



REPORT TO COUNCIL

City of Sacramento

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915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

CONSENT
October 19, 2010

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

**Title: Cooperative Purchase Agreements: Fleet Vehicles, Equipment, Services
and Related Parts**

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) approving the use of County of Sacramento cooperative purchase agreement number MA00026556 with Star Lite Glass / Allstar Glass for the purchase of glass and installation services in an amount not to exceed \$210,000 through August 11, 2013, or until the contract is no longer available for use; 2) approving the use of Turlock Irrigation District cooperative purchase agreement number G080021 with All Cal Equipment Services, Inc. for aerial, crane and lifting device inspections and maintenance services in an amount not to exceed \$210,000 through April 19, 2013, or until the contract is no longer available for use; 3) approving the use of Houston-Galveston Area Council (HGAC) cooperative purchase agreement number GR01-10 with Luber Brothers for the purchase of up to nine Jacobsen mowers in an amount not to exceed \$230,000 through December 31, 2011, or until the contract is no longer available for use; 4) approving the use of Houston-Galveston Area Council (HGAC) cooperative purchase agreement number SC01-10 with Vac-Con, Inc. for the purchase of two combination sewer cleaner trucks in an amount not to exceed \$716,415 through December 31, 2011, or until the contract is no longer available for use; and 5) authorizing the City Manager or the City Manager's designee to execute purchases in the amounts specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).

Contact: Keith Leech, Fleet Manager, 808-5869

Presenters: Not applicable

Department: General Services

Division: Fleet Management

Organization No: 13001311

Description/Analysis:

Issue: The Department of General Services, Fleet Management Division has ongoing needs to purchase fleet vehicles, equipment, services and related parts to support City departments. Using existing cooperative purchase agreements for these purchases is advantageous to the City as the agreements meet the needs of the City's fleet specifications and will result in cost and time savings.

Policy Considerations: The recommendations in this report are in accordance with City Code section 3.56.240, which states that the City Manager may, by cooperative purchasing agreements approved by City Council, purchase supplies or nonprofessional services through contracts of other governmental jurisdictions without separate competitive bidding, where it is advantageous to the City, and with Resolution No. 2010-346 prohibiting the City from entering into any contract to purchase goods or services from any business or entity headquartered in Arizona.

Committee/Commission Action: Not applicable

Environmental Considerations:

California Environmental Quality Act (CEQA): The current project has been determined to be exempt from the requirements of CEQA, under Section 15061(b)(3) which states that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The current proposal involves the purchase of fleet vehicles, equipment, services and related parts in support of City departments. Therefore, as determined by the City's Environmental Services Planning Manager, no environmental review is necessary.

Sustainability Considerations: Not applicable

Rationale for Recommendation: The Department of General Services, Fleet Management Division has ongoing needs to purchase fleet vehicles, equipment, services and related parts to support City departments. Using existing cooperative purchase agreements is advantageous to the City as the agreements meet the needs of the City's fleet specifications and will result in cost and time savings.

In an ongoing effort to maximize cost savings and staff resources, many government agencies share contracting efforts through cooperative purchasing. This procurement approach 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

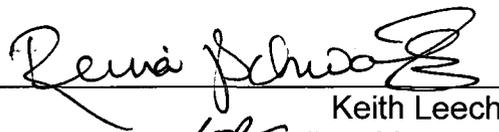
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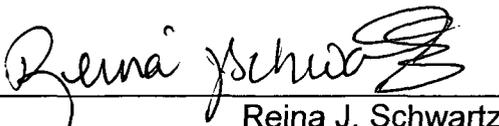
on these administrative processes and purchase items and services through a cooperative purchasing program.

The City has used both regional and national cooperative purchase agreements to complement its own contracting initiatives. Cooperative purchasing enables City departments and the Procurement Services Division 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: This report recommends the purchase of ongoing services and related parts, as well as replacement vehicles and equipment. In determining the recommended spending authorities for the ongoing services and related parts, Fleet Management staff reviewed the expenditure history by vendor, service and part, and also considered future needs. Annual expenditure estimates are listed in Attachment 1. Sufficient funds are available in the Department of General Services FY2010/11 operating budget (Fleet Fund, Fund 6501) to make the recommended purchases through June 30, 2011. Purchases after June 30, 2011, and through the duration of the contracts are subject to funding availability in the adopted budget of the applicable fiscal year(s).

Emerging Small Business Development (ESBD): Cooperative purchase 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.

Respectfully submitted by: 
for Keith Leech
Fleet Manager

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

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Recommendation Approved:

for Peter Bisharat

Gus Vina
Interim City Manager

APPROVED AS TO FORM:
[Signature]

CITY ATTORNEY

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Estimated Contract Expenditures

County of Sacramento Cooperative Contract						
Company	Contract No.	Commodity	Estimated Expenditure Amounts (thousands)			
			Year 1	Year 2	Year 3	Total
Star Lite Glass / Allstar Glass	MA00026556	Glass and installation services	\$70	\$70	\$70	\$210
			\$70	\$70	\$70	\$210

Turlock Irrigation District Contract						
Company	Contract No.	Commodity	Estimated Expenditure Amounts (thousands)			
			Year 1	Year 2	Year 3	Total
All Cal Equipment Services, Inc.	G080021	Aerial, crane and lifting device inspections and maintenance services	\$70	\$70	\$70	\$210
			\$70	\$70	\$70	\$210

Houston-Galveston Area Council (HGAC) Contract						
Company	Contract No.	Commodity	Estimated Expenditure Amounts (thousands)			
			Year 1	Total		
Luber Brothers	GR01-10	Up to nine Jacobsen mowers	\$230	\$230		
Vac-Con, Inc.	SC01-10	Up to two combination sewer cleaner trucks	\$717	\$717		
			\$947	\$947		



RESOLUTION NO. 2010-XXXX

Adopted by the Sacramento City Council

October 19, 2010

APPROVING THE USE OF COOPERATIVE PURCHASE AGREEMENTS FOR FLEET VEHICLES, EQUIPMENT, SERVICES AND RELATED PARTS

BACKGROUND

- A. The Department of General Services, Fleet Management Division has ongoing requirements to purchase vehicles, equipment, services and related parts to support City departments. The City has opportunities to obtain lower pricing for these items through the use of cooperative purchase agreements through the County of Sacramento, Turlock Irrigation District, and Houston-Galveston Area Council (HGAC).
- B. In accordance with City Code 3.56.240, the City Manager may, by cooperative purchase agreements approved by City Council, purchase supplies and nonprofessional services through contracts of other governmental jurisdictions without separate competitive bidding, where it is advantageous to the City.

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

- Section 1. County of Sacramento cooperative purchase agreement number MA00026556 with Star Lite Glass / Allstar Glass is hereby approved for the purchase of glass and installation services in an amount not to exceed \$210,000 through August 11, 2013, or until the contract is no longer available for use.
- Section 2. Turlock Irrigation District cooperative purchase agreement number G080021 with All Cal Equipment Services, Inc. is hereby approved for aerial, crane and lifting device inspections and maintenance services in an amount not to exceed \$210,000 through April 19, 2013, or until the contract is no longer available for use.
- Section 3. Houston-Galveston Area Council cooperative purchase agreement number GR01-10 with Luber Brothers is hereby approved for the purchase of up to nine Jacobsen mowers in an amount not to exceed \$230,000 through December 31, 2011, or until the contract is no longer available for use.

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Section 4. Houston-Galveston Area Council cooperative purchase agreement number SC01-10 with Vac-Con, Inc. is hereby approved for the purchase of two combination sewer cleaner trucks in an amount not to exceed \$716,415 through December 31, 2011, or until the contract is no longer available for use.

Section 5. The City Manager or the City Manager's designee is authorized to execute purchases in the amounts specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).