

City of Santa Fe, New Mexico

memo

Date: May 9, 2022

To: Fran Dunaway, Chief Procurement Officer

Via: Shannon Jones, Public Utilities Department Director


SJ

Shirlene Sitton, Environmental Services Division Director

SS
SS

From: Lawrence Garcia, ESD Maintenance Manager

LG
LG

Subject: Exemption Determination Request, 13-1-127 (Emergency)

Public Utilities Department respectfully request exempt determination to be approved by the City's Chief Procurement Officer (CPO), Fran Dunaway, for the following scope of work (SOW):

Request for approval of the Purchase of Three Automated Side Load Collection Vehicles in the Total Amount of \$1,115,456.94 for Residential Recycling and Waste Collection Services; from MCT Industries Via AMREP INC.

MCT Industries is a certified AMREP dealer, AMREP Inc. which is a Garbage Truck Body Manufacture which anticipated the shortages of Cab & Chassis, and purchased 36 Cab & Chassis from Autocar and Mack Trucks in 2021. AMREP Inc. has retrofitted the Cab & Chassis with solid waste collection bodies. **These truck were not purchased via a cooperative purchase agreement, or competitively bided.**

Public Utilities Department/Environmental Services Division (ESD) provides solid waste and recycling collections to both commercial and residents within the incorporated area of the City of Santa Fe. Current build time for this type of collection vehicles is 480 days, and is increasing daily.

The delay of the purchase of these collection vehicles will result in no availability for over eighteen months, and will impact the solid waste and recycling collection requirements.

ESD is currently utilizing vehicles which have been slated for replacement or have been replaced but not auctioned. The cost to keep these older trucks operational is expensive and parts are difficult to obtain and sometimes unavailable. The third party contractors ESD utilize for repairs are seeing the same problems, with increased repair time, and vendor are having trouble obtaining parts, and maintaining qualified mechanic for coverage. Sometime these truck are down for up to

six months or the determination is costly and not feasible repair them based on condition and age of equipment.

City of Santa Fe follows the New Mexico State Procurement Code (NMPC) & City of Santa Fe Procurement Manual (COSPM).

NMPC, NMSA, 1978 13-1-127 & COSPM, Item XII Emergency Procurement

**§ 13-1-127 NMPC/ XII COSPM
Provide language of exemption cited**

Control a serious threat to public health, welfare, safety based on equipment failure.

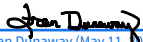
Plan for such reasons required procurement under emergency conditions.

Cannot be acquired through normal procurement methods, as build time for this equipment is over 480 days after procurement method.

Amount: \$1,115,456.94

Term: One time purchase

Approved Exemption


Fran Dunaway (May 11, 2022 16:41 MDT)

Fran Dunaway, Chief Procurement Officer

Cc Governing Body Request Packet



STATE OF NEW MEXICO EMERGENCY DETERMINATION FORM

The emergency procurement method (NMSA 1978, Section 13-1-127) may only be used for an emergency procurement when the service, construction or item of tangible personal property procured is needed immediately to:

- control a serious threat to public health, welfare, safety or property caused by a flood, fire, epidemic, riot, act of terrorism, equipment failure or similar event; or
- plan or prepare for the response to a serious threat to public health, welfare, safety or property caused by a flood, fire, epidemic, riot, act of terrorism, equipment failure or similar event; and

the goods or services cannot be acquired through normal procurement methods.

Keep in mind that the state purchasing agent or a central purchasing office in making an emergency procurement, shall:

- employ a competitive process to the extent practicable under the circumstances; and
- use due diligence in determining the basis for the procurement and in selecting a contractor; and
- shall not make an emergency procurement for the purchase or lease of heavy road equipment.

The state purchasing agent or a central purchasing office that makes an emergency procurement shall outline its determination of the basis for the procurement and its selection of the contractor in writing and include the writing in the procurement file. (That writing can be made on this form.)

Promptly thereafter:

- the state purchasing agent shall post notice of the procurement on its website; or
- the central purchasing office shall post notice of the procurement on its website, if it maintains one, and shall transmit the notice to the state purchasing agent for posting on the state purchasing agent's website.

NOTE: the state purchasing agent or a central purchasing office that makes an emergency procurement to plan or prepare for the response to a serious threat to public health, welfare, safety or property caused by a flood, fire, epidemic, riot, act of terrorism, equipment failure or similar event shall account for the money spent in making the procurement and report on that accounting to the legislative finance committee and the department of finance and administration within sixty days after the end of the fiscal year in which the procurement was made.

I. Name of Agency: **City of Santa Fe**

City of SF Chief Procurement Officer: **Fran Dunaway, CPO**

Telephone Number: **(505) 955-6432**

II. Name of Contractor:

MCT Industries

Address of Contractor:

**7451 Pan American Freeway NE
Albuquerque, NM 87109**

**Amount of prospective contract:
\$1,115,456.94**

**Term of prospective contract:
One Time Purchase**

III. Please thoroughly list the services (scope of work), construction or items of tangible personal property of the contract:

The purchase of three Automated Side Load Collection Vehicles.

IV. Provide an explanation for the justification of the procurement including a description of the emergency condition(s) requiring use of emergency procurement and the practicable competition utilized in compliance with NMSA 1978, Section 13-1-127.

By State Regulations the City of Santa Fe/Environmental Services Division (ESD) is required to provide means for the collection of Solid Waste within the incorporated City Limits. There is limited truck availability within the industry, thus making truck delivery times between eighteen months and two years. Within the last three years ESD has purchased less vehicles, due to the Pandemic, and currently is short collection vehicles to provide the required collection services.

The purchase of these vehicles will minimize the serious threat to public health, welfare, safety, and provide relief for equipment shortage.


V. Please describe what measures are being taken to minimize the duration and effect of this particular emergency procurement (for example: is the emergency only in place until a competitive process can be completed, etc.).

Currently the availability of collection vehicles continues to be uncertain, ESD will make every attempt to follow a competitive process when feasible.

VI. Describe what measures the Agency will take in the future to prevent/mitigate use of an emergency procurement under similar circumstances.

ESD will expedite the competitive process for the purchase of vehicles in FY23.

Certified by:



Fran Dunaway (May 11, 2022 16:41 MDT)

City Chief Procurement Officer, Fran Dunaway

May 11, 2022

Date

City Approval by:

City Manager, John Blair

Date

Chief Financial Officer, Mary McCoy

Date

Note: All emergencies must be posted to the SPD website:

https://www.santaenm.gov/bids_rfps/emergency



City of Santa Fe, New Mexico

Memorandum



DATE: May 9, 2022

TO: Governing Body

VIA: John Blair, City Manager
 Mary McCoy, Finance Department Director
 Fran Dunaway, Chief Procurement Officer
 Shannon Jones, Public Utilities Director
 Shirlene Sitton, Environmental Services Division Director

FROM: Lawrence Garcia, ESD Maintenance Manager

AS
SJ

SS
SS

LG
LG

ITEM AND ISSUE:

Request for Approval of the Purchase of Three Automated Side Load Collection Vehicles under emergency procurement in the Total Amount of \$1,115,456.94 from Environmental Services Division Fund 510 cash balance, for Residential Recycling and Waste Collection Services; from MCT Industries Via AMREP INC.;

Request for Approval of a budget increase in the amount of \$1,115,456.94; Lawrence Garcia, ESD Maintenance Manager, 505-955-2241 (imgarcia@santafenm.gov)

EMERGENCY PURCHASE:

This purchase is deemed as an emergency purchase and will not be heard by either Public Works/Public Utilities Committee, or Finance Committee.

BACKGROUND AND SUMMARY:

The life expectancy of solid waste vehicles is 7-10 years, as they are on the road every day for roughly eight hours; and they have a variety of hydraulic and mechanical systems that are constantly in use. ESD has a truck replacement schedule that targets about six vehicles per year, depending on condition of the trucks. In FY20, ESD had budgeted \$1,879,960 for the purchase five large collection vehicles, however, due to the Pandemic, ESD did not purchase any vehicles that year.

In FY21 ESD replaced only three collection vehicles and requested to add one collection vehicle to our fleet. The vehicles had a build schedule of two hundred forty days, but the delivery was made after three hundred and sixty days due to component availability. The total cost of this purchase was \$1,526,859.

In FY22 inflation has caused significant increases in the price of steel, and the truck costs increased from \$367,398 per residential ASL vehicle in FY 21 to \$439,670- a difference of \$72,272 per vehicle. The build time has increased as well, rising to 320 days from receipt of a purchase order. ESD has purchased two ASL vehicles in FY22, at a total cost of \$879,068. ESD is hopeful to receive these vehicles by **June 30, 2023**.

At this point, we are falling well behind in truck replacements, but ESD has an opportunity to purchase three built ASL vehicles and take possession within a few weeks. MCT Industries anticipated the shortages of Cab & Chassis, and purchased thirty-six Cab & Chassis from Autocar and Mack Trucks in 2021. MCT worked with AMREP Inc., a garbage truck body manufacturer, to mount the Cab & Chassis with solid waste collection bodies. AMREP Inc. currently has three new 2022 Autocar Automated Side Loaders which they have agreed to hold for the City of Santa Fe/Environmental Services Division until the May 25, 2022. The proposed collection units are the same type of collection unit which are being purchased in FY 22 by ESD. The collection vehicles meet ESD required specification, with exception of fuel type, these trucks are diesel

powered vehicles. These collection vehicles can be delivered this August, within FY23. Based on pricing from FY22, the proposed truck costs \$67,851 less per vehicle than those purchased in FY22. These trucks were not purchased via a cooperative purchase agreement, or competitively bid. However, they are the only opportunity to purchase solid waste collection vehicles and have them delivered within a year.

ESD is currently utilizing vehicles which have been slated for replacement or have been replaced but not auctioned. The cost to keep these older trucks operational is expensive, and parts are difficult to obtain or unavailable. When trucks are repaired by third party contractors, ESD is seeing extended service completion times. All contractors/vendors are having trouble obtaining parts, and maintaining qualified mechanics for coverage. Sometime these truck are down as much as six months.

The proposed collection vehicles are replacements of the following assets:

New Vehicle	Replacement / Addition	Replacement Unit	Purchase Cost
AutoCar ACX64 Diesel Auto Side Loader	Replacement	Asset #29816-a 2009 Amrep ASL	\$371,818.98
AutoCar ACX64 Diesel Auto Side Loader	Replacement	Asset #54543-a 2011 Amrep ASL	\$371,818.98
AutoCar ACX64 Diesel Auto Side Loader	Replacement	Asset #55928-a 2017 McNeilus Auto Side Loader	\$371,818.98
Total Amount			\$1,115,456.94

Both AutoCars are ten years old, and are difficult to keep operational. The Peterbuilt was involved in a roll-over and is not scheduled for repair, as we do not anticipate it will be fully functional again.

PROCUREMENT METHOD:

Emergency Procurement Attached:

- Emergency procurement form approved by the Department Director
- Chief Procurement Officer determination of the Emergency Procurement

FUNDING SOURCE:

The purchase is proposed to be paid from ESD cash balance, and ESD will reduce the purchase of three Automated Collection Vehicles within FY23.

Fund Name/Number: Environmental Services Division Enterprise Fund/510

Munis Org Name/Number: Residential Recycling/5100334 and Residential Collections/5100335

Munis Object Name/Number: Vehicles >1.5 /57100

ACTION REQUESTED:

Environmental Services respectfully requests your review and approval these trucks are needed to manage the collection requirements for safe collection operations.

Attached Emergency Procurement Packet

Log # (Finance use <u>only</u>):	
Batch # (Finance use <u>only</u>):	

City of Santa Fe, New Mexico BUDGET AMENDMENT RESOLUTION (BAR)

DEPARTMENT / DIVISION NAME					DATE	
Public Utilities / Environmental Services Division					4/25/2022	
ITEM DESCRIPTION	ORG	OBJECT	PROJECT	INCREASE	DECREASE	
EXPENDITURES				{enter as <u>positive</u> #}	{enter as <u>negative</u> #}	
Vehicles > 1.5	5100334	571000		371,819		
Vehicles > 1.5	5100335	571000		743,638		
JUSTIFICATION: (use additional page if needed) -Attach supporting documentation/memo				\$ 1,115,457	\$ -	

Budget increase from fund 510 cash balance; Environmental Services Division Enterprise Fund.
Please see attached memo for justification.

<i>{Complete section below if BAR results in a net change to ANY Fund}</i>	
Fund(s) Affected	Fund Balance Increase/(Decrease)
510 Cash Balance	(1,115,457)
TOTAL:	(1,115,457)

{Use this form for Finance Committee/ City Council agenda items ONLY}

CITY COUNCIL APPROVAL

City Council Approval Date:

Agenda Item #:

Lawrence Garcia LG 1/27/2022
Prepared By (print name) Date

Shirlene Sitton
Shirlene Sitton (Apr 29, 2022 11:30 MDT)
Division Director Signature (optional) Date

Shannon Jones
Shannon Jones (Apr 29, 2022 14:53 MDT)
Department Director Signature Date

Andy Hopkins
Andy Hopkins (Apr 29, 2022 15:02 MDT)
Budget Officer Date

Finance Director { ≤ \$5,000 } Date

City Manager { ≤ \$60,000 } Date



MCT, Inc.

7451 Pan American Freeway NE
Albuquerque, NM 87109

Phone (505) 345-8651
Fax (505) 345-2587
E-Mail mctindustries@mct-ind.com

Sales Quote
24261
Quoted 2/7/2022

Bill To

CITY OF SANTA FE
P.O. BOX 909
SANTA FE, NEW MEXICO 87504-0909

Ship To

P.O. BOX 909
SANTA FE, NEW MEXICO

Contact

LAWRENCE GARCIA

Purchase Order	Ship Via	FOB	Reference	Entered By	Sales rep	Terms
				TMM 2/7/2022	FM	Net 30

Product	Description	Ordered	Price	Amount
AMREP SIDELOADER		3.00	371,818.98	\$1,115,456.94

FOB - ALBUQ. NM MCT INC.

MCT TO PURCHASE CAMERAS, AMREP TO
INSTALL
CART AUTOLUBE

DELIVERY : JULY 2022 CURRENTLY IN
STOCK (UPON AVAILABILITY)

Furnish and Install: One (1) Amrep Hardox Automated Side Loader Full Push Out AMHASLTPC-19 on Your 3-Axis Cab & Chassis
 See Standard Specification Sheet - 19' Elliptical Body Style - 36 Cubic Yard Capacity, Full Push-Out Ejection, PTO and Pump
 Body Material:
 Hopper Sides: 4mm Hardox AR450, 175,000 PSI Steel
 Body Lower 1/8" Hardox AR450, 175,000 PSI Steel Wear Plates 3/16" Hardox AR450, 175,000 PSI Steel
 Body Upper 1/8" Hardox AR450, 175,000 PSI Steel
 Packer: Dual Blade Packer System, Low Packer Blade and Follower
 Lighting: Amber Beacon, Low on Rear Door, Packer Light
 PTO: Transmission Mounted PTO and Gear Pump
 Clamp: 30-80-80 Gallon Container Capacity
 Controls: Single JoyStick in Cab RH Side, Rocker Switch Controls RH Driver Door
 Paint: Single Color - Body to Match Cab, Unless Otherwise Noted Color Code: Default
 Additional Items: Broom & Shovel Mounted on Body Shell, Fire Extinguisher 20lb on Tandem Fender
 Camera(s): Rear Camera Bracket "Only"
 Body Service Hoist
 Warranty: 1 Year Manufacturers Defect

Warranty: Standard 12 Month Warranty on Workmanship and Materials (More Warranty Options Below)
 5 Year main structure of the fill mechanism included excluding cart, rollers, cylinders, chain & decel valve

Notice: Chassis Must Be Received with Back-Up Alarm and Proper Wheelbase with Clear CT (Cab to center of Tandem)
 Truck OEM/Dealer Responsible for Programming and Connecting Electrical Throttle Operation (1,500 RPM)

OPTIONS
 Base Price for Autocar ACX RHD 9 Liter Cummins Chassis & Amrep ASL Body
 Tool Box, Steel Frame Mount 39"
 Hydraulic Hopper Cover
 Peterson 4 Light Straps Package, 4 Cameras

Sub-total \$1,115,456.94

Quote Good for 30 Days Total \$1,115,456.94



CITY OF SANTA FE PROCUREMENT CHECKLIST

Contractor Name: MCT Industries

Procurement Title: Emergency

Procurement Method: State Price Agreement Cooperative Sole Source Other

Exempt Request For Proposal (RFP) Invitation To Bid (ITB) Contract under 60K Contract over 60K

Department Requesting Public Utilities Staff Name Lawrence Garcia

Procurement Requirements:

A procurement file shall be maintained for all contracts, regardless of the method of procurement. The procurement file shall contain the basis on which the award is made, all submitted bids, all evaluation materials, score sheets, quotations and all other documentation related to or prepared in conjunction with evaluation, negotiation, and the award process. The procurement shall contain a written determination from the Requesting Department, signed by the purchasing officer, setting forth the reasoning for the contract award decision before submitting to the Committees.

REQUIRED DOCUMENTS FOR APPROVAL BY PURCHASING*

YES N/A

- Approved Procurement Checklist (by Purchasing)
- Memo addressed to City Manager (under 60K) Committees/City Council (over 60K)
- State Price Agreement
- RFP
- Evaluation Committee Report
- ITB
- Bib Tab
- Quotes (3 valid current quotes)
- Cooperative Agreement
- Sole Source Request and Determination Form
- Contractors Exempt Letter
- Purchasing Officers approval for exempt procurement
- BAR
- FIR
- Executed Contract, Agreement or Amendment
- Current Business Registration and CRS numbers on contract or agreement
- Summary of Contracts and Agreements form
- Certificate of Insurance
- All documentation presented to Committees
- Other: LG

Lawrence Garcia LG **Maintenance Manager** **5/9/2022**

Department Rep Printed Name (attesting that all information included) Title Date

Fran Donaway
Fran Donaway (May 11, 2022 16:41 MDT)

Purchasing Officer (attesting that all information is reviewed) Title Date

Include all other substantive documents and records of communication that pertain to the procurement and contract.



City of Santa Fe

Real Estate Summary of Contracts, Agreements, Amendments & Leases

Section to be completed by department

1. Munis Contract # N/A

Contractor: MCT,Industries

Description: Purchase of three Automated Side Loaders via Emergency Procurement

Contract Agreement Lease / Rent Amendment

Term Start Date: N/A Term End Date: N/A

Approved by Council Date: TBD

Contract / Lease: N/A

Amendment # N/A to the Original Contract / Lease # N/A

Increase/(Decrease) Amount \$ N/A

Extend Termination Date to: N/A

Approved by Council Date: TBD

Amendment is for:

2. **HISTORY of Contract, Amendments & Lease / Rent - Please Elaborate** (option: attach spreadsheet if multiple amendments)
N/A

3. Procurement History: N/A

Fran Dinaway (May 11, 2022 16:41 MDT)

Purchasing Officer Review:

May 11, 2022

Date:

Comment & Exceptions: _____

4. Funding Source: Fund 510 FY 2023 Operating Budget Org / Object: 5100334/5100335, 57100

Budget Officer Approval:

Date:

Comment & Exceptions: _____

Staff Contact who completed this form: Lawrence, Garcia Phone # 505-955-2241

Email: lmgarcia@santafenm.gov

To be recorded by City Clerk:

Clerk # _____

Date of Execution: _____

XI. Multi Source Awards

- A. The City may make a multiple source award when two or more Bidders or Offerors are necessary for adequate delivery or service. Multiple source awards shall not be made when a single award will meet the needs of the City without sacrifice of economy or service. Awards shall be limited to the least number of suppliers in one geographical area necessary to meet the requirements of the City. A multiple source award shall be based upon the lowest responsible bid or proposal received in each geographical area unless the award is made in response to a qualifications-based proposal.
- B. The Requesting Department shall make a request setting forth the reasons for a multiple source award and include the request with documentation for approval from the Central Purchasing Office.
- C. There are statutory limitations on permissible individual or cumulative multisource engineering and architecture contracts. If a Requesting Department seeks to use a multisource award for these services, it should consult with the Central Purchasing Office. See NMSA 1978, §13-1-154.1

XII. Emergency Procurement

- A. The Requesting Department shall complete the emergency procurement form which includes the approval by the department director.
- B. The Chief Procurement Officer shall make a determination for emergency procurements when the service, construction or item of tangible personal property procured:
 - 1. is needed immediately to:
 - a. control a serious threat to public health, welfare, safety or property caused by a flood, fire, epidemic, and riot, act of terrorism, equipment failure or similar event;
 - b. or to plan for such reasons requiring procurement under emergency conditions;
 - 2. cannot be acquired through normal procurement methods.
- C. Once the Chief Procurement Officer makes the authorization, the Requesting Department shall:
 - 1. employ a competitive process to the extent practicable under the circumstances; and
 - 2. use due diligence in determining the basis for the procurement and in selecting a contractor.
- D. A completed written determination of the basis for the emergency procurement and for the selection of the particular contractor or vendor approved by the

Central Purchasing Office, the City Attorney and the City Manager must be included in the procurement file.

The Department making a purchase shall also submit all information pertaining to the emergency procurement to the Central Purchasing Office, including any applicable quotes for pricing, qualifications, and invoicing, etc., for inclusion in the file.

- E. Emergency procurements shall not include the purchase or lease purchase of heavy road equipment.
- F. Approval Authorities: After the Requesting Department develops the request, the Finance Director and City Manager may approve up to the amount of the emergency procurement they are authorized by the Governing Body. Any amount exceeding the purchase amount permitted for the City Manager's approval must be approved by the Governing Body at next Governing Body meeting.
- G. After signatures have been obtained for approval of the emergency, the requesting Department will forward the emergency determination form along with the procurement method and contract if required to the Central Purchasing Office.
- H. Planning and Preparation for Emergency Response: Money expended pursuant to an emergency procurement for planning and preparing for emergency response shall be accounted for and reported to the Central Purchasing Office within 60 days after the end of each fiscal year.
- I. Procurements over \$20,000: Prior to approval, the Chief Procurement Officer shall use due diligence to confirm that the basis for and selection of a particular contractor meet the requirements for an emergency procurement.
- J. Retention of Records: The Central Purchasing Office shall maintain, for a minimum of three years, records of emergency procurements. The record of each such procurement shall be public record and shall contain:
 - 1. the contractor's name and address;
 - 2. the amount and term of the contract;
 - 3. a listing of the services, construction or items of tangible personal property procured under the contract; and
 - 4. the justification for the procurement method.
- G. Public Posting: Within three business days of awarding, the Central Purchasing Office shall post all emergency procurements publicly on the City of Santa Fe website and shall transmit the notice to the State Purchasing Agent for posting on the state Purchasing Agent's website. The posting of the notice shall not halt the procurement, but only serves as notice that the procurement was made under emergency conditions.

Signature: Lawrence Garcia
Lawrence Garcia (Apr 29, 2022 11:06 MDT)

Email: lmgarci@ci.santa-fe.nm.us