueces Power Equipment did not meet bid specifications for the rotary cutter system. The low responsive bid for item 8 was submitted by Anderson Machinery Company, a local business. Therefore; the application of the Local Preference Program was not required.

The low bid for item 10 was submitted by Centerline Supply, a non-local business. There were no bids submitted by local bidders for this item.

The low bid for item 11 submitted by Associated Supply Company, Inc. dba ASCO Equipment did not meet published specifications for fuel tank capacity. The next low bid submitted by H&E Equipment Services did not meet published minimum horsepower specifications. The low responsive bid for item 11 was submitted by RDO Equipment Co., a non-local business. There were no bids submitted by local bidders for this item.

The low bid for item 13 submitted by H&E Equipment Services did not meet published minimum horsepower specifications. The low responsive bid for item 13 was submitted by RDO Equipment Co., a non-local business. There were no bids submitted by local bidders for this item.

The low bid for item 14 submitted by Associated Supply Company, Inc. dba ASCO Equipment did not meet published minimum horsepower specifications. The second low bid was submitted by Holt Cat but did not meet specified gross vehicle weight rating (GVWR)/operating weight minimum of 8,000 lbs. The low responsive bid for item 14 was submitted by Cooper Equipment Co., a local business. Therefore; the application of the Local Preference Program was not required.

The low bid for item 16 was submitted by Nueces Power Equipment, a local business. Therefore; the application of the Local Preference Program (LPP) was not required.

The low bid for items 17 and 18 were submitted by Waukesha-Pearce Industries, Inc., a local business. Therefore; the application of the Local Preference Program (LPP) was not required.

The low bid for item 19 was submitted by Holt Cat, a local business. Therefore; the application of the Local Preference Program (LPP) was not required.

The low bids for item 20 submitted by RDO Equipment Co. and Nueces Power Equipment Bid 1 do not meet

published minimum horsepower requirements. The low responsive bid for item 20 was submitted by Holt Cat, a local business. Therefore; the application of the Local Preference Program was not required.

The low bid for item 22 submitted by ROMCO Equipment Co. did not meet specifications for minimum fuel tank capacity. The low responsive bid for item 22 was submitted by Holt Cat, a local business. Therefore; the application of the Local Preference Program was not required.

The low bid for item 23 submitted by RDO Equipment Co. did not meet published minimum horsepower requirements and cold planar width. The second low bid submitted by B-C Equipment Sales did not meet fuel capacity requirements and cold planar width. The low responsive bid for item 23 was submitted by Holt Cat, a local business. Therefore; the application of the Local Preference Program was not required.

The low bid for item 24 was submitted by Doggett Freightliner of South Texas, LLC, a local business. Therefore; the application of the Local Preference Program (LPP) was not required.

The low bids for item 25 submitted by Associated Supply Company, Inc. dba ASCO Equipment, H&E Equipment Services and Anderson Machinery Company did not meet specifications for the main brush. The bid was submitted by B-C Equipment Sales, Inc. was not EPA rated Tier 4 compliant as required in bid specifications. The low responsive bid for item 25 was submitted by Cooper Equipment, a local business. Therefore; the application of the Local Preference Program was not required.

The low bid for item 26 submitted by ROMCO Equipment Co. but did not meet published horsepower requirements. The low responsive bid for item 26 was submitted by Associated Supply Company, Inc. dba ASCO Equipment, a non-local business. In accordance with the Local Preference Program, no local preference was applied, since the local bidder is not within 3% of the recommended lowest non-local bidder.

The low bid for item 27 submitted by RDO Equipment Co. did not meet specifications for the number of tracked rollers. The second low bid submitted by Nueces Power Equipment did not meet minimum specified horsepower requirements. The low responsive bid for item 27 was submitted by Holt Cat, a local business. Therefore; the application of the Local Preference Program was not required.

## **ISSUE:**

These contracts will provide 39 replacement units and one additional unit of medium and heavy equipment to meet the needs of the Parks & Recreation, Solid Waste Management and Transportation & Capital Improvements departments. The replacement of these units is consistent with the City's Equipment Replacement and Renewal Fund (ERRF) program. These include one wood chipper, one trailer mounted air compressor, one scissor lift, one skid mounted welder/generator, one thermoplastic applicator, two scrubber/asphalt scarifier, one tracked milling machine, one trailer attenuator, six skid loaders with eight attachments, five combination drum and pneumatic tired rollers, four articulated wheeled loaders, two tracked excavators, one dozer with high sprockets, two tracked loaders with bucket, one asphalt paver, one surface sealer distributor truck and one riding sweeper scrubber.

The units will be used by the departments for a variety of tasks to include: loading and off-loading of heavy materials, construction projects, roadway repairs, excavating and storm water infrastructure maintenance projects throughout the City.

All units are covered by a minimum 12 months warranty that will start on the day each unit is placed in service. The life expectancy for these medium and heavy equipment units is 120 months.

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.

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

### **ALTERNATIVES:**

The current heavy equipment units scheduled for replacement have met their age and/or mileage requirement cycles and are no longer economically feasible to repair. If the replacement equipment is not purchased, necessary field work may be compromised and thus create the potential of delays in delivery of essential services to the residents of San Antonio. The alternative is to continue to use the heavy equipment currently available and incur increasing maintenance costs and down time, thus possibly compromising services for the entire city.

### **FISCAL IMPACT:**

This ordinance authorizes contracts for the purchase of 40 heavy equipment units for a total cost of \$3,974,112.22.

Thirty-nine (39) units are replacements to the City's fleet for a cost of \$3,959,787.22. Funding is available in the Equipment Renewal and Replacement Fund (ERRF) FY 2017 Adopted Budget.

One additional unit will be added to the City's for a cost of \$14,325.00. Funding is available in the Storm Water Fund FY 2017 Adopted Budget.

### **RECOMMENDATION:**

Staff recommends the approval of eleven contracts to purchase 40 medium and heavy equipment units from Anderson Machinery Company for a cost of \$444,912.00; Associated Supply Company, Inc. dba, ASCO Equipment Co. for a cost of \$345,000.00; Centerline Supply for a cost of \$53,245.00; Cooper Equipment Co. for a cost of \$317,121.00; Doggett Freightliner of South Texas for a cost of \$283,972.00; H & E Equipment Services for a cost of \$75,135.00; Holt Cat for a cost of \$1,545,817.00; Nueces Power Equipment for a cost of \$121,857.91; RDO Equipment Co. for a cost of \$111,092.31; Vermeer Equipment of Texas for a cost of \$37,500.00; Waukesha-Pearce Industries for a cost of \$638,460.00; for a total cost of \$3,974,112.22.

This contract is procured on the basis of low bid and a Contracts Disclosure Form is not required.