



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 7

**Agenda Date:** December 15, 2022

**In Control:** City Council A Session

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**DEPARTMENT:** Finance Department

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Light Duty Trucks

**SUMMARY:**

This ordinance authorizes three contracts with Cavender Grande Ford, Grapevine DCJ, LLC, and Silsbee Ford to provide the City of San Antonio with light duty pick-up trucks for an estimated total contract value of \$1,732,891.13. Funding is available from the FY 2023 Equipment Renewal and Replacement Fund Budget to replace 34 vehicles in the amount of \$1,665,386.42, and \$67,504.71 is available from the FY 2023 Adopted General Fund Budget for 2 fleet additions. These contracts provide the ability to purchase additional trucks under the same terms and conditions. The additional purchases are subject to City Council approval and appropriation of funds.

**BACKGROUND INFORMATION:**

Submitted for City Council consideration and action is the attached tabulation of four bid responses to provide the City of San Antonio with 2023 model year light duty trucks to replace: three compact pick-up trucks, eight ½ ton pick-up trucks, and twenty-three ¾ ton pick-up trucks. Two new vehicles are to be purchased, one ½ ton pick-up truck and one ¾ ton pick-up truck, and added to

the fleet. Supply chain issues and plant closures limited when automotive dealers could accept government orders for new vehicles. These contracts will meet the need for FY 2022 and FY 2023 planned truck replacements until manufacturers cease new order intake. Additional light duty trucks may be purchased from these contracts under the same terms and conditions until the contracts' end date, or the manufacturer's reported cut-off date. Manufacturers can end order intake without notice due to scarcity and rising cost of raw materials. Pricing will be fixed for the model year as awarded by these contracts.

In adherence to the Sustainable Fleet Acquisition and Management Policy, the City has issued purchase orders for sixteen pick-up trucks that are pending replacement with electric and hybrid vehicle alternatives from contracts previously approved by City Council. More electric vehicle replacements are anticipated as additional charging infrastructure is installed. Plans are underway, in FY 2023 – FY 2024, to add 80 electric vehicle charging ports at City facilities for fleet use.

The City issued a Formal Invitation for Bid (IFB) for Light Duty Trucks (IFB 6100015862) on August 12, 2022, with a submission deadline of September 2, 2022. Four bid responses were received. Recommendation for award is based on bidders meeting the published bid specifications.

Item 1 is recommended for award to Silsbee Ford, a non-local vendor. There were no local bids submitted from local bidders for this contract; therefore, the Local Preference Program was not applied.

Item 3 is recommended for award to Grapevine DCJ, LLC, a non-local vendor. The lowest bidder, Silsbee Ford, withdrew their bid due to early manufacturer order cutoff date. Chastang Ford was deemed non-responsive for failing to provide options as specified. There were no local bids submitted from local bidders for this contract; therefore, the Local Preference Program was not applied.

Item 5 is recommended for award to Cavender Grande Ford, a local bidder, in accordance with the Local Preference Program (LPP) and will result in an additional cost of \$822.66 for this one-time purchase. Cavender Grande Ford, local bidder submitted a bid of \$117,377.00 and is within 3% of Grapevine DCJ, LLC., the lowest non-local bidder who submitted a bid response of \$116,554.34.

Item 6 is recommended for award to Cavender Grande Ford, a local bidder, in accordance with the Local Preference Program (LPP) and will result in an additional cost of \$10,207.86 for this one-time purchase. Cavender Grande Ford, local bidder submitted a bid of \$381,376.00 and is within 3% of Grapevine DCJ, LLC, the lowest non-local bidder who submitted a bid response of \$371,168.14.

Items 8, 9 and 10 are recommended for award to Cavender Grande Ford, the lowest responsive bidder, who is also a local business; therefore, application of the Local Preference Program (LPP) was not required.

Item 11 is recommended for award to Cavender Grande Ford, a local bidder, in accordance with

the Local Preference Program (LPP) and will result in an additional cost of \$1,421.48 for this one-time purchase. Cavender Grande Ford, a local bidder submitted a bid of \$245,073.00 and is within 3% of Grapevine DCJ, LLC, the lowest non-local bidder who submitted a bid response of \$243,651.52.

Item 12 is recommended for award to Cavender Grande Ford, a local bidder, in accordance with the Local Preference Program (LPP) and will result in an additional cost of \$5,487.46 for this one-time purchase. Cavender Grande Ford, a local bidder submitted a bid of \$212,437.00 and is within 3% of Grapevine DCJ, LLC the lowest non-local bidder who submitted a bid response of \$206,949.54.

Item 14 is recommended for award to Cavender Grande Ford, a local bidder, therefore application of the Local Preference Program (LPP) was not required. The first and second lowest bidders withdrew their bids due to early manufacturer order cutoff date.

Items 2, 4, 7 and 13 were deleted and will be bid at a later date.

#### **ISSUE:**

This action will authorize contracts to provide thirty-six trucks that will be used by Building and Equipment Services, Center City Development and Operations, Development Services, Fire, Parks and Recreation, Public Works, San Antonio Metro Health District and Solid Waste Management departments.

Historically, multi-year annual contracts supply pick-up trucks as needed with options for truck accessories (liftgates, strobe lighting, side steps, toolboxes, etc.) without the need to rebid between purchase orders. These proposed contracts are similar. The quantity of forecasted replacement vehicles are identified in these contracts, and include flexible terms allowing additional vehicle purchases that were not yet approved or had funding appropriated at the time of the bid solicitation.

The life expectancy for pick-up trucks is 120 months or 96,000 miles. These vehicles are covered by a minimum 36 month/36,000-mile warranty that will start on the day each truck is placed in service.

The Small Business Economic Development Advocacy (SBEDA) Ordinance requirements are waived due to the lack of Small, Minority, and/or Women (S/M/WBE) businesses available to provide these goods and services.

The Veteran-Owned Business Program does not apply to good and supplies contracts, so no preference is applied to this contract.

#### **ALTERNATIVES:**

Should these contracts not be approved, this could impact the City's ability to provide essential services to the residents of San Antonio. The current light duty 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 costs as a result of age or high mileage.

#### **FISCAL IMPACT:**

This ordinance authorizes three contracts with Cavender Grande Ford, Grapevine DCJ, LLC, and Silsbee Ford to provide the City of San Antonio with 36 light duty pick-up trucks for an estimated total contract value of \$1,732,891.13. Funding is available from the FY 2023 Equipment Renewal and Replacement Fund Budget to replace 34 vehicles in the amount of \$1,665,386.42, and \$67,504.71 is available from the FY 2023 Adopted General Fund Budget for 2 fleet additions. These contracts provide the ability to purchase additional trucks under the same terms and conditions. The additional purchases are subject to City Council approval and appropriation of funds.

#### **RECOMMENDATION:**

Staff recommends the approval of these three contracts to purchase 36 the light duty trucks from Cavender Grande Ford for a cost of \$1,391,145.00, Grapevine DCCJ, LLC for a cost of \$243,656.00 and Silsbee Ford for a cost of \$98,090.13.

These contracts were procured by means of a low bid basis and a Contracts Disclosure Form is not required.