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

DEPARTMENT: **General Services – Fleet Division**

AGENDA DATE: **12/1/09**

CONTACT PERSON NAME AND PHONE NUMBER: **Stuart Ed, Director, General Service, (915) 621-6822**
Terrence Freiburg, Purchasing Manager (915) 541-4313

DISTRICT(S) AFFECTED: A11

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.

Approve purchase order to Sierra Machinery for the purchase of six (6) each L60F Volvo wheel loaders through the General Services Department, Fleet Division. Total expenditures are $596,158.00.

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 city is currently in the process of replacing the old fleet through a Fleet Replacement Program. The program targets vehicles that have met their life expectancy and replaces them with new vehicles that operate more efficiently and at a lower cost to the city.

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

Yes.

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?

37150068 – 508055 – 27265 – PFLESVC01, General Services – Buses and Large Trucks
40499-34010289-508029-34000-PSWM0010, Environmental Services

BOARD / COMMISSION ACTION:
Enter appropriate comments or N/A

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

DEPARTMENT HEAD: _____

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

PROJECT FORM

DATE: November 20, 2009

PROJECT: Front Loaders
SOLICITATION NO: 2010-030
DEPARTMENT: General Services – Fleet Division
BUDGET NO: 37150068-508055-27265-PFLESVC01 General Services – Buses and Large Trucks
34010289-508029-40499-PSWM0010 Environmental Services
REPRESENTATIVE DISTRICT(S): All

****

RECOMMENDATION: Vendor: Sierra Machinery, Inc.
El Paso, Texas
Item: 1, O-1, O-2, and T-1 through T-5
Amount: $734,658.00
-$138,500.00 less Trade-In Allowance
$596,158.00 (for six Loaders)

General Services and Financial Services Departments recommend award to the Bidder offering the best value to the City.

This is a fixed-price, single (one-time) purchase type contract. All options and all five trade-ins are being taken. Vendor offers the City the option to purchase 100% of the original purchase at the same unit price if the option is exercised within 90 days from date of award of the contract. No prompt payment discount is offered.

This is a fixed-price, single (one-time) purchase.

BIDS SOLICITED- 5 (4 local)
BIDS RECEIVED- 6
"NO BID" RECEIVED 0

TOTAL RECOMMENDED AWARD: $596,158.00 for six Loaders
One-Time Purchase Amount

****

COUNCIL APPROVED ☑ REJECTED ☐ MUNICIPAL CLERK _____

****

APPROVED:

COUNCIL MEETING DATE: December 1, 2009

Terrence Freiburg
Purchasing Manager
Financial Services, Purchasing Division

cc: Bid File

Dedicated to Outstanding Customer Service for a Better Community

SERVICE SOLUTIONS SUCCESS

To: Terrence Freiburg, Purchasing Manager
From: Stuart Ed, General Services Director
Date: November 20, 2009
Re: Front Loader Purchase – Maintenance Cost / Price Analysis

---

This memo provides additional backup information regarding the purchase of the Front End Loaders currently scheduled for the agenda on the 1st of December. This purchase is for the Street and Enviromental Service Departments through General Services.

Below is a very brief cost-benefit analysis analyzing maintenance expenses on the existing loaders that will be replaced if council approves this item:

1. The proposed front end loaders to be replaced were originally purchased starting in 1995. Useful life for these vehicles is 10 years depending on the equipments' use. These machines currently service all areas of the City of El Paso to include the City's landfills.
2. Original cost of the proposed loaders for replacement was approximately $449,380. Total maintenance costs for these units have been $529,231 life-to-date which exceeds the original cost of the loaders.
3. The increasing age in service has proven to be detrimental in terms of availability and reliability. The vehicles are only available 62% of the time to the user due to unscheduled breakdowns. As the units age, breakdowns will become more frequent causing the user department inefficiencies and unexpected problems that will not allow for successful completion of tasks, duties and overall mission.
4. The price for a new replacement vehicle is $122,443 each. The total purchase price includes a full warranty for parts and service for the next 5 yrs or 6,000 hrs whichever occurs first. This essentially will provide a worry-free machine for the next 5 years and the city will not have to invest any additional funds apart from fuel and normal maintenance.
5. Fleet Services performed an analysis of the prices comparing the current price of the loaders against the Bureau of Labor Statistics, Consumer Price Index. It was determined that the prices were reasonable as the current price within a 1% price difference of the CPI.

Mayor
John F. Cook

City Council

District 1
Ann Morgan Lilly

District 2
Susannah M. Byrd

District 3
Emma Acosta

District 4
Carl Robinson

District 5
Rachel Quintana

District 6
Eddie Holguin Jr.

District 7
Steve Ortega

District 8
Beto O'Rourke

City Manager
Joyce A. Wilson

General Services Director
Stuart C. Ed

GENERAL SERVICES DEPARTMENT

1059 Lafayette Drive - El Paso, Texas 79907 - (915) 621-6822

COMMITTEE SCORE SHEET

SOLICITATION NO: 2010-030

SOLICITATION TITLE: FRONT LOADERS
GENERAL SERVICES - FLEET DIVISION

	NUECES FARM CENTER d/b/a NUECES POWER EQUIPMENT Vinton, TX	NUECES FARM CENTER d/b/a NUECES POWER EQUIPMENT (Alternate) Vinton, TX	ROAD MACHINERY, LLC El Paso, TX	SIERRA MACHINERY, INC. El Paso, TX	TOM GROWNEY EQUIPMENT, INC. El Paso, TX	WAGNER EQUIPMENT CO. El Paso, TX
Cost						
55 points	54.33	53.70	45.38	55.00	51.34	51.12
Base Price	$116,772	$115,948	$143,000	$119,119	$124,475	$121,900
O-1	$5,494	$5,750	$5,400	$2,792	$3,786	$7,400
O-2	$1,696	$3,700	INCLUDED	$532	$2,900	$2,440
Total Cost	$123,962	$125,398	$148,400	$122,443	$131,161	$131,740
Reputation and Quality of Bidder's Service						
40 points	27.94	27.94	28.67	28.20	19.67	28.75
Past Relationship/Performance with the City						
5 points	0.00	0.00	3.30	5.00	3.30	5.00
GRAND TOTAL 100 points	**82.27**	**81.64**	**77.35**	**88.20**	**74.31**	**84.87**

CITY OF EL PASO BID TABULATION

BID ITEM: FRONT LOADERS
BID DATE: OCTOBER 14, 2009

BID # 2010-030
DEPARTMENT: GENERAL SERVICES - FLEET

			NUECES FARM CENTER, INC. DBA NUECES POWER EQUIPMENT VINTON, TX	NUECES FARM CENTER, INC. DBA NUECES POWER EQUIPMENT VINTON, TX (ALTERNATE BID)	ROAD MACHINERY LLC EL PASO, TX	SIERRA MACHINERY, INC. EL PASO, TX
ITEM #	QTY.	DESCRIPTION OF ITEM	UNIT PRICE	UNIT PRICE	UNIT PRICE	UNIT PRICE
1.	6 EACH	FRONT LOADER	$116,772.00 EACH	$115,948.00 EACH	$143,000.00 EACH	$119,119.00 EACH
MANUFACTURER			CASE	KAWASAKI	KOMATSU	VOLVO
MODEL NUMBER			621 E XT	65 TMV-2	WA 250P2-6	L60F
ITEM #	OPTIONAL ITEMS DESCRIPTION		AMOUNT	AMOUNT	AMOUNT	AMOUNT
O-1	60" FORKLIFT		$5,494.00 EACH	$5,750.00 EACH	$5,400.00 EACH	$2,792.00 EACH
O-2	AIR RIDE SUSPENSION		$1,696.00 EACH	$3,700.00 EACH	INCLUDED EACH	$532.00 EACH
ITEM #	TRADE-IN ALLOWANCE DESCRIPTION		TRADE-IN AMOUNT	TRADE-IN AMOUNT	TRADE-IN AMOUNT	TRADE-IN AMOUNT
T-1	2000 VOLVO L70 WITH 10131 HOURS - VIN # L70CV16385		$18,500.00	$18,500.00	$15,000.00	$33,000.00
T-2	2000 VOLVO L70 WITH 8636 HOURS - VIN # L70CV16386		$18,500.00	$18,500.00	$15,000.00	$33,000.00
T-3	1998 JOHN DEERE 544H WITH 8792 HOURS - VIN # DW544HX569735		$17,500.00	$17,500.00	$20,000.00	$28,000.00
T-4	1998 JOHN DEERE 544H WITH 9225 HOURS - VIN # DW544HX569737		$17,500.00	$17,500.00	$20,000.00	$26,500.00
T-5	1995 JOHN DEERE 4302 WITH 7017 HOURS - VIN # DW544GB551750		$15,000.00	$15,000.00	$17,000.00	$18,000.00

NOTE: THIS IS A BEST VALUE PROCUREMENT. OTHER FACTORS BESIDES PRICES WILL BE CONSIDERED.

APPROVED BY: Edward Hyatt

DATE: 10/22/09

CITY OF EL PASO BID TABULATION

BID ITEM: FRONT LOADERS
BID DATE: OCTOBER 14, 2009

BID # 2010-030
DEPARTMENT: GENERAL SERVICES - FLEET

	NUECES FARM CENTER, INC. DBA NUECES POWER EQUIPMENT VINTON, TX	NUECES FARM CENTER, INC. DBA NUECES POWER EQUIPMENT VINTON, TX (ALTERNATE BID)	ROAD MACHINERY LLC EL PASO, TX	SIERRA MACHINERY, INC. EL PASO, TX
THE CITY AT ITS SOLE DISCRETION, MAY OPTION TO PURCHASING AN ADDITIONAL QUANTITY OF ITEMS BY GIVING THE CONTRACTOR WRITTEN NOTICE WITHIN THE TIME PERIOD NOTED ON THE SELECTED OPTIONS BIDDER OFFERS THE CITY THE OPTION OF PURCHASING ONE HUNDRED PERCENT (100%) OF THE ORIGINAL CONTRACT QUANTITIES, AT THE SAME UNIT PRICE, IF THE OPTION IS EXERCISED WITHIN:				
A. SIXTY (60) DAYS FROM THE DATE OF AWARD OF THE CONTRACT.	YES [X] NO [ ]	YES [X] NO [ ]	YES [X] NO [ ]	YES [X] NO [ ]
B. NINETY (90) DAYS FROM THE DATE OF AWARD OF THE CONTRACT.	YES [X] NO [ ]	YES [X] NO [ ]	YES [ ] NO [ ]	YES [X] NO [ ]
C. ONE HUNDRED AND EIGHTY (180) DAYS FROM DATE OF AWARD OF THE CONTRACT.	YES [ ] NO [X]	YES [ ] NO [X]	YES [ ] NO [ ]	YES [ ] NO [X]
D. NO OPTION OFFERED.	[ ]	[ ]	[ ]	[ ]
PAYMENT TERMS:	NET - 30 DAYS	NET - 30 DAYS	NET - 30 DAYS	NET - 30 DAYS
BIDDER AGREES TO ACCEPT PAYMENT BY PROCUREMENT CARD:	YES [X] NO [ ]	YES [X] NO [ ]	YES [ ] NO [X]	YES [ ] NO [X]
BIDDER'S PROMISED DELIVERY: Within ___ consecutive calendar days	120	120	120	110

IF THE BIDDER DOES NOT SPECIFY AN EARLIER DELIVERY, THE CITY'S REQUIRED DELIVERY SHALL PREVAIL. A DELIVERY DATE LATER THAN THE CITY'S REQUIRED DELIVER MAY BE CAUSE FOR THE REJECTION OF THE OFFER.

NOTE: THIS IS A BEST VALUE PROCUREMENT. OTHER FACTORS BESIDES PRICE WILL BE CONSIDERED.

APPROVED BY: Edward Hatt

DATE: 10/22/09

CITY OF EL PASO BID TABULATION

BID ITEM: FRONT LOADERS
BID DATE: OCTOBER 14, 2009

BID # 2010-030
DEPARTMENT: GENERAL SERVICES - FLEET

			TOM GROWNEY EQUIPMENT, INC. EL PASO, TX	WAGNER EQUIPMENT CO. EL PASO, TX		
ITEM #	QTY.	DESCRIPTION OF ITEM	UNIT PRICE	UNIT PRICE		
1.	6 EACH	FRONT LOADER	$124,475.00 EACH	$121,900.00 EACH		
MANUFACTURER			JOHN DEERE	CATERPILLAR		
MODEL NUMBER			524K	928HZ		
ITEM #	OPTIONAL ITEMS DESCRIPTION		AMOUNT	AMOUNT		
O-1	60" FORKLIFT		$3,786.00 EACH	$7,400.00 EACH		
O-2	AIR RIDE SUSPENSION		$2,900.00 EACH	$2,440.00 EACH		
ITEM #	TRADE-IN ALLOWANCE DESCRIPTION		TRADE-IN AMOUNT	TRADE-IN AMOUNT		
T-1	2000 VOLVO L70 WITH 10131 HOURS - VIN # L70CV16385		$26,500.00	$25,300.00		
T-2	2000 VOLVO L70 WITH 8636 HOURS - VIN # L70CV16386		$29,500.00	$27,500.00		
T-3	1998 JOHN DEERE 544H WITH 8792 HOURS - VIN # DW544HX569735		$28,500.00	$33,000.00		
T-4	1998 JOHN DEERE 544H WITH 9225 HOURS - VIN # DW544HX569737		$27,500.00	$33,000.00		
T-5	1995 JOHN DEERE 4302 WITH 7017 HOURS - VIN # DW544GB551750		$24,200.00	$19,800.00		

NOTE: THIS IS A BEST VALUE PROCUREMENT. OTHER FACTORS BESIDES PRICES WILL BE CONSIDERED.

APPROVED BY: Edward Hyatt

DATE: 10/22/09

CITY OF EL PASO BID TABULATION

BID ITEM: FRONT LOADERS
BID DATE: OCTOBER 14, 2009

BID # 2010-030
DEPARTMENT: GENERAL SERVICES - FLEET

	TOM GROWNEY EQUIPMENT, INC. EL PASO, TX	WAGNER EQUIPMENT CO. EL PASO, TX		
THE CITY AT ITS SOLE DISCRETION, MAY OPTION TO PURCHASING AN ADDITIONAL QUANTITY OF ITEMS BY GIVING THE CONTRACTOR WRITTEN NOTICE WITHIN THE TIME PERIOD NOTED ON THE SELECTED OPTIONS BIDDER OFFERS THE CITY THE OPTION OF PURCHASING ONE HUNDRED PERCENT (100%) OF THE ORIGINAL CONTRACT QUANTITIES, AT THE SAME UNIT PRICE, IF THE OPTION IS EXERCISED WITHIN:				
A. SIXTY (60) DAYS FROM THE DATE OF AWARD OF THE CONTRACT.	YES ☐ NO ☐	YES ☒ NO ☐		
B. NINETY (90) DAYS FROM THE DATE OF AWARD OF THE CONTRACT.	YES ☐ NO ☐	YES ☐ NO ☒		
C. ONE HUNDRED AND EIGHTY (180) DAYS FROM DATE OF AWARD OF THE CONTRACT.	YES ☒ NO ☐	YES ☐ NO ☒		
D. NO OPTION OFFERED.	☐	☐		
PAYMENT TERMS:	NET - 30 DAYS	NET - 30 DAYS		
BIDDER AGREES TO ACCEPT PAYMENT BY PROCUREMENT CARD:	NONE STATED	YES ☒ NO ☐		
BIDDER'S PROMISED DELIVERY: Within ___ consecutive calendar days	90	120		

IF THE BIDDER DOES NOT SPECIFY AN EARLIER DELIVERY, THE CITY'S REQUIRED DELIVERY SHALL PREVAIL. A DELIVERY DATE LATER THAN THE CITY'S REQUIRED DELIVER MAY BE CAUSE FOR THE REJECTION OF THE OFFER.

BIDS SOLICITED: 5 BIDS RECEIVED: 6 BIDS LOCAL: 4 NO BID: 0

NOTE: THIS IS A BEST VALUE PROCUREMENT. OTHER FACTORS BESIDES PRICE WILL BE CONSIDERED.

APPROVED BY: Edward Hyatt

DATE: 10/22/09

Wagner Equipment Co.
Attn: Jason Bowles
10501 Dyer St.
El Paso, TX 79924

Tom Growney Equipment, Inc.
Attn: Alberto Hernandez
PO Box 371070
11323 Rojas Rd.
El Paso, TX 79937

Nueces Power Equipment
Attn: Frank Rivera
PO Box 2682
Anthony, NM 88021

Road Machinery
Attn: Gabe Mendivil
1181 Burgundy Dr.
El Paso, TX 79927

Sierra Machinery
Attn: Robert Wrinkle
939 Hawkins Blvd.
El Paso, TX 79915