



# City of San Antonio

## Agenda Memorandum

**File Number:**17-5970

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**Agenda Item Number:** 6.

**Agenda Date:** 11/30/2017

**In Control:** City Council A Session

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**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

Purchase of Ambulances

### **SUMMARY:**

This ordinance authorizes an annual contract with Mac Haik Dodge Chrysler Jeep to provide an estimated quantity of 38 replacement and 1 additional Type I Ambulances for a total contract value of \$11,404,385.54 over a two year period.

Funding for the 1 additional Type I Ambulances in the amount of \$292,368.86 will be paid through a Tax-Exempt Lease Purchase Agreement, or other financial obligations, contingent on the execution of a lease program schedule or other issuance approved by subsequent Ordinance. The FY 2018 funding for 17 replacement Type Ambulances in the amount of \$4,971,270.62 is available from the Equipment Renewal and Replacement Fund. Additional ambulance purchases for replacement units in FY 2019 would be subject to the appropriation of funds.

### **BACKGROUND INFORMATION:**

Submitted for City Council consideration and action is the offer submitted by Mac Haik Dodge Chrysler Jeep utilizing the Houston-Galveston Area Council cooperative contract number AM10-16 to provide an estimated quantity of 39 Type 1 ambulances for a total cost of \$11,404,385.54.

This contract will provide the San Antonio Fire Department, Emergency Medical Services Division with an estimated quantity of 39 ambulances to be installed on Dodge 4500 cab and chassis trucks. Currently, the Fire Department Emergency Medical Services Division (EMS) utilizes 61 units composed of 33 frontline units, 8

peak period units, with 20 units in reserve. Thirty-eight of the ambulances requested will be replacing existing units which will be taken out of service and prepared for auction as the new units are placed into operation. One ambulance will be a new addition to the fleet and will be assigned to Fire Station 32 to assist with the heavy call volume. This contract will provide 17 replacement units and 1 additional unit in FY 2018 and 21 replacement units in FY 2019. With a lead time of approximately 220 days for delivery of new ambulances, approval of the FY 2018 and FY 2019 purchases will allow the orders to be placed early in the fiscal year. This will ensure that ambulances are received at the time existing equipment is due for replacement.

## **ISSUE:**

This contract will provide the City of San Antonio Fire Department's Emergency Medical Services Division with an estimated quantity of 39 turnkey Type I Ambulances to support their advanced life support program.

These units will be purchased from Mac Haik Dodge Chrysler Jeep utilizing the Houston-Galveston Area Council cooperative contract number AM10-16. This purchase will be made in accordance with the Houston-Galveston Cooperative Program passed on resolution 96-41-48 dated 10/10/1996.

The Houston-Galveston Cooperative Program is administered by the Houston-Galveston Area Council Cooperative. All products and services included in this cooperative were competitively bid and awarded by the Cooperative's Board of Trustees based on Texas statutes.

The cab and chassis have a 60,000 mile/5 year powertrain and a 36,000 mile/36 month bumper to bumper warranty. The ambulance body has a lifetime module warranty.

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 recommended award is an exception to the Local Preference Program.

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 vehicles scheduled for replacement have met or will meet their age and mileage requirement cycles and may not be economically feasible to repair. If the 39 ambulances are not purchased, the Fire Department's ability to provide advanced life support for the residents of San Antonio and surrounding areas could be impacted. The alternatives are to continue to use the vehicles currently available and incur increasing maintenance costs or to limit access of the services, compromising public health and emergency medical services coverage for the entire City.

## **FISCAL IMPACT:**

This ordinance authorizes an annual contract with Mac Haik Dodge Chrysler Jeep to provide an estimated quantity of 38 replacement and 1 additional Type I Ambulances for a total contract value of \$11,404,385.54 over a two year period.

Funding for the 1 additional Type I Ambulances in the amount of \$292,368.86 will be paid through a Tax-Exempt Lease Purchase Agreement, or other financial obligations, contingent on the execution of a lease

program schedule or other issuance approved by subsequent Ordinance.

The FY 2018 funding for 17 replacement Type Ambulances in the amount of \$4,971,270.62 is available from the Equipment Renewal and Replacement Fund. Additional ambulances purchases from this contract would be subject to the appropriation of subsequent annual funding.

The ERRF charges a monthly lease rate to each respective department/fund the entire time a department/fund has possession of a vehicle or equipment. When the vehicle or equipment reaches the end of its life-cycle or the contractually obligated period the replacement fund provides the financial resources for its like replacement.

#### **RECOMMENDATION:**

Staff recommends the approval of this purchase with Mac Haik Dodge Chrysler Jeep for a total cost of \$11,404,385.54.

This contract is procured by means of cooperative purchasing and a Contracts Disclosure Form is not required.