



# REPORT TO COUNCIL

## City of Sacramento

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915 I Street, Sacramento, CA 95814-2604  
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CONSENT  
**May 18, 2010**

**Honorable Mayor and  
Members of the City Council**

**Title: Cooperative Purchase Agreement: Asphalt Paver**

**Location/Council District: Citywide**

**Recommendation:** Adopt a **Resolution:** 1) approving the use of Houston-Galveston Area Council (HGAC) cooperative purchase agreement (Contract No. SM10-08) to purchase one asphalt paver from Anderson Machinery in an amount not to exceed \$117,953; and 2) authorizing the City Manager or the City Manager's designee to execute the purchase specified above.

**Contact:** 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 one replacement asphalt paver for the Department of Transportation, Street Maintenance Division. This equipment is a scheduled replacement for FY2009/10 and will be used by the Department of Transportation for repair and maintenance of City streets.

**Policy Considerations:** 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.

**Committee/Commission Action:** None

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** The current proposal involves the purchasing of City fleet equipment. 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:** None.

**Rationale for Recommendation:** The Department of General Services, Fleet Management Division, has a customer requirement to purchase one replacement asphalt paver for the Department of Transportation, Street Maintenance Division. This equipment is a scheduled replacement for FY2009/10 and will be used by the Department of Transportation for repair and maintenance of City streets.

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.

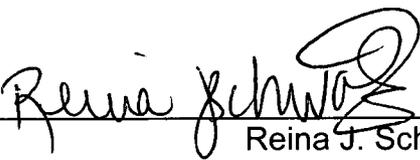
The City has used both regional and national cooperative purchasing agreements to complement its own contracting initiatives. Cooperative purchasing enables City departments and Procurement Services to evaluate a broader range of contracting opportunities and to share resources with other jurisdictions.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

**Financial Considerations:** The recommended purchase of one replacement asphalt paver in the amount of \$117,953 will be made from the Department of General Services FY2009/10 operating budget (Fleet Fund, Fund 6501), and charged to the Department of Transportation FY2009/10 operating budget (General Fund, Fund 1001). Sufficient funds are available in the FY2009/10 operating budget of both departments to complete this purchase.

**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.

Anderson Machinery is not certified as an emerging/small business.

Respectfully submitted by:   
Keith Leech  
Fleet Manager

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

Recommendation Approved:

  
Gus Vina  
Interim City Manager

**Table of Contents:**

Report	Pg 1
<b>Attachments</b>	
1 Resolution	Pg 4

**RESOLUTION NO. 2010-XXXX**

Adopted by the Sacramento City Council

**May 18, 2010**

**APPROVING THE USE OF A COOPERATIVE PURCHASE AGREEMENT FOR THE PURCHASE OF ONE REPLACEMENT ASPHALT PAVER**

**BACKGROUND**

- A. The Department of General Services, Fleet Management Division has a customer requirement to purchase one replacement asphalt paver for the Department of Transportation, Street Maintenance Division. The asphalt paver will be used for repair and maintenance of City streets.
- B. 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.
- C. Using the existing Houston-Galveston Area Council (HGAC) cooperative purchasing agreement (Contract No. SM10-08) to purchase one asphalt paver from Anderson Machinery is advantageous to the City as the agreement meets 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. SM10-08 with Anderson Machinery is approved for the purchase of one asphalt paver in an amount not to exceed \$117,953.
- Section 2. The City Manager or the City Manager's designee is authorized to execute the purchase specified above.