

REPORT TO COUNCIL

City of Sacramento

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

CONSENT
November 9, 2006

Honorable Mayor and
Members of the City Council

Title: Contract: Purchase of Dump Trucks

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) awarding the contract to the lowest responsible bidder for the purchase of five dump trucks, and 2) authorizing the City Manager or his designee to execute a three year contract with Sacramento Truck Center, the lowest responsible bidder, for the initial purchase of five dump trucks in an amount not to exceed \$400,000 and a total contract for up to fifteen dump trucks in an amount not to exceed \$1.2 million.

Contact: Keith Leech, Fleet Manager, 808-5869; Marc Robles, Buyer II, 808-6343

Presenters: Not Applicable

Department: General Services

Division: Fleet Management

Organization No: 3259

Description/Analysis

Issue: The Department of General Services, Fleet Management Division has a current requirement to purchase five dump trucks for the Department of Transportation. These vehicles will replace older fleet models and will be used for various pavement maintenance tasks throughout the City of Sacramento. Staff recommends that the City Manager or his designee be authorized to accept the results of Bid No. B061181092 (Attachment 1) and execute a three year contract with Sacramento Truck Center to purchase up to fifteen dump trucks for a total contract amount not to exceed \$1.2 million.

Policy Considerations: This recommendation is consistent with the requirements for competitive bidding as detailed in Chapter 3.56 of the City Code.

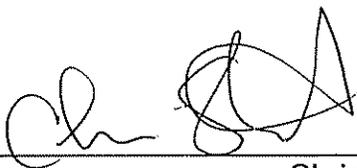
Environmental Considerations: This purchase is consistent with the City's revised Low Emission Vehicle Acquisition Policy (Resolution No. 2004-613) and Fleet Fuel Strategies (Resolution No. 2005-454). These vehicles will be model year 2007 California Air Resources Board and United States Environmental Protection Agency certified. Model year 2007 heavy duty engines feature 96% reduction of particulate matter and 76% reduction of nitrogen oxides when compared to the model year 1991 dump trucks they replace.

The City asked vendors to provide a quote for alternative fuel (liquid natural gas) powered engines, but no such quotes were received.

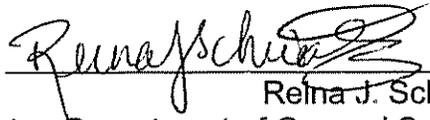
Rationale for Recommendation: In August 2006 Procurement Services sent out a formal Invitation for Bid No. B061181092 for the purchase of five new two-axle dump trucks. These new units will be replacements for the Department of Transportation and will result in better air quality. Other City departments may also have a need to replace or purchase up to ten additional dump trucks; therefore, this bid has provisions to allow for those additional purchases at the current bid price, including cost escalation provisions (up to 5% per year), within the next three years.

Financial Considerations: Sufficient funds for the purchase of the initial five dump trucks as specified at a unit cost of \$80,000 are available in the Department of General Services, Fleet Management operating budget, as well as the operating budget of the Department of Transportation. Additional purchases in the future will be at the current bid price plus a 5% annual escalation cost and will be contingent on the availability of funding.

Emerging Small Business Development (ESBD): The recommended vendor, Sacramento Truck Center, is not certified as an Emerging/Small business firm.

Respectfully Submitted by: 
Chris Stewart
Procurement Services Manager

Respectfully Submitted by: 
Keith Leech
Fleet Manager

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

Recommendation Approved:

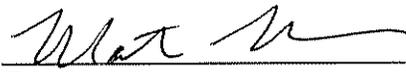

for Ray Kerridge
City Manager

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Attachment 1

BID NO. B061181092 – 2 AXLE DUMP TRUCKS

Bid Due Date: August 23, 2006

Bidder	Five 2 axle Dump Trucks (Incl. Sales and Tire Tax)	5% E/SBE Preference	Prompt Payment Discount	1% City Tax Preference	Evaluation Total
Riverview International	\$403,187	None	None	None	\$403,187
Bonander Truck	\$402,512	None	<\$2,500>	None	\$400,012
Sacramento Truck Center	\$394,704	None	None	<\$3,663>	\$391,041

Total Amount of Contract: \$1,200,000.00 ⁽¹⁾

Total Bid Amount: \$394,704

Award of Contract to: Sacramento Truck Center
100 Opportunity Street
Sacramento, CA 95838

Original Estimated Cost: \$400,000

Using Department: Transportation

Total No. of Bids Solicited	No. of E/SBE Bids Solicited	No. of E/SBE Responses	Award to E/SBE Vendor
10	0	0	No

(1) The lowest responsible bid total of \$394,704 for five 2 axle dump trucks as specified represents the total for the estimated quantities selected for evaluation purposes only. Authorization is requested to enter into a contract in an initial amount not to exceed \$400,000 (as specified at a unit cost of approximately \$80,000) with a total contract amount not to exceed \$1.2 million, which more closely reflects the actual amount anticipated to be expended during this three year contract.

RESOLUTION NO.

Adopted by the Sacramento City Council

November 9, 2006

AWARD THE CONTRACT TO THE LOWEST RESPONSIBLE BIDDER FOR THE INITIAL PURCHASE OF FIVE DUMP TRUCKS, IN AN AMOUNT NOT TO EXCEED \$400,000 AND AUTHORIZE THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE A THREE YEAR CONTRACT FOR THE PURCHASE OF UP TO 15 DUMP TRUCKS WITH SACRAMENTO TRUCK CENTER WITH A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$1.2 MILLION.

BACKGROUND

- A. The Department of General Services has a current requirement for the purchase of dump trucks at \$80,000 each. Other City departments may also have a need to replace or purchase up to ten additional dump trucks; therefore, this bid has provisions to allow for those additional purchases at the current bid price, including cost escalation provisions (up to 5% per year) within the next three years.
- B. In August 2006 the City issued a formal invitation to bid, Bid No. B061181074 for five dump trucks with the ability to extend for two additional years including cost escalations for ten additional dump trucks. Three bidders responded, and the lowest responsible bidder was Sacramento Truck Center.
- C. The City Council has adopted a policy of fuel strategies to improve air quality (Resolution 2005-454).

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

- Section 1. The contract is awarded to the Sacramento Truck Center for the initial purchase of five dump trucks, in an amount not to exceed \$400,000, with a total contract amount not to exceed \$1.2 million.
- Section 2. The City Manager or his designee is authorized to execute a three year contract with Sacramento Truck Center, 100 Opportunity Street, Sacramento, CA for up to fifteen dump trucks in an amount not to exceed \$1.2 million.