



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 17

Agenda Date: September 21, 2023

In Control: City Council A Session

DEPARTMENT: Finance Department

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Electric Compact Sedans

SUMMARY:

This ordinance authorizes contracts with Gunn Chevrolet Ltd and Lake Country Chevrolet, to provide 22 electric compact sedans; fifteen (15) will be replacement sedans and seven (7) will be additions to the fleet for the Aviation, Development Services, Finance, Municipal Courts, Neighborhood & Housing Services, Police, and Public Works departments for a total cost of \$597,495.25. Funding is available in the FY 2023 Adopted Budget in the amount of \$354,776.50 from Equipment Renewal and Replacement Fund, \$53,937.50 from the Airport Operation & Maintenance Fund, \$53,937.50 from the General Fund, and \$134,843.75 from the Capital Management Services Fund.

BACKGROUND INFORMATION:

Submitted for City Council consideration and action is attached bid tabulation submitted by Gunn Chevrolet Ltd and Lake Country Chevrolet for 22 electric compact sedans. These vehicles will be replacements and additions for various departments. The Aviation Department will receive two units; the Development Services Department will receive three units; the Finance Department will

receive one unit; Municipal Courts will receive two units; the Neighborhood & Housing Services Department will receive three units; the Police Department will receive five units; and the Public Works Department will receive six units. These vehicles will be used by department personnel to provide services to the citizens throughout the City including code enforcement, capital project management, and various administrative functions.

Both vendors are supplying 2023 Chevrolet Bolt Electric Vehicles (EVs). The Chevrolet Bolt is an all-electric plug-in vehicle with approximately 240 miles of range on a single charge. Based on expected usage, the vehicle will be able to handle the normal driving activities of a work shift and can fully recharge overnight using a Level II charger. This purchase will add to the battery electric vehicles already in the City's fleet. The City is actively installing EV charging infrastructure at various City facilities to support the gradual transition of non-emergency, light-duty municipal vehicles to electric.

The City issued an Invitation for Bids (IFB) for "Electric Compact Sedans" (IFB, 6100017094) on June 30, 2023, with a submission deadline of July 17, 2023. 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 Respondents. Two bid responses were received. Gunn Chevrolet Ltd and Lake Country Chevrolet, and meet the published bid specification and are recommended for contract award.

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:

These contracts will provide 2023 Chevrolet Bolt EVs. The cutoff date for new 2023 Chevrolet Bolt orders was December 2, 2022; however, due to dealer customer cancellations, the 2023 model vehicles are readily available. The City will benefit by this contract award since these vehicles are expected to be delivered within 35 days of purchase order receipt, considering that the order banks for 2024 Chevrolet Bolt EVs have not opened for new orders and future sedans orders are expected to be 250 days for delivery at market price.

The life expectancy of these vehicles is 120 months. Vehicles shall be supplied with a minimum 12-month warranty.

These vehicles are being supplied with a 3 year/36,000 miles bumper- to-bumper warranty. The powertrain warranty is 5 years/60,000 miles warranty. The battery warranty is 8 years/100,000 miles warranty.

These contracts shall provide a supply (22) Class 1 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 Ordinance requirements were waived due to the lack of qualified SMWBE's available to provide the goods and services.

For Item 1 and Item 2: The recommended award is to the lowest responsive bidder, who is also a local business; therefore, application of the Local Preference Program was not required.

For Item 3: 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.

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

ALTERNATIVES:

Should these contracts not be approved, this could potentially cost the City more money to maintain in optimum driving condition of the current vehicles. Foreseen downtime from aged vehicles can lead to the department's inability to provide essential services when equipment is undergoing repairs. These types of vehicles typically have long lead time for fabrication. These contracts are a one-time opportunity to get vehicles in 35 days. The proposed replacement timeline is considered the optimum time for replacement. Any delays in the acquisition will impact the vehicle build timeline and take longer to receive.

FISCAL IMPACT:

This ordinance authorizes contracts with Gunn Chevrolet Ltd and Lake Country Chevrolet, to provide 22 electric compact sedans; fifteen (15) will be replacement sedans and seven (7) will be additions to the fleet for the Aviation, Development Services, Finance, Municipal Courts, Neighborhood & Housing Services, Police, and Public Works departments for a total cost of \$597,495.25. Funding is available in the FY 2023 Adopted Budget in the amount of \$354,776.50 from Equipment Renewal and Replacement Fund, \$53,937.50 from the Airport Operation & Maintenance Fund, \$53,937.50 from the General Fund, and \$134,843.75 from the Capital Management Services Fund.

RECOMMENDATION:

Staff recommends approval of these contracts with Gunn Chevrolet Ltd and Lake Country Chevrolet, to provide 22 compact electric sedans for a total cost of \$597,495.25.

These contracts are procured on the basis of low bid and a Contracts Disclosure Form is not required.