



City of San Antonio

Agenda Memorandum

File Number:19-1142

Agenda Item Number: 7.

Agenda Date: 1/31/2019

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Annual Contract for Hybrid SUVs

SUMMARY:

This ordinance authorizes an annual contract with Silsbee Toyota to provide the City of San Antonio with Hybrid SUVs for an estimated total contract value of \$788,665.00 over a two year period.

The initial FY 2019 purchase of \$598,075.00 includes five (5) replacement and sixteen (16) additional Hybrid SUVs. Funding for the five (5) replacement vehicles in the amount of \$172,175.00 is available from the FY 2019 Equipment Renewal and Replacement Fund (ERRF) Budget. Funding for the sixteen (16) additional vehicles in the amount of \$319,080.00 is available from the FY 2019 General Fund Budget and in the amount of \$106,820.00 from the FY 2019 Capital Management Services Fund Budget. Additional purchases from this contract would be subject to the appropriation of subsequent annual funding.

BACKGROUND INFORMATION:

Submitted for City Council consideration and action is the attached bid tabulation to provide the Building and Equipment Services Department with an annual contract for the purchase of Hybrid SUVs. The estimated total cost of this contract is \$788,665.00 over a two year period. The Hybrid SUVs purchased through this contract 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. These SUVs will be utilized by the Neighborhood and Housing Services, Fire, Transportation and Capital Improvements and Development

Services Departments.

This annual contract is expected to supply an estimated twenty-one Hybrid SUVs in FY 2019. Additional Hybrid SUV purchases for FY 2020 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 SUVs and additional vehicles for new programs.

The initial term of this contract shall begin upon contract award through January 31, 2020. An additional one-year renewal at the City's option shall also be authorized by this Ordinance.

ISSUE:

This annual contract will allow for the purchase of an estimated quantity of 27 hybrid SUVs over a two year period. Currently, there are 481 gasoline/hybrid powered vehicles in the City's fleet. This contract will increase that number to 505 alternative fuel vehicles 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 bumper to bumper warranty and 8 year / 80,000 mile powertrain warranty that will start on the day each unit is placed in service. The life expectancy of these Hybrid SUVs is 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.

There were no bids submitted from local bidders for this contract; therefore, the Local Preference Program was not applied.

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 units 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 an annual contract with Silsbee Toyota to provide the City of San Antonio with Hybrid SUVs for an estimated total contract value of \$788,665.00 over a two year period.

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RECOMMENDATION:

Staff recommends the approval of this contract for an estimated 27 Hybrid SUVs over a two year period from Silsbee Toyota in the amount of \$788,665.00.

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