

**CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: General Services

AGENDA DATE: TBD by Financial Services February 20, 2007

CONTACT PERSON/PHONE: Jeff Belles, 621-6821 / Terrence Freiburg, 541-4313

DISTRICT (S) AFFECTED: All

SUBJECT: APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.

Purchase two sewer/vacuum trucks from PSB contract 76-06 from MHC Southwest Trucks of El Paso Texas. Base price is \$257,044.

Dealer option for automatic transmission is \$10,184.

Total unit price is \$267,228.

Total award is \$534,456.

BACKGROUND / DISCUSSION: Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

The PSB awarded a contract for the purchase of sewer/vacuum trucks in January 2007. The Street Department needs to replace two of their old trucks. The City, the PSB and the vendor have all agreed to purchase these additional trucks from the PSB contract. These trucks are critical items used in flood control.

PRIOR COUNCIL ACTION: Has the Council previously considered this item or a closely related one?

Yes City Council has awarded numerous vehicle purchase contracts.

AMOUNT AND SOURCE OF FUNDING: How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

508006-14200500-27264-PSTM06 PW555 Capital Outlay for Vehicular Equipment

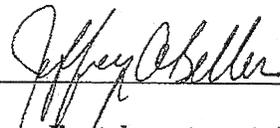
BOARD / COMMISSION ACTION:

Enter appropriate comments or N/A

NA _____

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD: Jeffrey A Belles 02/01/07



(Example: if RCA is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA: _____

CITY MANAGER: _____

DATE: _____

**FINANCIAL SERVICES DEPARTMENT
PROJECT FORM**

DATE: February 9, 2007
TO: Municipal Clerk
THRU: Terrence Freiburg, Purchasing Manager
FINANCIAL SERVICES DEPARTMENT – X4313
FROM: Barbara Crumley
Administrative Analyst – X4315

Please place the following item on the REGULAR Council Agenda for the Council Meeting of **February 20, 2007**.

Item should read as follows: Request that the Purchasing Manager of Financial Services be authorized to issue Purchase Order(s) to Southwest Sterling Inc., dba MHC Kenworth-Ford-Sterling for two Combination Sewer Rodding Vacuum Trucks. The total amount of purchase is \$534,456.00. This purchase is being made from El Paso Water Utilities Contract No. 76-06, Vehicles and Equipment (Bid Item No. 14A), awarded by the Public Service Board on January 10, 2007.

Department: Street Department
Funds available in: 508006-27264-14200500-PSTM06PW555
Funding Source: Capital Outlay for Vehicular Equipment/Storm 2006
Amount: \$534,456.00
District(s): All
Tracking No: 2007-119



P.O. BOX 511
EL PASO, TX 79961-0001
PHONE: 915-594-5500
FAX: 915-594-5689

February 2, 2007

Ms. Barbara Crumley
City of El Paso
Financial Services – Purchasing
2 Civic Center Plaza
City Hall 7th Floor
El Paso Texas 79901

Re: El Paso Water Utilities / Public Service Board Vehicle Bid 76-06

Dear Ms. Crumley:

It is my understanding from our General Counsel, Mr. Bob Andron, that it is okay for the City of El Paso, Purchasing organization to piggy back off of EL Paso Water Utilities vehicle bid 76-06 as requested. I am attaching the bid documentation you will need in order to piggy back off of this vehicle bid. This bid was awarded by our PSB Board on January 10, 2007. I am attaching a copy of the PSB Minutes pertaining to the award of this bid.

Should you have any questions or need additional information, please contact me at (915) 594-5625.

Sincerely,

A handwritten signature in cursive script that reads "Irene H. Arellano".

Irene H. Arellano
Purchasing Agent

Enclosure

cc: Bob Andron, General Counsel , El Paso Water Utilities
Marcela Navarrete, Chief Financial Officer, El Paso Water Utilities
Terrence Freiberg, Purchasing Manager , City of El Paso Financial Services/Purchasing

Improvements Project; and

WHEREAS, in order to take advantage of favorable interest rates and reduce financing costs, the Public Service Board (PSB) and City Council have authorized a Commercial Paper Program to finance PSB construction projects and engineering services; and

WHEREAS, Bid No. 69-06 for the Pico Norte and Album Lift Stations Electrical Improvements Project is a project which is eligible for financing through the Commercial Paper Program.

NOW, THEREFORE, BE IT RESOLVED by the PUBLIC SERVICE BOARD of the City of El Paso El Paso Water Utilities:

Section 1. That the findings and recitations set out in the preamble to this Resolution are found to be true and correct and that they are hereby adopted by the Public Service Board and made a part of this Resolution for all purposes.

Section 2. That the Public Service Board hereby awards Bid No. 69-06 for the Pico Norte and Album Lift Stations Electrical Improvements Project to Mesa Electrical Contractors, Inc., in the amount of \$867,100.00.

Section 3. That the Public Service Board hereby authorizes funding of the project through the PSB tax-exempt Commercial Paper Program from Improvement Funds (\$769,100.00) and Commercial Paper Funds (\$98,000.00), as approved in the FY2004-05 Budget, CIP No. 4313, Job Number 1015-114, in the total bid amount of \$867,100.00.

AWARDED BID NO. 76-06, VEHICLES AND EQUIPMENT, TO THE LOWEST RESPONSIBLE, RESPONSIVE BIDDERS: CASA FORD FOR ITEMS 1, 3, 4, 5, 6 AND 8 IN THE TOTAL AMOUNT OF \$499,324.15; CLOWE AND COWAN OF EL PASO, INC., FOR ITEM 12 IN THE TOTAL AMOUNT OF \$34,400.00; NUECES POWER EQUIPMENT FOR ITEM 13 IN THE TOTAL AMOUNT OF \$46,023.86; RUDOLPH CHEVROLET FOR ITEMS 2A AND 2B IN THE TOTAL AMOUNT OF \$222,938.00; AND SOUTHWEST STERLING, INC., DBA MHC KENWORTH-FORD STERLING, IN THE TOTAL AMOUNT OF \$622,911.00.

Mr. Archuleta noted that this bid is for vehicle replacement for the Utility. El Paso Water Utilities received nine bids. Art Quijano, Fleet and Building Maintenance Superintendent, evaluated this bid and recommended the following:

Award of Bid #76-06, Item #1, in the amount of \$12,700.00; Item #3 in the amount of \$43,188.30; Item #4 in the amount of \$35,459.38; Item #5 in the amount of \$140,564.70; Item #6 in the amount of \$29,168.97; and Item #8 in the amount of \$238,242.80 to Casa Ford Lincoln Mercury, Inc. Casa Ford Lincoln Mercury is the lowest responsible, responsive bidder meeting all specifications with the exception of Item #8 Bid Specification #15 which states that fuel capacity shall be no less than 50-gallons round aluminum tank with step. The vendor is furnishing a 65-gallon aluminized steel tank, which is an immaterial deviation and, therefore, it was recommended by staff to award to this vendor.

Award of Bid #76-06, Item #12 in the amount of \$34,400.00 to Clowe & Cowan of El Paso. Clowe & Cowan of El Paso was the sole responsible bidder meeting all specifications.

Award of Bid #76-06, Item #13 in the amount of \$46,023.86 to Nueces Power Equipment. Nueces Power Equipment is the lowest responsible bidder meeting all specifications.

Award of Bid #76-06, Lump sum items #2-A and 2-B in the amount of \$222,938.00 to Rudolph Chevrolet, L.P. Rudolph Chevrolet is the lowest responsible bidder meeting all specifications with the exception of Items

2-A and 2-B Bid Specifications #2 which states that the vehicle shall be cab and chassis with manufacturer's standard fleetside pick-up type body with wheel base 111.3 inches minimum and 131.3 maximum. Vendor is furnishing a pick-up with 111.2 inches wheel base. This is an immaterial deviation and therefore staff recommended award to this vendor.

Award of Bid #76-06, Item #7 in the amount of \$57,641.00; Item #9 in the amount of \$74,618.00; Item #10 in the amount of \$132,536.00; Item #11 in the amount of \$118,072.00 and lump sum Items 14-A minus 14-B in the amount of \$240,044.00 to Southwest Sterling, Inc., dba/MHC Kenworth-Ford Sterling. Southwest Sterling Inc. dba/MHC Kenworth-Ford Sterling is the lowest responsible bidder meeting all specifications and is offering a \$50.00 discount per unit if paid within 15 days of delivery.

On a motion made by Mr. Guerra, seconded by Mr. Martinez, and unanimously carried, the Board awarded Bid No. 76-06, Vehicles and Equipment, to the lowest responsible, responsive bidders: Casa Ford for Items 1, 3, 4, 5, 6 and 8 in the total amount of \$499,324.15; Clowe and Cowan of El Paso, Inc., for Item 12 in the total amount of \$34,400.00; Nueces Power Equipment for Item 13 in the total amount of \$46,023.86; Rudolph Chevrolet for Items 2A and 2B in the total amount of \$222,938.00; and Southwest Sterling, Inc., dba MHC Kenworth -Ford Sterling in the total amount of \$622,911.00. A copy of the bid tabulation is on file in Central Files.

AWARDED BID NO. 78-06 POWDER ACTIVATED CARBON, TO THE LOWEST RESPONSIBLE, RESPONSIVE BIDDER, CAL-PACIFIC CARBON, LLC, IN THE TOTAL AMOUNT OF \$260,000.00.

Mr. Archuleta gave a brief presentation of Bid #78-06. Mr. Archuleta explained that the power activated carbon is used in a two-stage activated sludge process at the Fred Hervey Water Reclamation Plant. Three bids were received. Javier Hernandez, Reclamation Plant Superintendent, determined that all bidders met specifications. Bids were received from Cal-Pacific Carbon, LLC, in the amount of \$260,000.00; Norit Americas, Inc. in the amount of \$304,200.00; and Thatcher Company of Arizona in the amount of \$305,500.00.

El Paso Water Utilities recommends award to the lowest responsible responsive bidder, Cal-Pacific Carbon, LLC, in the amount of \$260,000.00. This contract is for a one-year period with the option to extend, by mutual agreement on a year-to-year basis, for two additional years.

On a motion made by Ms. Teran, seconded by Mr. Martinez, and unanimously carried, the Board awarded Bid No. 78-06 Powder Activated Carbon, to the lowest responsible, responsive bidder, Cal-Pacific Carbon, LLC, in the total amount of \$260,000.00. A copy of the bid tabulation is on file in Central Files.

APPROVED THE FINANCIAL AND PERFORMANCE MEASURES REPORT FOR THIRD QUARTER ENDING NOVEMBER 30, 2006.

Ms. Marcela Navarrete, Chief Financial Officer, gave a brief presentation of the Financial and Performance Measures Report for the Third Quarter ending November 30, 2006. Ms. Navarrete presented data on water billed, water and wastewater revenues, total operating revenues, and operating expenses. She reviewed debt service, contributions from customers, capital expenditures, and debt service coverage. Ms. Navarrete noted that this year's water billed versus last year's water billed is much lower, which has resulted in decreased water revenue.

On a motion made by Mr. Guerra, seconded by Ms. Teran, and unanimously carried, the Board approved the Financial and Performance Measures Report for Third Quarter ending November 30, 2006. A copy of the presentation is on file in Central Files.

APPROVED THE INVESTMENT REPORT FOR THIRD QUARTER ENDING NOVEMBER 30, 2006.

Ms. Navarrete provided a summary of the Investment Report for the third quarter. She reviewed the market