



City of Broken Arrow

Legislation Details (With Text)

File #:	19-1272	Name:	
Type:	General Business	Status:	Agenda Ready
File created:	10/4/2019	In control:	Broken Arrow City Council
On agenda:	10/15/2019	Final action:	
Title:	Consideration, discussion, and possible termination of purchase contract previously awarded to Rush Trucking Company for the purchase of one (1) Articulating Aerial Device and Truck Chassis with Utility Body, and authorization to re-bid the purchase		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. Bid Tab 19.107, 2. Supporting Correspondence		

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

Broken Arrow City Council Meeting of: 10-15-2019

Title:

Consideration, discussion, and possible termination of purchase contract previously awarded to Rush Trucking Company for the purchase of one (1) Articulating Aerial Device and Truck Chassis with Utility Body, and authorization to re-bid the purchase

Background:

On August 21, 2018, The Broken Arrow City Council awarded a contract to Rush Trucking Center for the purchase of one (1) Articulating Aerial Device and Truck Chassis with Utility Body for the Traffic Signals Division of the Streets and Stormwater Department.

Rush Trucking Company was awarded the contract, even though they were the 2nd lowest bidder, for the reason that they offered a shorter delivery time then the lowest bidder by over 100 days. The current Traffic Division truck that is recommended to be replaced has had a variety of maintenance issues, needing approximately \$18,000 for repairs. Staff felt it was worth spending the difference of \$3,945 between the low bidder and the 2nd lowest bidder to expedite the delivery of the truck. According to the bid tabulation sheet, the delivery time of 180-240 days would have given the department a delivery date of approximately April 25, 2019, therefore staff recommended that Rush Trucking Company be awarded the bid.

Once it was determined that Rush Trucking Company could not deliver this vehicle on time as stated in their bid, staff requested a credit of \$3,945, which was the difference between the low bid and their bid. Rush Trucking Company agreed to only credit \$2,500 of the requested \$3,945.

Rush Trucking Company has failed to perform this contract based upon time of delivery and the department has yet to take delivery of the vehicle. It has also come to our attention of the department, that the vehicle was damaged during the process of installing the bed for this unit. The department has an obligation to be good stewards of tax dollars and therefore, staff does not believe it is in the citizen's or the City's best interest to take possession of a vehicle that will have already sustained damage.

Pursuant to the City's contract with Rush Trucking Company, the City can terminate the contract "upon just cause upon written notification to vendor." Section GP-12 of the Invitation to Bid, titled "Termination of Contract," on pages 3-4, provides:

- (a) This contract can be canceled by the supplier for just cause with a thirty (30) day written request and upon written approval from the Purchasing Division.
- (b) The City may cancel with just cause upon written notification to vendor
- (c) Immediate cancellation shall be administered when violations are found to be an impediment to the function of the City and detrimental to its cause, or when conditions preclude the 30 day notice.
- (d) If this contract is terminated, the City shall be liable only for payment under the payment provisions of this contract for supplies and/or services rendered before the effective date of termination.

Staff recommends that the purchase contract with Rush Trucking Company be terminated and a new bid prepared and submitted for the purchase of one (1) Articulating Aerial Device and Truck Chassis with Utility Body.

Cost: \$0

Funding Source: Sales Tax Capital Improvement Fund

Requested By: Rocky Henkel, Director of Streets and Stormwater

Approved By: City Manager's Office

Attachments: Bid Tab 19.107
Supporting Correspondence

Recommendation:

Terminate the purchase contract previously awarded to Rush Trucking Company for the purchase of one (1) Articulating Aerial Device and Truck Chassis with Utility Body, and re-bid the purchase.