



REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2604
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CONSENT
May 26, 2009

Honorable Mayor and
Members of the City Council

Title: Cooperative Purchase Agreements: Sewer Cleaning Trucks

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) approving the use of Houston-Galveston Area Council (HGAC) cooperative purchasing agreement (Contract No. SC01-08) to purchase three sewer cleaning truck bodies from Texas Underground, Inc. in an amount not to exceed \$257,862; 2) approving the use of Houston-Galveston Area Council (HGAC) cooperative purchasing agreement (Contract No. VE03-06) to purchase three sewer cleaning truck cab and chassis from Philpott Motors in an amount not to exceed \$108,642; and 3) authorizing the City Manager or the City Manager's designee to execute the purchases specified above.

Contacts: Keith Leech, Fleet Manager, 808-5869

Presenters: Not applicable

Departments: General Services

Divisions: Fleet Management

Organization No: 13001311

Description/Analysis:

Issue: The Department of General Services, Fleet Management Division, has a customer requirement to purchase three replacement sewer cleaning truck bodies, along with three cab and chassis for the Department of Utilities. These sewer cleaning truck bodies and chassis will be used by the Department of Utilities for maintenance of the City's waste water infrastructure and will replace older units that have reached the end of their useful lives.

In accordance with City Code 3.56.240, the City Manager may, by cooperative purchasing agreements approved by City Council, purchase supplies through contracts of other governmental jurisdictions without separate competitive

bidding, where it is advantageous to the City.

Policy Considerations: The recommendations in this report are in accordance with City Code Section 3.56.

Committee/Commission Action: None

Environmental Considerations:

California Environmental Quality Act (CEQA): The current proposal involves the purchasing of City vehicles. The proposal is not a 'project' in accordance with Section 15378 (b) (2) of the CEQA Guidelines. The proposal involves a continuing administrative activity. Therefore, as determined by the City's Environmental Services Planning Manager, no environmental review is necessary.

Sustainability Considerations: This purchase is consistent with the City's Fleet Sustainability Policy adopted by City Council on January 27, 2009. These 2009 model year trucks will be California Air Resources Board and United States Environmental Protection Agency certified.

Rationale for Recommendation: In an ongoing effort to maximize cost savings and staff resources, many government agencies share contracting efforts through cooperative purchasing. This procurement method increases pricing competitiveness and lowers operating costs through volume buying. When comparing the administrative costs of procurement, staff considers product research, source selection, specifications, advertising, staff reports, awarding, protest, and administration of the contract. It is often more cost-effective to eliminate the cost and time spent on these administrative processes and purchase items and services through a cooperative purchasing program.

The City has used both regional and national cooperative purchasing agreements to complement its own contracting initiatives. Cooperative purchasing enables City departments and Procurement Services to evaluate a broader range of contracting opportunities and to share resources with other jurisdictions. Cooperative purchasing also leverages internal and external resources to maximize cost savings opportunities for the City.

The Department of Utilities Wastewater Collection Section is requesting the replacement of three sewer cleaning trucks. It is critical that these trucks be replaced as two trucks have been associated with Worker's Compensation injury claims caused by a jarring ride. A third truck sustained major damage in a recent traffic accident. These vehicles are utilized as First Response/On-Call vehicles and are subject to 24-7 emergency call outs for the containment relief of sanitary sewer overflows and customer service. These vehicles are essential in

maintaining the Sanitary Sewer Master Plan (SSMP) guidelines and regulations mandated by the State of California.

Financial Considerations: Sufficient funds are available in the Department of General Services' and Department of Utilities' FY2008/09 operating budgets to purchase three sewer cleaning truck bodies from Texas Underground, Inc. in an amount not to exceed \$257,862 and three sewer cleaning truck cab and chassis from Philpott Motors in an amount not to exceed \$108,642. These purchases will be made from the Department of General Services Fleet Fund (6501), and charged to the Department of Utilities Sewer Fund (6006).

Emerging Small Business Development (ESBD): Cooperative purchasing agreements are created, evaluated and awarded by other government agencies that may or may not have similar emerging and small business programs. However, the Department of General Services, Fleet Management and Procurement Services Divisions will consider other alternatives if it is determined that using cooperative contracts may have a negative impact on small businesses.

Neither Texas Underground, Inc. nor Philpott Motors are certified as emerging/small businesses.

Respectfully submitted by: 
Keith Leech
Fleet Manager

Approved by: 
Reina J. Schwartz
Director, Department of General Services

Approved by: 
Marty Hanneman
Assistant City Manager/
Director, Department of Utilities

Recommendation Approved:



Ray Kerridge
City Manager

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RESOLUTION NO. 2009-XXXX

Adopted by the Sacramento City Council

May 26, 2009

APPROVING THE USE OF COOPERATIVE PURCHASING AGREEMENTS FOR THE PURCHASE OF THREE SEWER CLEANING TRUCK BODIES, CAB AND CHASSIS

BACKGROUND

- A. The Department of General Services, Fleet Management Division has a customer requirement to purchase three sewer cleaning truck bodies along with three cab and chassis for the Department of Utilities. The sewer cleaning trucks will be used for cleaning and maintaining the City's sewer and storm water drainage systems to maintain water quality and system functionality.
- B. These vehicles are utilized as First Response/On-Call vehicles and are subject to 24-7 emergency call outs for the containment relief of sanitary sewer overflows and customer service. These vehicles are essential in maintaining the Sanitary Sewer Master Plan (SSMP) guidelines and regulations mandated by the State of California.
- C. In accordance with City Code 3.56.240; the City Manager may, by cooperative purchasing approved by City Council, purchase supplies through contracts of other governmental jurisdictions without separate competitive bidding, where it is advantageous to the City.
- D. Using the existing Houston-Galveston Area Council (HGAC) cooperative purchasing agreements (Contract Nos. SC01-08 and VE03-06) to purchase three sewer cleaning truck bodies from Texas Underground, Inc. and three cab and chassis from Philpott Motors is advantageous to the City as the agreements meet the needs of the City's fleet equipment specifications and will result in cost and time savings.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The use of HGAC Contract No. SC01-08 with Texas Underground, Inc. is approved for the purchase of three sewer cleaning truck bodies in an amount not to exceed \$257,862.
- Section 2. The use of HGAC Contract No. VE03-06 with Philpott Motors is approved

for the purchase of three sewer cleaning truck cab and chassis in an amount not to exceed \$108,642.

Section 3. The City Manager or the City Manager's designee is authorized to execute the purchases specified above.

