

City of Seguin
Finance Department
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Memorandum

Date: November 3, 2015

To: Mayor and City Councilmembers
Douglas Faseler, City Manager

From: Twila Wood
Purchasing Manager

Subject: Purchase of 1 ½ Ton Truck

The City's 2014-2015 Budget provided a budget of \$55,000 for the purchase of a 1 ½ ton flat-bed crew cab pick-up truck for Public Works. Bids were solicited and the purchase of a Ford F450 was approved by City Council on November 18, 2014 in the amount of \$53,934.52. The original specifications included a goose-neck hitch on a 10 ft (approx.) bed and a 2-ton capacity hide-a-way lift gate. The awarded vendor indicated they could include the requested equipment on a truck with 11'4 flat-bed, which would have worked with the City's goose-neck trailer(s). Despite several attempts at altering the vehicle to meet the original specification, upon final delivery, the bed length exceeded 13' prohibiting the use of the City's existing trailers. Additionally, the truck also included an unprotected plastic fuel tank on the flat-bed behind the cab which was deemed unfit for the City's purposes. The truck was rejected in August 2015.

Bids were solicited a second time in September 2015. The revised specifications eliminated the lift gate, but continued to require a towing package with goose-neck hitch, stake sides, tool boxes, and a spare tire holder. Three bids were received as follow:

Freedom Dodge, Dallas, TX	2016 Ram 4500	\$46,550.00
Grande Truck Center, San Antonio, TX	2016 Ford F450, Ranch Hand Body	\$57,568.10
Grande Truck Center, San Antonio, TX	2016 Ford F450, Axton Body	\$59,231.10

The 2016 Ram 4500 bid of \$46,550 by Freedom Dodge did not include the driver side tool boxes, passenger side spare tire carrier, gooseneck or class IV Hitch with bumper and 7 pin harness, nor the stake sides rendering it unacceptable. During discussions with Freedom Dodge regarding the City's specifications and their bidding error, they indicated that they could provide a truck built with the desired equipment utilizing their H-GAC contract. Because their original bid did not meet specifications so it could not be accepted and the other bids were over-budget, Freedom Dodge was encouraged to provide an H-GAC quote for comparison.

Freedom Dodge provided the quote for a 2016 Dodge 4500 flat-bed crew cab equipped to meet the City's requirements based on their Houston-Galveston Area Council (HGAC) contract in the amount of \$55,987. The H-GAC is a regional council of governments that award all contracts for goods and services in compliance with state bidding requirements.

The H-GAC contracted price is the lowest for equipment that meets the City needs and funding is available in the Capital Equipment budget. Staff recommends rejecting all three bids from the bidding process in September along with acceptance and approval of the HGAC quote.