



City of San Antonio

Agenda Memorandum

File Number:15-4218

Agenda Item Number: 6.

Agenda Date: 9/3/2015

In Control: City Council A Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Purchase of Lubrication Trucks

SUMMARY:

This ordinance authorizes the acceptance of a contract with Grande Truck Center to provide the Solid Waste Management Department with two Lubrication Trucks for a total cost of \$347,212.00, funded with the Equipment Renewal and Replacement Fund (ERRF).

BACKGROUND INFORMATION:

Submitted for City Council consideration and action is the attached tabulation of three bids to provide the Solid Waste Management Department with two lubrication trucks for a total cost of \$347,212.00. These units will be purchased from Grande Truck Center on the basis of low competitive bid.

This purchase will provide two replacement lubrication trucks for the Solid Waste Management Department. The two lubrication trucks will be used to provide lubrication, maintenance and repair services for heavy equipment located throughout the City. Niece Equipment LP was the low bidder on Item #2 but was declared non-responsive since they did not possess a franchise dealer's license. A truck converter cannot sell a vehicle in Texas to an end user unless the converter also has a franchise dealer's license. The recommended award is to Grande Truck Center, the low responsive bidder. The life expectancy of the new equipment is 96 months.

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 equipment being replaced will be sold at auction.

ISSUE:

This contract will provide the Solid Waste Management Department with two replacement lubrication trucks. The replacement of these units is consistent with the City's ERRF.

The cab and chassis of the lubrication trucks are covered by a 24 month/unlimited miles warranty. The lubrication body is covered by a one year warranty on parts and labor.

Due to the lack of small, minority, and/or women businesses available to provide these goods, the SBEDA Program did not apply to this solicitation.

Grande Truck Center, Bid 1, Item 2 - The recommended award is to the lowest responsive bidder, who is also a local business. Therefore, application of the Local Preference Program (LPP) was not required.

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

ALTERNATIVES:

The current lubrication trucks 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 cost 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:

The purchase of these lubrication trucks is for a total cost of \$347,212.00 and will be funded through the City's Equipment Renewal and Replacement Fund (ERRF).

RECOMMENDATION:

Staff recommends the approval of a contract for the purchase of two lubrication trucks from Grande Truck Center for a total cost of \$347,212.00.

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

