

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

AGENDA DATE: March 14, 2023
PUBLIC HEARING DATE: Not Applicable

CONTACT PERSON(S) NAME AND PHONE NUMBER:
Richard J. Bristol, Streets and Maintenance Director, (915) 212-7000
K. Nicole Cote, Managing Director, (915) 212-1082

DISTRICT(S) AFFECTED: All

STRATEGIC GOAL: No. 7 – Enhance and Maintain the City's Infrastructure Network

SUBGOAL: 7.2 - Improve competitiveness through infrastructure improvements impacting the quality of life

SUBJECT:

Discussion and action on the request that the Managing Director of Purchasing & Strategic Sourcing Department be authorized to issue Purchase Order(s) to Sierra Machinery, Inc., the sole and authorized distributor for the 2023-0157 Volvo, Gradall and Doosan Parts and Service, for a term of three (3) years for an estimated amount of \$720,000.00, with a stipulation that Sierra Machinery, Inc. provides an updated sole source letter and affidavit each year.

BACKGROUND / DISCUSSION:

This contract will allow for the parts and service of Volvo, Gradall and Doosan heavy equipment. Currently, there are twenty-three (23) Volvo manufactured equipment in inventory, ranging from bucket loaders, articulated haulers, front wheel loaders, forklifts and a water wagon. This contract will support repairs of all Streets operations equipment in order to complete maintain the City's streets, parks and landfill operations. The parts and service maintain all the forklifts in inventory.

SELECTION SUMMARY:

Pursuant to Local Government Code 252.022(7)(A) items that are available from only one source because of patents, copyrights, secret processes, or natural monopolies, procuring parts and service for Volvo, Gradall and Doosan parts and service where Sierra Machinery Inc. is the only authorized distributor for El Paso County.

CONTRACT VARIANCE:

The difference based in comparison to the previous contract is as follows: An increase of \$40,000.00 per year, which represents a 20% increase due to parts and service prices increasing.

PROTEST

N/A

PRIOR COUNCIL ACTION:

N/A

AMOUNT AND SOURCE OF FUNDING:

Amount: \$720,000.00

Funding Source: Internal Service Fund

Account: 532 – 3600 – 531210 – 37020 – P3701 (Parts)

532 – 3600 – 531250 – 37020 – P3701 (Service)

2023-0157 Volvo, Gradall and Doosan Parts and Service

Revised 2/23/2022-V2 – Previous Versions Obsolete

HAVE ALL AFFECTED DEPARTMENTS BEEN NOTIFIED? YES NO

PRIMARY DEPARTMENT: Streets and Maintenance

SECONDARY DEPARTMENT: Purchasing & Strategic Sourcing

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

DEPARTMENT HEAD:


Richard J. Bristol – Streets and Maintenance Director

**COUNCIL PROJECT FORM
(SOLE SOURCE)**

*******POSTING LANGUAGE BELOW*******

Please place the following item on the **REGULAR** agenda for the Council Meeting of **March 14, 2023**.

Strategic Goal 7: Enhance and Sustain El Paso’s Infrastructure Network

The linkage to the strategic plan is subsection 7.2 – Improve Competitiveness Through Infrastructure Improvements Impacting the Quality of Life.

Award Summary:

Discussion and action on the request that the Managing Director of Purchasing & Strategic Sourcing Department be authorized to issue Purchase Order(s) to Sierra Machinery, Inc., the sole and authorized distributor for the 2023-0157 Volvo, Gradall and Doosan Parts and Service, for a term of three (3) years for an estimated amount of \$720,000.00, with a stipulation that Sierra Machinery, Inc. provides an updated sole source letter and affidavit each year. This contract will allow for the maintenance of equipment used by the Environmental Services and Streets and Maintenance Departments.

Contract Variance:

The difference based in comparison to the previous contract is as follows: An increase of \$40,000.00 per year, which represents a 20% increase due to parts and service prices increasing.

Department:	Streets and Maintenance
Award To:	Sierra Machinery, Inc.
	El Paso, TX
Initial Term:	3 Years
Annual Estimated Amount:	\$240,000.00
Total Estimated Amount:	\$720,000.00
Account No.:	532 – 3600 – 531210 – 37020 – P3701 (Parts)
	532 – 3600 – 531250 – 37020 – P3701 (Service)
Funding Source:	Internal Service Fund
District(s):	All

This is a Sole Source contract in accordance with Texas Local Government Code 252.022(a)(7)(a).

The Purchasing & Strategic Sourcing and Streets and Maintenance Departments recommend award as indicated to Sierra Machinery, Inc., the sole and authorized distributor.

*******ADDITIONAL INFO BELOW*******

January 19, 2023
(717) 300-6075

Ms. Maria Teran
Sierra Machinery, Inc.
939 Hawkins Blvd.
El Paso, TX 79915

RE: Volvo Construction Equipment North America, LLC (“Volvo CE”)

Dear Ms. Teran:

Please be advised that Sierra Machinery, Inc. (“Sierra”) is currently the only authorized Volvo CE Dealer for General Purchase Equipment products in the following Counties of (i) New Mexico: Chaves, Dona Ana, Eddy, Grant, Hidalgo, Lincoln, Luna, Otero, Sierra and (ii) Texas: Brewster, Culberson, El Paso, Hudspeth, Jeff Davis, Pecos, Presidio, Reeves, and Terrell.

Sierra is currently the only authorized Volvo CE Dealer for Volvo CE road products in the following Counties of Texas: Brewster, Culberson, El Paso, Hudspeth, Jeff Davis, Presidio, and Terrell and the following counties of New Mexico: Chaves, Dona Ana, Eddy, Grant, Hidalgo, Lea, Lincoln, Luna, Otero and Sierra.

Thus, currently Sierra Machinery is currently the only authorized source of genuine Volvo CE parts and service for construction equipment in the above areas. Parts and services ordered from Sierra Machinery will provide warranty of the products.

Please feel free to call if you have any questions.

Sincerely,



Lisa C. Slocum
Manager – Legal Department



Doosan Infracore
Portable Power

1293 Glenway Dr.
Satesville, NC 28625

January 20, 2023

To whom it may concern:

Please be advised that Sierra Machinery, Inc., with locations in El Paso, TX and Artesia, NM is the authorized distributor for Doosan Portable Power products including air compressors, light towers and generators. As an authorized distributor, Sierra Machinery has responsibility for sales, service, parts, and warranty for these product line in select counties of west Texas and southern New Mexico.

Sincerely,

John Hargett
District Sales Manager
Doosan Portable Power



January 17, 2023

To Whom It May Concern:

This letter is to confirm that Sierra Machinery, Inc. is the Gradall Excavator distributor for the following territory:

In the State of Texas, the Counties of El Paso, Hudspeth, Culberson, Jeff Davis, Presidio, Brewster, Reeves, Pecos, and Terrell.

The State of New Mexico.

As a sole source provider of Gradall Industries LLC, Sierra Machinery, Inc. is responsible for all machine and parts sales, as well as service.

Thank you again for your time. If you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Jeremy Fisher".

Jeremy Fisher
Regional Sales Manager



PURCHASING & STRATEGIC SOURCING DEPARTMENT

SOLE SOURCE AFFIDAVIT

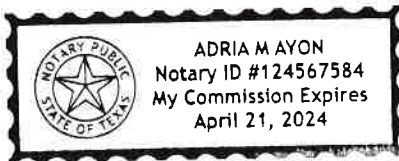
THIS IS AN OFFICIAL PURCHASING DOCUMENT-RETAIN WITH PURCHASE ORDER FILE

Before me, the undersigned official, on this day, personally appeared _____ a person known to me to be the person whose signature appears below, whom after being duly sworn upon his/her oath deposed and said:

1. My name is Maria F. Teran. I am over the age of 18, have never been of a convicted crime and am competent to make this affidavit.
2. I am an authorized representative of the following company or firm: Sierra Machinery, Inc.
3. The above named company or firm is the sole source for the following item(s), product(s) or service(s):
VOLVO, DOOSAN, and GRADALL
4. Competition in providing the above named item(s) product(s), service(s) is precluded by the existence of a patent, copyright, secret process or monopoly as stated under Section 252.022, Subchapter A of the Local Governmental Code 7A or as provided for under 7B-F of the same section. Also, attached hereto is a sole source letter, which sets forth the reasons why this Vendor is a sole source provider (dated and signed).
5. There is/are no other like item(s) or product(s) available for purchase that would serve the same purpose or function.
6. **Note: This Vendor understands that by providing false information on this Sole Source Affidavit, it may be considered a non-responsible Vendor on this and future purchases and may result in discontinuation of any/all business with the City of El Paso.**

Signature

SUBSCRIBED AND SWORN to before me on this 23rd day of JANUARY, 2023



NOTARY PUBLIC

Adria M. Ayon
PRINTED NAME

APRIL 21, 2024
MY COMMISSION EXPIRES

COMPANY NAME: Sierra Machinery, Inc.

ADDRESS, CITY, STATE & ZIP CODE: 939 Hawkins Blvd., El Paso, Texas 79915

PHONE: 915-772-0613 FAX NUMBER: 915-779-6086

CONTACT NAME AND TITLE: Maria F. Teran - President / CEO

WEB ADDRESS: www.sierraelpaso.com EMAIL: magia@sierraelpaso.com

FEDERAL TAX ID NUMBER: 74-2160500 TEXAS SALES TAX NUMBER: 1-742160500