

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

AGENDA DATE: August 29, 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) 212-1092

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 Wagner Equipment Co dba Wagner Rents Inc, Wagner Power Systems, 2nd Steel Used Parts, SITECH Rocky Mountain, the sole and authorized distributor for the 2023-0411 Caterpillar Proprietary Parts and Service, for a term of three (3) years for an estimated amount of \$4,500,000.00, with a stipulation that Wagner Equipment Co. provides an updated sole source letter and affidavit each year.

BACKGROUND / DISCUSSION:

This contract will allow for the purchase of all parts and service that is necessary for the maintenance and/or repairs of Caterpillar equipment owned by the City. The equipment is primarily used at the landfill by Environmental Services and is serviced by the Streets and Maintenance Department through the Fleet Maintenance Division.

SELECTION SUMMARY:

General Exemption under Texas Local Government Code Section 252.022 Part 7 (A) items that are available from only one source because of patents, copyrights, secret processes, or natural monopolies. Wagner Equipment Co.. is the sole authorized distributor of Caterpillar proprietary parts and service necessary to ensure compliance with original manufacturer standards.

CONTRACT VARIANCE:

The difference based in comparison to the previous contract is as follows: An increase of \$3,450,000.00 for the three (3) year term, which represents a 328.57% increase due to increased parts and services prices and number of repairs needed.

PROTEST

N/A

PRIOR COUNCIL ACTION:

N/A

AMOUNT AND SOURCE OF FUNDING:

Amount: \$4,500,000.00

Funding Source: Internal Service Fund

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

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

2023-0411 Caterpillar Proprietary Parts and Service

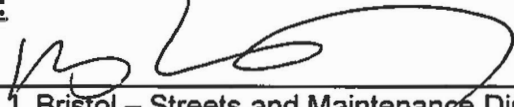
HAVE ALL AFFECTED DEPARTMENTS BEEN NOTIFIED? YES NO

PRIMARY DEPARTMENT: Streets and Maintenance

SECONDARY DEPARTMENT: Purchasing & Strategic Sourcing

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

DEPARTMENT HEAD:



8-11-23

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 **August 29, 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 Wagner Equipment Co dba Wagner Rents Inc, Wagner Power Systems, 2nd Steel Used Parts, SITECH Rocky Mountain, the sole and authorized distributor for the 2023-0411 Caterpillar Proprietary Parts and Service, for a term of three (3) years for an estimated amount of \$4,500,000.00, with a stipulation that Wagner Equipment Co. provides an updated sole source letter and affidavit each year. This contract will allow for the purchase of all parts and service that is necessary for the maintenance and/or repairs of Caterpillar equipment owned by the City. The equipment is primarily used at the landfill by Environmental Services and is serviced by the Streets and Maintenance Department through the Fleet Maintenance Division.

Contract Variance:

The difference based in comparison to the previous contract is as follows: An increase of \$3,450,000.00 for the three (3) year term, which represents a 328.57% increase due to increased parts and services prices and number of repairs needed.

Department:	Streets and Maintenance
Award To:	Wagner Equipment Co dba Wagner Rents Inc, Wagner Power Systems, 2nd Steel Used Parts, SITECH Rocky Mountain El Paso, TX
Initial Term:	3 Years
Annual Estimated Amount:	\$1,500,000.00
Total Estimated Amount:	\$4,500,000.00
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 Wagner Equipment Co dba Wagner Rents Inc, Wagner Power Systems, 2nd Steel Used Parts, SITECH Rocky Mountain, the sole and authorized distributor for these services.

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



Wagner Equipment Co.

10501 Dyer St
El Paso TX 79924-2747
915-821-7651 – Phone
915-822-7298 – Fax
<http://wagnerequipment.cat.com>

April 27, 2023

City of El Paso
300 N. Campbell
El Paso, TX 79901

To whom it may concern:

Wagner Equipment Co. is the only authorized dealer for Caterpillar sales, machines, parts and service in El Paso, Texas. This also includes all of El Paso, Culberson and Hudspeth counties in Texas and the entire state of New Mexico and Colorado. Wagner is the sole source supplier for Cat parts and for factory authorized service repair. Caterpillar Inc. has protected geographical territories Wagner Equipment Co.; your local Cat dealer can service customers by investing in parts inventories and factory trained technicians.

Please feel free to contact me if you have any questions.

Regards,

 Recoverable Signature

X C. Dennis Hobbs

C. Dennis Hobbs

Signed by: 02017d87-d5d3-4f00-a47e-53ef34ed5463

Claude Dennis Hobbs
El Paso Branch Service Manager
915-821-7651

Branches throughout Colorado, New Mexico and far west Texas:

Albuquerque, Aurora, Burlington, Colorado Springs, Durango, El Paso, Farmington, Grand Junction, Hayden, Hobbs, Pueblo



PURCHASING & STRATEGIC SOURCING DEPARTMENT

SOLE SOURCE AFFIDAVIT

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

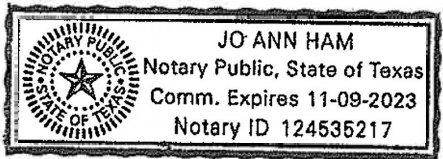
Before me, the undersigned official, on this day, personally appeared a person known to me to be the person whose signature appears below, whom after being duly sworn upon his/her oath deposed and said:

1. My name is Claude Dennis Hobbs. 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: Wagner Equipment Co
3. The above named company or firm is the sole source for the following item(s), product(s) or service(s):
CATERPILLAR MACHINE SALES, PARTS, AND SERVICE
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]
Signature

SUBSCRIBED AND SWORN to before me on this 11th day of April 2023

[Signature]
NOTARY PUBLIC
Jo Ann Ham
PRINTED NAME
11/09/2023
MY COMMISSION EXPIRES



COMPANY NAME: Wagner Equipment Co
ADDRESS, CITY, STATE & ZIP CODE: 10501 Dyer St
PHONE: 915-821-7651 FAX NUMBER: _____
CONTACT NAME AND TITLE: Branch Service Manager
WEB ADDRESS: WagnerEquipment.com EMAIL: Hobbs.Claude@WagnerEquipment.com
FEDERAL TAX ID NUMBER: 84-0703-569 TEXAS SALES TAX NUMBER: 1-84-0703569-2