



City of San Antonio

Agenda Memorandum

File Number:15-1719

Agenda Item Number: 10.

Agenda Date: 4/2/2015

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Pothole Patch Equipment

SUMMARY:

This ordinance authorizes acceptance of contracts with Doggett Freightliner of South Texas, LLC and Bergkamp, Inc., to provide fourteen turnkey pothole patch trucks for street repairs throughout the City of San Antonio for a total cost not to exceed \$2,496,508.00. For the initial purchase of 12 pothole trucks, funding in the amount of \$1,936,044.00 will be funded from the Equipment Renewal and Replacement Fund (ERRF) and \$203,820.00 will be funded from the Transportation and Capital Improvements (TCI) Department's General Fund. Approval of this contract gives the City the ability to purchase up to 2 additional trucks at the same unit price contingent upon future funding.

BACKGROUND INFORMATION:

Submitted for City Council consideration and action is the attached tabulation of two offers submitted by Doggett Freightliner of South Texas, LLC and Bergkamp, Inc., to provide up to 14 turnkey pothole patch trucks. The offer submitted by Doggett Freightliner of South Texas, LLC, utilizing TxSmart Cooperative Agreement number 072-A1, will provide up to 14 cab and chassis trucks for a total cost not to exceed \$1,074,150.00. The offer submitted by Bergkamp, Inc., utilizing BuyBoard Cooperative Agreement number 424-13 #FP5-12V Flameless Patcher will provide up to 14 pothole patch equipment truck bodies for a total cost not to exceed \$1,422,358.00.

This equipment will be used to perform pothole patch repairs on streets and roads throughout the City of San Antonio.

Based on thorough research and knowledge of the industry, the Building and Equipment Services Department, Fleet Acquisitions Division could not identify any viable alternative fueled equipment that would be available

to meet the current requirements.

Vehicles and equipment that meet their expected life cycle are usually sold at auction but are sometimes traded in to the selling dealer. If the fleet asset is in the ERRF then the proceeds are returned to the fund. The proceeds are then used to purchase new similar vehicles and equipment for the same department that operated the sold fleet asset.

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.

ISSUE:

These contracts will provide the Transportation and Capital Improvements Department with up to 14 cab and chassis trucks integrated with pothole patch equipment bodies for a total cost not to exceed \$2,496,508.00.

The 14 cab and chassis will be purchased from Freightliner of South Texas, LLC, utilizing the TxSmart Cooperative Agreement contract number 072-A1. The bodies will be purchased from Bergkamp, Inc., utilizing BuyBoard Cooperative Agreement contract number 424-13 #FP5-12V Flameless Patcher, made in accordance with the Interlocal Participation Agreement with the Texas Local Government Purchasing Cooperative Ordinance No. 97097, dated January 30, 2003.

The Texas BuyBoard cooperative is administered by the Texas Municipal League. All products and services that are part of this cooperative have been competitively bid and awarded by the Cooperative's Board of Trustees based on the State of Texas statutes.

The life expectancy for these vehicles is 96 months. The cab and chassis have a two year, unlimited mile warranty; the engines have a two year/250K mile warranty; the transmissions have a three year warranty and the pothole patch equipment truck bodies have a one year 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.

This contract 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 pothole patch equipment has met or will meet its 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 and could lead to the Transportation and Capital Improvements Department's inability to provide timely essential services to the residents of San Antonio. The alternative is to continue to use the vehicles currently available and incur increasing maintenance costs, thus compromising the ability to deliver needed services.

FISCAL IMPACT:

Funding in the amount of \$1,936,044.00 is available from the ERRF and \$203,820.00 is available from the TCI Department's General Fund for the initial purchase of 12 pothole patch trucks. This contract gives the City the ability to purchase 2 additional trucks at the same unit price contingent upon future 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.

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

RECOMMENDATION:

Staff recommends the approval of the contract with Doggett Freightliner of South Texas, LLC, and Bergkamp, Inc., for a total cost not to exceed \$2,496,508.00.

These contracts were procured on the basis of a cooperative purchasing and Contracts Disclosure Forms are not required.