



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 11

**Agenda Date:** August 29, 2024

**In Control:** City Council A Session

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**DEPARTMENT:** Finance Department

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Annual Contract for Hybrid & Electric Vehicles

**SUMMARY:**

This ordinance authorizes a contract with Donalson-Hiner Automotive Group, Inc., dba Silsbee Toyota for 48 Hybrid & Electric Vehicles for the San Antonio Metropolitan Health District, Center City Development & Operations, Development Services, Aviation, Convention and Sports Facilities, Parks & Recreation, Public Works, Information Technology Services, and San Antonio Police departments for a total cost of \$1,747,091.00. Funding is available in the amount of \$1,409,744.00 from the Equipment Renewal & Replacement Fund of which \$590,274.00 is from the FY 2024 Adopted Budget and \$819,500.00 is included in the FY 2025 Proposed Budget, \$136,818.00 from the Tree Canopy Preservation and Mitigation Fund FY 2024 Adopted Budget, \$158,166.00 from the General Fund FY 2024 Adopted Budget, and \$42,333.00 from the Airport Operating & Maintenance FY 2024 Adopted Budget. FY 2025 funding is contingent upon City Council approval of the budget.

**BACKGROUND INFORMATION:**

Submitted for City Council consideration and action is a proposal submitted by Donalson-Hiner Automotive Group, Inc., dba Silsbee Toyota to provide five (5) Compact Hybrid Sedans, 2WD,

White; twelve (12) Compact Hybrid SUVs, 2WD, Amber Grill Mounted Lights, White; fifteen (15) Compact Plug-In Hybrid Electric SUVs, 2WD or AWD, White; three (3) Medium Hybrid SUVs, 2WD, Amber Grill Mounted Strobe Lights, White; two (2) Compact Sedans, Hybrid, Mixed Colors; two (2) Mid-Size Sedans, Hybrid, Mixed Colors; four (4) Compact Sedans, Plug-In Hybrid, White; three (3) Compact Hybrid Sedans, 2WD, Amber Grill Mounted Lights, White; and two (2) Compact Electric SUVs, Dark Color. These vehicles will be used for administrative purposes by the various City departments.

This contract is anticipated to supply 48 vehicles. Center City Development and Operations will receive one (1) replacement, Aviation will receive one (1) fleet addition, Convention & Sports Facilities will receive one (1) replacement, Development Services will receive fourteen (14) replacements, Health will receive one (1) replacement and three (3) fleet additions, Human Services will receive two (2) fleet additions, Information Technology Services will receive one (1) replacement, Parks & Recreation will receive three (3) replacements and three (3) fleet additions, Police will receive six (6) replacements, and Public Works will receive twelve (12) replacements.

The City issued an Invitation for Bid (IFB) for “Annual Contract for Hybrid & Electric Vehicles” (IFB 6100018141) on June 3, 2024, with a submission deadline of June 28, 2024. The IFB was advertised in the HartBeat, TVSA channel, the City’s Bidding & Contracting Opportunities website, the San Antonio e-Procurement System and an email notification was released to a list of potential bidders. Three bids were received. Donalson-Hiner Automotive Group, Inc., dba Silsbee Toyota is recommended for contract award and meets the published specifications.

The initial term of the agreement will be for the period upon award by City Council and will terminate upon delivery of all goods ordered.

## **ISSUE:**

This contract will provide 28 model year 2024 vehicles from Silsbee Toyota’s available stock and 20 model year 2025 factory order vehicles. The last day to order these vehicles without missing the manufacture’s cutoff date has not yet been published. Lead time for the vehicles is 30 - 160 calendar days to be delivered in 2024 and 2025. The vehicles have a 36 Months/36,000 Bumper to Bumper warranty, 5 Year/100,000 Powertrain warranty, and 8 Year Battery warranty. These vehicles will have a 100,000 mile or 120-month life cycle.

These vehicle purchases comply with the Sustainable Fleet Acquisition & Management Policy. Vehicles that are within 3 miles of an electric vehicle charger, travel less than 300 miles per month, and have an electric vehicle option available were automatically converted from a gasoline vehicle option to an electric vehicle. Where there is not an electric vehicle option, then vehicles are purchased as electric plug-in hybrid or electric-battery hybrid alternative.

This contract will provide a supply of Class 1 light duty vehicles. Light-duty vehicles are defined as Class 1 – Class 2 vehicles weighing 10,000 lbs. or less. Medium-duty vehicles are defined as Class 3 – Class 6 vehicles weighing 10,001 - 26,000 lbs. Heavy-duty vehicles are defined as Class 7 – Class 8 vehicles weighing 26,001 and greater. A commercial driver license is required to operate heavy-duty vehicles.

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.

Item(s) 1, 4, 5, 6, 7, 8, and 11: There were no bids submitted from local bidders for this contract; therefore, the Local Preference Program was not applied.

Item 2: In accordance with the Local Preference Program, no local preference was applied since the local bidder is not within 5% of the recommended lowest non-local bidder.

Item 3: The local bidder was deemed non-responsive for not submitting the complete required quantity. The next lowest bidder is a non-local bidder, and the Local Preference Program was not applied.

The Veteran-Owned Small Business Preference Program does not apply to goods and supplies or non-professional services contracts, so no preference was applied to this contract.

#### **ALTERNATIVES:**

Should this contract not be approved, the City may experience a negative impact on available administrative sedans and SUVs that provide support services. Prolonging replacement may render these vehicles no longer economically feasible to repair and difficult to obtain while manufacturers are still limiting the number of vehicles that fleet customers, like the City, can purchase in a given year.

#### **FISCAL IMPACT:**

This ordinance authorizes a contract with Donalson-Hiner Automotive Group, Inc., dba Silsbee Toyota for 48 Hybrid & Electric Vehicles for the San Antonio Metropolitan Health District, Center City Development & Operations, Development Services, Aviation, Convention and Sports Facilities, Parks & Recreation, Public Works, Information Technology Services, and San Antonio Police departments for a total cost of \$1,747,091.00. Funding is available in the amount of \$1,409,744.00 from the Equipment Renewal & Replacement Fund of which \$590,274.00 is from the FY 2024 Adopted Budget and \$819,500.00 is included in the FY 2025 Proposed Budget, \$136,818.00 from the Tree Canopy Preservation and Mitigation Fund FY 2024 Adopted Budget, \$158,166.00 from the General Fund FY 2024 Adopted Budget, \$42,333.00 from the Airport Operating & Maintenance FY 2024 Adopted Budget. FY 2025 funding is contingent upon City Council approval of the budget.

#### **RECOMMENDATION:**

Staff recommends approval of this ordinance.

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