

Meeting Date: 7/30/2013

Report Type: Consent

Report ID: 2013-00571

Title: Contract Supplement: Two Additional Refuse Trucks

Location: Citywide

Issue: The Department of General Services (DGS), Fleet Management Division, has a customer requirement to purchase two additional replacement refuse trucks for the Department of General Services, Solid Waste and Recycling Division.

Recommendation: Pass a Motion 1) awarding Contract Supplement No. 1 to Contract No. 2013-0476 with Western Truck Center for the purchase of two refuse truck chassis in an amount not to exceed \$398,760 for a revised total contract amount not to exceed \$2,193,180; 2) approving the use of the Houston-Galveston Area Council (HGAC) cooperative purchase agreement with Scranton Manufacturing, Inc. (Contract No. RC08-12) for the purchase of two refuse truck bodies in an amount not to exceed \$170,149; and 3) authorizing the City Manager or the City Manager's designee to execute the contract supplement and purchases specified above.

Contact: Keith Leech, Fleet Manager, (916) 808-5869, Department of General Services

Presenter: None

Department: General Services

Division: Fleet Management Admin

Dept ID: 13001311

Attachments:

1-Description/Analysis

2-Supplemental Agreement (Western Truck Ctr)

City Attorney Review

Approved as to Form
Kourtney Burdick
7/18/2013 2:48:57 PM

City Treasurer Review

Reviewed for Impact on Cash and Debt
John Colville
7/12/2013 8:06:03 AM

Approvals/Acknowledgements

Department Director or Designee: Reina Schwartz - 7/16/2013 1:46:15 PM

Description/Analysis

Issue Detail: The DGS, Fleet Management Division, has a customer requirement to purchase two replacement refuse trucks for the DGS, Recycling and Solid Waste Division. On May 28, 2013, City Council passed Motion No. 2013-0127 awarding a two-year contract to Western Truck Center for the purchase of nine refuse truck chassis in an amount not to exceed \$1,794,420 for the two-year period, and approving the use of the HGAC cooperative purchase agreement with Scranton Manufacturing, Inc. (Contract No. RC08-12) for the purchase of nine refuse truck bodies in an amount not to exceed \$765,670. Since that time, additional needs have been identified. The recommendations in this report provide for the purchase of two additional refuse truck chassis and bodies.

Policy Considerations: The recommendations in this report are in accordance with City Code Chapter 3.56 regarding the purchase of supplies and the use of cooperative purchase agreements.

Economic Impacts: None

Environmental Considerations:

California Environmental Quality Act (CEQA): No environmental review is necessary because the recommendations in this report involve the purchase of vehicles and are not considered to be a project in accordance with Section 15378(b)(2) of the CEQA Guidelines.

Sustainability: The recommended purchases are consistent with the Fleet Sustainability Policy adopted by City Council on February 16, 2010 (Resolution No. 2010-083).

Commission/Committee Action: None

Rationale for Recommendation: Expenditure authority with a truck chassis vendor and a truck body vendor is required because refuse trucks are typically purchased as separate chassis and bodies. The chassis are purchased from the chassis manufacturer and delivered to the body manufacturer where both units are assembled into a single refuse truck.

After reviewing purchase options for the refuse truck bodies, Fleet Management staff determined that the recommended cooperative purchase agreement with HGAC and Scranton Manufacturing, Inc. represents the most advantageous purchasing strategy. Refuse truck bodies from Scranton Manufacturing, Inc. best meet the needs of the Recycling and Solid Waste Division, and provide consistency in equipment type with prior purchases. Fleet Management staff has confirmed with Ray Gaskin Service, the only local dealer for Scranton Manufacturing, Inc. refuse truck bodies, that the HGAC agreement offers better pricing than it could offer if competitively bid by the City at this time.

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 to 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 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 purchases of two refuse truck chassis in an amount not to exceed \$398,760 and two refuse truck bodies in an amount not to exceed \$170,149 are budgeted in FY2013/14. The purchases will be made from the DGS operating budget (Fleet Fund, Fund 6501) and charged to the DGS multi-year operating project for replacement vehicles and equipment (I06013142, Solid Waste Fund, Fund 6007). The following table provides a summary of the expenditures previously approved by City Council and the recommendations in this report:

Refuse Truck Chassis and Bodies					
Vendor	Contracting Agency	Contract No.	\$ Approved by City Council (5/28/13)	Additional \$ Recommended	Revised Total
Western Truck Ctr	City of Sacramento	2013-0476	1,794,420	398,760	2,193,180
Scranton Mfg, Inc.	HGAC	RC08-12	765,670	170,149	935,819

Emerging Small Business Development (ESBD): Neither Western Truck Center nor Scranton Manufacturing, Inc. are certified as emerging/small businesses. 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, DGS will consider other alternatives if it is determined that using cooperative contracts may have a negative impact on small businesses.



Requires Council Approval:

No YES

Meeting: 7/30/13

Real Estate

Other Party Signature Needed

Recording Requested

General Information

Type: Commodity	PO Type:	Attachment: No.: 1
Not to Exceed: \$398,759.98		Original Doc Number: 2013-0476
Other Party: Western Truck Center		Certified Copies of Document::
Project Name: Autocar Cab/Chassis		Deed: <input type="checkbox"/> None <input type="checkbox"/> Included <input type="checkbox"/> Separate
Project Number: NA	Bid Transaction #: B13131311031	E/SBE-: %

Department Information

Department: **General Services**

Division: **Fleet Management**

Project Mgr: **Keith Leech**

Contract Services: **Debbie Reeder**

Director: **Reina J. Schwartz**

Phone Number: **808-4078**

Org Number: **13001311**

Comment: **Original Contract Amount: \$1,794,420.00**

Review and Signature Routing

Department	Signature or Initial	Date
Project Mgr:	<i>Christoph Kuehl</i>	6/25/2013
Contract Services:	<i>D Reeder</i>	6/25/2013

City Attorney	Signature or Initial	Date
City Attorney:	<i>VCB</i>	6/27/13

Send Interoffice Mail to Reina J. Schwartz (12500)

Notify for Pick Up

Authorization	Signature or Initial	Date
Reina Schwartz Director, General Services:		
City Mgr: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		

For City Clerk Processing

Finalized:
Initial:
Date:

Imaged:
Initial:
Date:

Received:
(City Clerk Stamp Here)

Contract Cover/Routing Form: Must Accompany ALL Contracts; however, is not part of the contract. (01-01-13)

Resolution No. / Date

CONTRACT SUPPLEMENT (Supplies)

Bid Title and Number: B13131311031
Purchase Order #:

Date: June 12, 2013

Contract Supplement No.: 1

The City of Sacramento ("City") and Western Truck Center ("Contractor"), as parties to that certain contract awarded for the above Bid and designated as **City Contract Number** 2013-0476, including any prior contract supplements modifying the contract (the contract and contract supplements are hereafter collectively referred to as the "Contract"), hereby supplement and modify the Contract as follows:

1. The Contract is amended as follows:

Two (2) additional Autocar Xpedior ACX64 CNG cab/chassis (See attached exhibit A).

2. In consideration of the Contract amendment described in section 1, above, the maximum not-to-exceed amount that is specified in the Contract is Increased by \$398,759.98, and the Contract's maximum not-to-exceed amount is amended as follows:

Contract's original not-to-exceed amount:	<u>\$1,794,420.00</u>
Net change by previous contract supplements:	<u>\$.00</u>
Not-to-exceed amount prior to this contract supplement:	<u>\$1,794,420.00</u>
Increase by this contract supplement:	<u>\$398,759.98</u>
New not-to exceed amount including all contract supplements:	<u>\$2,193,179.98</u>

3. Contractor agrees that the compensation specified herein shall constitute full compensation for the Contract amendment specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such amendment, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor.

4. Contractor warrants and represents that the person or persons executing this contract supplement on behalf of Contractor has or have been duly authorized by Contractor to sign this contract supplement and bind Contractor to the terms hereof.

5. Except as specifically revised herein, all terms and conditions of the Contract shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Contract, as supplemented and modified by this contract supplement.

Approval Recommended By:


Project Manager

Approved As To Form By:


City Attorney

Approved By:


Contractor

Attested To By:

Approved By:

City of Sacramento

City Clerk



WESTERN TRUCK PARTS & EQUIPMENT

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OAKLAND, CA
(866) 222-7390

STOCKTON, CA
(866) 980-6225

4 June 2013

City of Sacramento
5730 24th Street, Bldg. 1
Sacramento, CA 95822
Attn: Christopher Kerhulas

Dear Christopher:

As stated in the City of Sacramento's Bid Number B13131311031 Section 1, Page 7, Item 17, the "City reserves the right to increase or decrease quantities listed..... category/groups of items." Based on this information pricing for the additional two (2) Autocar Rear Loader Cab/Chassis' is as follows if LNG is selected:

Autocar Xpeditor ACX64 LNG cab/chassis	\$ 167,781.00 X 2 = \$	335,562.00
California State Sales Tax (8.5%)	\$ 14,261.39 X 2 = \$	28,522.78
California State Tire Tax (\$1.75 per tire).....	\$ 21.00 X 2 = \$	42.00
Total for two (2) Autocar Xpeditor ACX64 LNG cab/chassis'.....	\$	364,126.78

Or if CNG is selected:

Autocar Xpeditor ACX64 CNG cab/chassis	\$ 183,741.00 X 2 = \$	367,482.00
California State Sales Tax (8.5%).....	\$ 15,617.99 X 2 = \$	31,235.98
California State Tire Tax (\$1.75 per tire).....	\$ 21.00 X 2 = \$	42.00
Total for two (2) Autocar Xpeditor ACX64 CNG cab/chassis'.....	\$	398,759.98

Please call if you have any questions. Thank you for your time.

Sincerely,

Floyd W. (Budd) Buchholz
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