



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 8

Agenda Date: February 16, 2023

In Control: City Council A Session

DEPARTMENT: Finance Department

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Light Duty Trucks

SUMMARY:

This ordinance authorizes the ratification of a purchase with Grapevine DCJ, LLC to provide thirty-two light duty trucks for a total contract value of \$1,239,231.00. Funding in the amount of \$906,665.00 is available from the FY 2023 Equipment Renewal and Replacement Fund Budget, \$294,072.00 is available from the FY 2023 Development Services Fund Budget, and \$38,494.00 is available from the FY 2023 General Fund Budget.

BACKGROUND INFORMATION:

Submitted for City Council consideration and ratification is the attached offer from Grapevine DCJ, LLC for thirty-two light duty trucks. These twenty-three replacement and nine additional vehicles are used to support the Fire, Public Works, Development Services, and Parks & Recreation Departments.

While electric pickup trucks are now entering the commercial market, their suitability for municipal operations is limited based on manufacturers' offerings. However, the City is pending the delivery of six Ford F-150 Lightning all-electric pickup trucks purchased through Ordinance #

2022-06-23-0499. Longer delivery times are expected on all new vehicles, especially electric vehicles, due to current market conditions. Purchasing this first group of electric trucks will provide valuable operational information about the vehicle use, limitations, and battery life. The City plans to purchase more all-electric administrative sedans and light-duty trucks over the next few years.

The City issued an Invitation for Bid (IFB) for Light Duty Trucks (IFB 6100015862 on August 12, 2022, with a submission deadline of September 2, 2022. A contract was awarded through Ordinance #2022-12-15-0949, on December 15, 2022. General Motors, Stellantis, and Ford closed their fleet order banks for 2023 model year ½ ton extended cab, and ½ ton crew cab trucks before December 15, 2022, which subsequently led all bidders (local and non-local) to withdraw their bids for these truck configurations.

The past year has presented many challenges in the automotive industry due to parts shortages and other supply chain issues. Due to these circumstances, the reduced volume of vehicles produced by Ford and other manufacturers has resulted in many orders not being fulfilled within the model year they were ordered. However, Grapevine DCJ, LLC was still able to order these trucks before December 23, 2022, through BuyBoard contract #601-19, which is a Texas Local Government Purchasing Cooperative passed on Ordinance No. 97097 dated January 30, 2003. To avoid cancelation of the manufacturer order for the vehicles a purchase order was issued on December 21, 2022, to Grapevine DCJ, LLC prior to Council approval leading to a required ratification.

The City issued a Request for Offer (RFO) for Light Duty Trucks (RFO 6100016451) on December 20, 2022 with a submission deadline of December 31, 2022. The ratification will supply (3) three ½ ton RWD Extended Cab Trucks with a 6'4" Bed which includes 2 for the Fire and 1 for the Public Works Departments, (22) twenty two ½ ton RWD Extended Cab Trucks with a 6'4" Bed and Amber Strobe Lighting will be used by the Development Services Department, (2) two ½ ton RWD Crew Cab Bed 6'4" with Tow Hitch for Parks, (1) one ½ ton RWD Extended Cab Bed 6'4" with Amber Strobe Lighting and Tow Hitch for Parks and (4) four ½ ton, Crew Cab trucks, 4x4/AWD Short Bed 6'4" with Camper Shell for the Fire Department. The offer submitted by Grapevine DCJ, LLC met the published bid specifications.

Lines item 5 and 7 were deleted and will be re-solicited when the order banks open for 2024 model year trucks.

ISSUE:

This ordinance will ratify a contract to provide thirty-two, light duty trucks for the Fire, Public Works, Development Services, and Parks & Recreation Departments. Nine trucks are fleet additions, and twenty-three trucks are replacements that have met criteria for replacement. The replacement of these vehicles is consistent with the Equipment Renewal and Replacement policy.

The purchase is made in accordance with BuyBoard contract approved through Ordinance No. 97097 dated January 30, 2003. These trucks will be purchased from Grapevine DCJ, LLC utilizing the Buyboard cooperative contract #601-19. The use of the cooperative contract allows the departments to access recommended trucks to be used in their daily operations.

The life expectancy for these trucks is a minimum of 96 months.

All trucks are covered at a minimum of 12-month unlimited mile warranty.

This vehicle purchase is for light-duty trucks. Light-duty trucks 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.

The recommended award is an exception to the Local Preference Program.

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

ALTERNATIVES:

Should this ratification not be approved, this could impact the City's ability to provide essential services to the residents of San Antonio and would prolong the purchase and delivery of these trucks. The City would incur additional costs if these vehicles are purchased at a later time. The nine truck additions are critical for building inspections and park operations. These fleet additions were approved for FY 2023 purchase. The twenty-three truck replacements have met replacement requirements. 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 due to aging and/or high mileage.

FISCAL IMPACT:

This ordinance authorizes a ratification of a contract with Grapevine DCJ, LLC to provide four departments with 32 light duty trucks for a total cost of \$1,239,231.00. Funding in the amount of \$906,665.00 is available from the FY 2023 Equipment Renewal and Replacement Fund Budget, \$294,072.00 is available from the FY 2023 Development Services Fund Budget, and \$38,494.00 is available from the FY 2023 General Fund Budget.

RECOMMENDATION:

Staff recommends the approval of a ratification of this contract to purchase 32 light duty trucks from Grapevine DCJ, LLC for a total amount of \$1,239,231.00 for various city departments.

This contract is procured based on cooperative purchasing and a contract disclosure form is not required.