



City of Sacramento City Council

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

Meeting Date: 8/9/2012

Report Type: Consent

Title: Cooperative Purchase Agreement: Sewer Cleaning Trucks

Report ID: 2012-00619

Location: Citywide

Recommendation: Pass a Resolution: 1) authorizing the City Manager or the City Manager's designee to: a) decrease the expenditure budget in the Department of Utilities operating budget (Wastewater Fund, Fund 6006) in the amount of \$1,129,129; b) increase the expenditure budget in the Department of Utilities multi-year operating project for replacement vehicles and equipment (106013141, Wastewater Fund, Fund 6006) in the amount of \$1,129,129; and c) increase the expenditure and revenue budgets in the Department of General Services (Fleet Fund, Fund 6501) in the amount of \$1,129,129; and Pass a Motion: 1) approving the use of Houston-Galveston Area Council (HGAC) cooperative purchase agreement (Contract No.SCO1-12) with Vac Con, Inc. for the purchase of three VAC CON, Inc. sewer cleaning trucks in an amount not to exceed \$1,129,129 through December 31, 2012; and 2) authorizing the City Manager or the City Manager's designee to execute purchases in the amount specified above.

Contact: Keith Leech, Fleet Manager, (916) 808-5869

Presenter: None

Department: General Services Dept

Division: Fleet Management Admin

Dept ID: 13001311

Attachments:

- 1-Description/Analysis
- 2-Contract
- 3-Resolution

City Attorney Review

Approved as to Form
Kourtney Burdick
7/30/2012 10:51:52 AM

City Treasurer Review

Reviewed for Impact on Cash and Debt
John Colville
7/17/2012 6:42:24 AM

Approvals/Acknowledgements

Sandra Talbott, Interim City Attorney

Shirley Concolino, City Clerk
John F. Shirey, City Manager

Russell Fehr, City Treasurer

Department Director or Designee: Reina Schwartz - 7/26/2012 3:57:24 PM



Description/Analysis

Issue: The Department of General Services, Fleet Management Division has a customer requirement to purchase three additional sewer cleaning trucks for the Department of Utilities (DOU). As a result of expanding regulatory requirements and recent litigation by the California Sportfishing Protection Alliance, DOU will be required to significantly increase wastewater collection system maintenance activities. Without the recommended purchase, DOU will be unable to meet the increased maintenance requirements.

Policy Considerations: In accordance with City Code section 3.56.240, the City Manager may, by cooperative purchase 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. Using the recommended HGAC cooperative purchase agreement to purchase three additional sewer cleaning trucks 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.

The recommendations in this report are also consistent 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.

Economic Impacts: None

Environmental Considerations:

California Environmental Quality Act (CEQA): The recommendations in this report involve the purchase of City vehicles and are not considered to be a "project" in accordance with Section 15378 (b)(2) of the CEQA guidelines. Therefore, as determined by the City's Environmental Services Planning Manager, no environmental review is necessary.

Sustainability: The recommended purchase is consistent with the Fleet Sustainability Policy adopted by City Council on February 16, 2010 (Resolution No. 2010-083). The 2012 or newer model year diesel powered vehicles to be purchased under the recommended contract will be California Air Resources Board and United States Environmental Protection Agency certified. Model year 2012 heavy duty diesel engines feature a 98.8 percent reduction of particulate matter and a 99.8 percent reduction of nitrogen oxides when compared to earlier model year vehicles.

Commission/Committee Action: None

Rationale for Recommendation: The Department of General Services, Fleet Management Division has a customer requirement to purchase three additional sewer cleaning trucks for DOU. As a result of expanding regulatory requirements and recent litigation by the California Sportfishing Protection Alliance, DOU will be required to significantly increase wastewater collection system maintenance activities. Without the recommended purchase, DOU will be unable to meet the increased maintenance requirements.

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 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.

VAC-CON, Inc. is the preferred manufacturer for DOU sewer cleaning trucks. Municipal Maintenance Equipment, Inc. (MME) is the only local vendor for VAC-CON, Inc. sewer cleaning trucks. Fleet Management staff has confirmed with MME that the recommended cooperative purchase agreement offers better pricing than MME could bid in a new Invitation for Bid.

Financial Considerations: The recommended purchase of three additional sewer cleaning trucks in an amount not to exceed \$1,129,129 will be made from the Department of General Services (Fleet Fund, Fund 6501) and charged to the Department of Utilities multi-year operating project (MYOP) for replacement vehicles and equipment (I06013141, Wastewater Fund, Fund 6006). Funding for this purchase will be provided by budget already appropriated in the Department of Utilities FY2012/13 operating budget (Wastewater Fund, Fund 6006). Upon completion of the recommended budget adjustments, sufficient funds will be available in the FY2012/13 Department of General Services operating budget and the Department of Utilities MYOP to make the purchase. Sufficient funding exists in the Department of Utilities FY2012/13 operating budget to support the recommended budget transfer.

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. Vac Con, Inc. is not certified with the City as an emerging/small business

11 DEC -5 PM 12:48

2011 DEC -5 AM 7:59

COOPERATIVE PURCHASING

A CONTRACT BETWEEN
HOUSTON-GALVESTON AREA COUNCIL
Houston, Texas
AND
VAC-CON, INC.
Green Cove Springs, Florida

This Contract is made and entered into by the **Houston-Galveston Area Council of Governments**, hereinafter referred to as **H-GAC**, having its principal place of business at 3555 Timmons Lane, Suite 120, Houston, Texas 77027, AND, **Vac-Con, Inc.** hereinafter referred to as the **CONTRACTOR**, having its principal place of business at 969 Hall Park Road, Green Cove Springs, Florida 32043.

ARTICLE 1: **SCOPE OF SERVICES**

The parties have entered into a **Sewer Cleaning, Hydro-Excavating, Inspection Equipment & Miscellaneous Services** Contract to become effective as of **January 1, 2012**, and to continue through **December 31, 2014** (the "Contract"), subject to extension upon mutual agreement of the **CONTRACTOR** and **H-GAC**. **H-GAC** enters into the Contract as Agent for participating governmental agencies, each hereinafter referred to as **END USER**, for the purchase of **Sewer Cleaning, Hydro-Excavating, Inspection Equipment & Miscellaneous Services** offered by the **CONTRACTOR**. The **CONTRACTOR** agrees to sell **Sewer Cleaning, Hydro-Excavating, Inspection Equipment & Miscellaneous Services** through the **H-GAC** Contract to **END USERS**.

ARTICLE 2: **THE COMPLETE AGREEMENT**

The Contract shall consist of the documents identified below in order of precedence:

1. The text of this Contract form, including but not limited to, Attachment A
2. General Terms and Conditions
3. Bid Specifications No:SC01-12, including any relevant suffixes
4. **CONTRACTOR's** Response to Bid No:SC01-12, including but not limited to, prices and options offered

All of which are either attached hereto or incorporated by reference and hereby made a part of this Contract, and shall constitute the complete agreement between the parties hereto. This Contract supersedes any and all oral or written agreements between the parties relating to matters herein. Except as otherwise provided herein, this Contract cannot be modified without the written consent of both parties.

ARTICLE 3: **LEGAL AUTHORITY**

CONTRACTOR and **H-GAC** warrant and represent to each other that they have adequate legal counsel and authority to enter into this Contract. The governing bodies, where applicable, have authorized the signatory officials to enter into this Contract and bind the parties to the terms of this Contract and any subsequent amendments thereto.

ARTICLE 4: **APPLICABLE LAWS**

The parties agree to conduct all activities under this Contract in accordance with all applicable rules, regulations, directives, issuances, ordinances, and laws in effect or promulgated during the term of this Contract.

ARTICLE 5: **INDEPENDENT CONTRACTOR**

The execution of this Contract and the rendering of services prescribed by this Contract do not change the independent status of **H-GAC** or **CONTRACTOR**. No provision of this Contract or act of **H-GAC** in performance of this Contract shall be construed as making **CONTRACTOR** the agent, servant or employee of **H-GAC**, the State of Texas or the United States Government. Employees of **CONTRACTOR** are subject to the exclusive control and supervision of **CONTRACTOR**. **CONTRACTOR** is solely responsible for employee payrolls and claims arising therefrom.

ARTICLE 6: **END USER AGREEMENTS**

H-GAC acknowledges that the **END USER** may choose to enter into an End User Agreement with the **CONTRACTOR** through this Contract and that the term of said Agreement may exceed the term of the **H-GAC** Contract. However this acknowledgement is not to be construed as **H-GAC's** endorsement or approval of the End User Agreement terms and conditions. **CONTRACTOR** agrees not to offer to, agree to or accept from **END USER** any terms or conditions that conflict with or contravene those in **CONTRACTOR's H-GAC** contract. Further, termination of this Contract for any reason shall not result in the termination of the underlying End User Agreements entered into between **CONTRACTOR** and any **END USER** which shall, in each instance, continue pursuant to their stated terms and duration. The only effect of termination of this Contract is that **CONTRACTOR** will no longer be able to enter into any new End User Agreements with **END USERS** pursuant to this Contract. Applicable **H-GAC** order processing charges will be due and payable to **H-GAC** on any End User Agreements surviving termination of this Contract between **H-GAC** and **CONTRACTOR**.

ARTICLE 7: SUBCONTRACTS & ASSIGNMENTS

CONTRACTOR agrees not to subcontract, assign, transfer, convey, sublet or otherwise dispose of this Contract or any right, title, obligation or interest it may have therein to any third party without prior written notice to **H-GAC**. **H-GAC** reserves the right to accept or reject any such change. **CONTRACTOR** shall continue to remain responsible for all performance under this Contract regardless of any subcontract or assignment. **H-GAC** shall be liable solely to **CONTRACTOR** and not to any of its Subcontractors or Assignees.

ARTICLE 8: EXAMINATION AND RETENTION OF CONTRACTOR'S RECORDS

CONTRACTOR shall maintain during the course of its work, complete and accurate records of items that are chargeable to **END USER** under this Contract. **H-GAC**, through its staff or its designated public accounting firm, the State of Texas, or the United States Government shall have the right at any reasonable time to inspect copy and audit those records on or off the premises of **CONTRACTOR**. Failure to provide access to records may be cause for termination of this Contract. **CONTRACTOR** shall maintain all records pertinent to this Contract for a period of not less than five (5) calendar years from the date of acceptance of the final contract closeout and until any outstanding litigation, audit or claim has been resolved. The right of access to records is not limited to the required retention period, but shall last as long as the records are retained. **CONTRACTOR** further agrees to include in all subcontracts under this Contract, a provision to the effect that the subcontractor agrees that **H-GAC'S** duly authorized representatives, shall, until the expiration of five (5) calendar years after final payment under the subcontract or until all audit findings have been resolved, have access to, and the right to examine and copy any directly pertinent books, documents, papers, invoices and records of such subcontractor involving any transaction relating to the subcontract.

ARTICLE 9: REPORTING REQUIREMENTS

CONTRACTOR agrees to submit reports or other documentation in accordance with the General Terms and Conditions of the Bid Specifications. If **CONTRACTOR** fails to submit to **H-GAC** in a timely and satisfactory manner any such report or documentation, or otherwise fails to satisfactorily render performance hereunder, such failure may be considered cause for termination of this Contract.

ARTICLE 10: MOST FAVORED CUSTOMER CLAUSE

If **CONTRACTOR**, at any time during this Contract, routinely enters into agreements with other governmental customers within the State of Texas, and offers the same or substantially the same products/services offered to **H-GAC** on a basis that provides prices, warranties, benefits, and or terms more favorable than those provided to **H-GAC**, **CONTRACTOR** shall notify **H-GAC** within ten (10) business days thereafter of that offering and this Contract shall be deemed to be automatically amended effective retroactively to the effective date of the most favorable contract, wherein **CONTRACTOR** shall provide the same prices, warranties, benefits, or terms to **H-GAC** and its **END USER**. **H-GAC** shall have the right and option at any time to decline to accept any such change, in which case the amendment shall be deemed null and void. If **CONTRACTOR** is of the opinion that any apparently more favorable price, warranty, benefit, or term charged and/or offered a customer during the term of this Contract is not in fact most favored treatment, **CONTRACTOR** shall within ten (10) business days notify **H-GAC** in writing, setting forth the detailed reasons **CONTRACTOR** believes aforesaid offer which has been deemed to be a most favored treatment, is not in fact most favored treatment. **H-GAC**, after due consideration of such written explanation, may decline to accept such explanation and thereupon this Contract between **H-GAC** and **CONTRACTOR** shall be automatically amended, effective retroactively, to the effective date of the most favored agreement, to provide the same prices, warranties, benefits, or terms to **H-GAC**.

The Parties accept the following definition of routine: A prescribed, detailed course of action to be followed regularly; a standard procedure. **EXCEPTION: This clause shall not be applicable to prices and price adjustments offered by a bidder, proposer or contractor, which are not within bidder's/ proposer's control [example; a manufacturer's bid concession], or to any prices offered to the Federal Government and its agencies.**

ARTICLE 11: SEVERABILITY

All parties agree that should any provision of this Contract be determined to be invalid or unenforceable, such determination shall not affect any other term of this Contract, which shall continue in full force and effect.

ARTICLE 12: DISPUTES

Any and all disputes concerning questions of fact or of law arising under this Contract, which are not disposed of by agreement, shall be decided by the Executive Director of **H-GAC** or his designee, who shall reduce his decision to writing and provide notice thereof to **CONTRACTOR**. The decision of the Executive Director or his designee shall be final and conclusive unless, within thirty (30) days from the date of receipt of such notice, **CONTRACTOR** requests a rehearing from the Executive Director of **H-GAC**. In connection with any rehearing under this Article, **CONTRACTOR** shall be afforded an opportunity to be heard and offer evidence in support of its position. The decision of the Executive Director after any such rehearing shall be final and conclusive. **CONTRACTOR** may, if it elects to do so, appeal the final and conclusive decision of the Executive Director to a court of competent jurisdiction. Pending final decision of a dispute hereunder, **CONTRACTOR** shall proceed diligently with the performance of this Contract and in accordance with **H-GAC'S** final decision.

ARTICLE 13: LIMITATION OF CONTRACTOR'S LIABILITY

Except as specified in any separate writing between the CONTRACTOR and an END USER, CONTRACTOR's total liability under this Contract, whether for breach of contract, warranty, negligence, strict liability, in tort or otherwise, but excluding its obligation to indemnify

H-GAC described in Article 14, is limited to the price of the particular products/services sold hereunder, and CONTRACTOR agrees either to refund the purchase price or to repair or replace product(s) that are not as warranted. In no event will CONTRACTOR be liable for any loss of use, loss of time, inconvenience, commercial loss, lost profits or savings or other incidental, special or consequential damages to the full extent such use may be disclaimed by law. CONTRACTOR understands and agrees that it shall be liable to repay and shall repay upon demand to END USER any amounts determined by H-GAC, its independent auditors, or any agency of State or Federal government to have been paid in violation of the terms of this Contract.

ARTICLE 14: LIMIT OF H-GAC'S LIABILITY AND INDEMNIFICATION OF H-GAC

H-GAC's liability under this Contract, whether for breach of contract, warranty, negligence, strict liability, in tort or otherwise, is limited to its order processing charge. In no event will H-GAC be liable for any loss of use, loss of time, inconvenience, commercial loss, lost profits or savings or other incidental, special or consequential damages to the full extent such use may be disclaimed by law. Contractor agrees, to the extent permitted by law, to defend and hold harmless H-GAC, its board members, officers, agents, officials, employees, and indemnities from any and all claims, costs, expenses (including reasonable attorney fees), actions, causes of action, judgments, and liens arising as a result of CONTRACTOR's negligent act or omission under this Contract. CONTRACTOR shall notify H-GAC of the threat of lawsuit or of any actual suit filed against CONTRACTOR relating to this Contract.

ARTICLE 15: TERMINATION FOR CAUSE

H-GAC may terminate this Contract for cause based upon the failure of CONTRACTOR to comply with the terms and/or conditions of the Contract; provided that H-GAC shall give CONTRACTOR written notice specifying CONTRACTOR'S failure. If within thirty (30) days after receipt of such notice, CONTRACTOR shall not have either corrected such failure, or thereafter proceeded diligently to complete such correction, then H-GAC may, at its option, place CONTRACTOR in default and the Contract shall terminate on the date specified in such notice. CONTRACTOR shall pay to H-GAC any order processing charges due from CONTRACTOR on that portion of the Contract actually performed by CONTRACTOR and for which compensation was received by CONTRACTOR.

ARTICLE 16: TERMINATION FOR CONVENIENCE

Either H-GAC or CONTRACTOR may cancel or terminate this Contract at any time by giving thirty (30) days written notice to the other. CONTRACTOR may be entitled to payment from END USER for services actually performed; to the extent said services are satisfactory to END USER. CONTRACTOR shall pay to H-GAC any order processing charges due from CONTRACTOR on that portion of the Contract actually performed by CONTRACTOR and for which compensation is received by CONTRACTOR.

ARTICLE 17: CIVIL AND CRIMINAL PROVISIONS AND SANCTIONS

CONTRACTOR agrees that it will perform under this Contract in conformance with safeguards against fraud and abuse as set forth by H-GAC, the State of Texas, and the acts and regulations of any funding entity. CONTRACTOR agrees to notify H-GAC of any suspected fraud, abuse or other criminal activity related to this Contract through filing of a written report promptly after it becomes aware of such activity.

ARTICLE 18: GOVERNING LAW & VENUE

This Contract shall be governed by the laws of the State of Texas. Venue and jurisdiction of any suit or cause of action arising under or in connection with this Contract shall lie exclusively in Harris County, Texas. Disputes between END USER and CONTRACTOR are to be resolved in accord with the law and venue rules of the state of purchase. CONTRACTOR shall immediately notify H-GAC of such disputes.

ARTICLE 19: PAYMENT OF H-GAC ORDER PROCESSING CHARGE

CONTRACTOR agrees to sell its products to END USERS based on the pricing and other terms of this Contract, including, but not limited to, the payment of the applicable H-GAC order processing charge. On notification from an END USER that an order has been placed with CONTRACTOR, H-GAC will invoice CONTRACTOR for the applicable order processing charge. Upon delivery of any product/service by CONTRACTOR and acceptance by END USER, CONTRACTOR shall, within thirty (30) calendar days or ten (10) business days after receipt of payment, whichever is less, pay H-GAC the full amount of the applicable order processing charge, whether or not CONTRACTOR has received an invoice from H-GAC. For sales made by CONTRACTOR based on this contract, including sales to entities without Interlocal Contracts, CONTRACTOR shall pay the applicable order processing charges to H-GAC. Further, CONTRACTOR agrees to encourage entities who are not members of H-GAC's Cooperative Purchasing Program to execute an H-GAC Interlocal Contract. H-GAC reserves the right to take appropriate actions including, but not limited to, contract termination if CONTRACTOR fails to promptly remit H-GAC's order processing charge. In no event shall H-GAC have any liability to CONTRACTOR for any goods or services an END USER procures from CONTRACTOR.

ARTICLE 20:

LIQUIDATED DAMAGES

Any liquidated damages terms will be determined between **CONTRACTOR** and **END USER** at the time **END USER's** purchase order is placed.

ARTICLE 21:

PERFORMANCE BONDS FOR INDIVIDUAL ORDERS

Except as described below for fire apparatus, **CONTRACTOR** agrees to provide a Performance Bond at the request of **END USER** within ten (10) days of receipt of **END USER's** purchase order.

It shall be standard procedure for every order received for fire apparatus that a Performance Bond in the amount of the order be provided to the **END USER**. Failure of **CONTRACTOR** to provide such performance bond within ten (10) days of receipt of **END USER's** order may constitute a total breach of contract and shall be cause for cancellation of the order at **END USER's** sole discretion. **END USER** may choose to delete the requirement for a Performance Bond at **END USER's** sole discretion. If the bond requirement is waived, **END USER** shall be entitled to a price reduction commensurate with the cost that would have been incurred by **CONTRACTOR** for the bond.

ARTICLE 22:

CHANGE OF CONTRACTOR STATUS

CONTRACTOR shall immediately notify **H-GAC**, in writing, of **ANY** change in ownership, control, dealership/franchisee status, Motor Vehicle license status, or name, and shall also advise whether or not this Contract shall be affected in any way by such change. **H-GAC** shall have the right to determine whether or not such change is acceptable, and to determine what action shall be warranted, up to and including cancellation of Contract.

ARTICLE 23:

LICENSING REQUIRED BY TEXAS MOTOR VEHICLE BOARD [IF APPLICABLE]

CONTRACTOR will for the duration of this Contract maintain current licenses that are required by the Texas Motor Vehicle Commission Code. If at any time during this Contract period, any **CONTRACTOR'S** license is not renewed, or is denied or revoked, **CONTRACTOR** shall be deemed to be in default of this Contract unless the Motor Vehicle Board issues a stay or waiver. Contractor shall promptly provide copies of all current applicable Texas Motor Vehicle Board documentation to **H-GAC** upon request.

IN WITNESS WHEREOF, the parties have caused this Contract to be executed by their duly authorized representatives.

Signed for **Houston-Galveston**
Area Council, Houston, Texas:



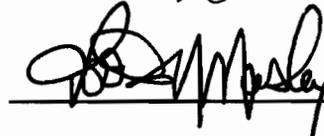
Jack Steele, Executive Director

Attest for **Houston-Galveston**
Area Council, Houston, Texas:



Deidre Viole, Director of Public Services
Date: Dec 15, 2011

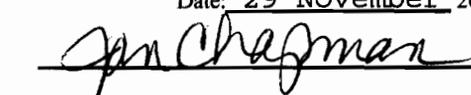
Signed for **Vac-Con, Inc.**
Green Cove Springs, Florida:



Printed Name & Title: Todd Masley, Sales Manager

Date: 29 November 2011

Attest for **Vac-Con, Inc.**
Green Cove Springs, Florida:



Printed Name & Title: Jan Chapman, Sales Coordinator

Date: 29 November, 2011

Attachment A
Vac Con, Inc.
 Sewer Cleaning, Hydro-Excavating, Inspection Equipment and Miscellaneous Services
 Contract No. SC01-12

H-GAC Product Code	Manufacturer	Description	Base Offered Price	Meets Buy America	
				Yes	No
A. Sewer Cleaners - Centrifugal Compressor Fan Type, For Truck Mounting					
A007	Vac-Con	Combination Sewer Cleaner, 3 Yd Debris Body, Single Engine	\$122,267.00	Yes	
A008	Vac-Con	Combination Sewer Cleaner, 9 Yd Debris Body, Dual Engine	\$132,629.00	Yes	
B. Sewer Cleaners - Heavy Disposal Unit Type, For Truck Mounting					
B060	Vac-Con	Comb PD Sewer Cleaner, 9 Yd3 Debris Body, Single Engine	\$146,124.00	Yes	
B061	Vac-Con	Comb PD Sewer Cleaner, 9 Yd3 Debris Body, Dual Engine	\$153,006.00	Yes	
C. Jet Rodding, For Road & Trench Mounting					
C095	Vac-Con	HS-1000 Truck Mounted Jet Rodding Machine, 1000 Gal	\$64,610.00	Yes	
C096	Vac-Con	HS-1600 Truck Mounted Jet Rodding Machine, 1600 Gal	\$68,565.00	Yes	
D. Hydro-Excavators, Truck & Trailer Mounted					
D033	Vac-Con	Truck Mounted Hydro-Excavator	\$156,097.00	Yes	



RESOLUTION NO. 2012-XXXX

Adopted by the Sacramento City Council

August 9, 2012

BACKGROUND

- A. The Department of General Services, Fleet Management Division has a customer requirement to purchase three additional sewer cleaning trucks for the Department of Utilities (DOU). As a result of expanding regulatory requirements and recent litigation by the California Sportfishing Protection Alliance, DOU will be required to significantly increase wastewater collection system maintenance activities. Without the recommended purchase, DOU will be unable to meet the increased maintenance requirements.
- B. The recommended purchase will be made from the Department of General Services (Fleet Fund, Fund 6501) and charged to the Department of Utilities multi-year operating project for replacement vehicles and equipment (I06013141, Wastewater Fund, Fund 6006). Upon completion of the recommended budget adjustments, sufficient funds will be available in the FY2012/13 Department of General Services operating budget and the Department of Utilities vehicle and equipment replacement project to make the purchase.
- C. Sufficient funding exists in the Department of Utilities FY2012/13 operating budget to support the recommended budget transfer.

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

- Section 1. The City Manager or the City Manager's designee is hereby authorized to increase the expenditure budget in the Department of Utilities multi-year operating project for replacement vehicles and equipment (I06013141, Wastewater Fund, Fund 6006) in the amount of \$1,129,129.
- Section 2. The City Manager or the City Manager's designee is hereby authorized to decrease the expenditure budget in the Department of Utilities operating budget (Wastewater Fund, Fund 6006) in the amount of \$1,129,129.
- Section 3. The City Manager or the City Manager's designee is hereby authorized to increase the expenditure and revenue budgets in the Department of General Services (Fleet Fund, Fund 6501) in the amount of \$1,129,129.