



REPORT TO COUNCIL City of Sacramento

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

CONSENT
May 1, 2007

Honorable Mayor and
Members of the City Council

Title: Contract: Purchase of Nine Dump Trucks

Location/Council District: Citywide

Recommendation: Adopt a **Resolution** awarding a one-year contract with two one-year renewal options to Riverview International Trucks, Inc., the lowest responsible and responsive bidder, for the purchase of up to nine dump trucks with the associated diagnostic tools for an amount not to exceed \$892,000.

Contacts: Keith Leech, Fleet Manager, 808-5869; Christopher Stewart, Procurement Services Manager, 808-6202

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 need to purchase up to nine dump trucks and the associated diagnostic tools for the Departments of Utilities, Transportation, and Parks and Recreation. These vehicles will replace older fleet vehicles and will be used for various infrastructure and 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. B071181069 (see Attachment 1) and execute a one-year contract with two additional one-year options with Riverview International Trucks, Inc.

Policy Considerations: The recommendations in this report are in accordance

with the provisions of the City Code Section 3.56.

Committee/Commission Action: Not Applicable.

Environmental Considerations: The Environmental Services Manager has determined that the action of purchasing vehicles does not have the potential for causing a significant effect on the environment and is therefore exempt under California Environmental Quality Act (CEQA) Guidelines, Categorical Exemption Section 15061(b)(3).

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 2008 model year vehicles will be California Air Resources Board and United States Environmental Protection Agency certified. Model year 2008 heavy duty engines feature 96% reduction of particulate matter and 90% reduction of nitrogen oxides when compared to the dump trucks they replace.

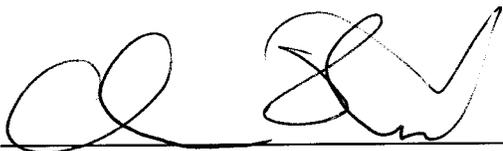
The City asked vendors to provide a quote for alternative fuel (liquid natural gas) powered engines, but no such quotes were received.

Rationale for Recommendation: In February 2007, Procurement Services sent out a formal Invitation for Bid No. B071181069 for the purchase of up to nine new three axle dump trucks. The initial three units will be replacements for the Departments of Utilities, Transportation, and Parks and Recreation. Other City departments may also have a need to replace or purchase up to six additional dump trucks; therefore, this bid has provisions to allow for those additional purchases at the current bid price, including cost escalation provisions, within the next three years.

Financial Considerations: Sufficient funds for the purchase of the initial three dump trucks in an amount not to exceed \$283,000 are available in the Department of General Services, Fleet Management operating budget, as well as the operating budget of the Departments of Utilities, Transportation, and Parks and Recreation.

Additional purchases for the remaining quantities will be at the current bid price plus a maximum 5% annual escalation cost. Purchases of replacement and new dump trucks utilizing this contract will be based on the available FY2007/08 approved budget and subject to FY2008/09 and FY2009/10 budget appropriations for these types of vehicles and equipment.

Emerging Small Business Development (ESBD): Riverview International Trucks, Inc, is not certified as an Emerging/Small business firm. However, a dump truck consists of two major components; 1) the truck cab and chassis, which is generally bid on by a truck dealer, and 2) the dump body, bid by a sub-contractor. In this case the sub-contractor, Tom's House of Hydraulics, is E/SBE certified.

Respectfully submitted by: 
Christopher Stewart
Procurement Services Manager

Respectfully submitted by: 
Keith Leech
Fleet Manager

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

Recommendation Approved:


Ray Kerridge
City Manager

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Attachment 1

BID NO. B071181069 – 3 AXLE DUMP TRUCKS
Bid Due Date: February 21, 2007

Schedule 1, Three Axle Dump Trucks

Bidder	3 axle Dump Trucks (Incl. Sales and Tire Tax)	5% E/SBE Preference	Prompt Payment Discount	1% City Tax Preference	Evaluation Total
Riverview International	\$828,983.43	None	None	None	\$828,943.43
Sacramento Truck Center	\$864,621.74	None	None	<8,022.87>	\$856,598.87
Western Truck Center	\$881,514.79	None	<\$2,700.00>	<\$8,179.65>	\$870,635.14
Tec of California	\$859,307.51	None	None	None	\$859,307.51
Bonander Trucks ⁽³⁾	\$832,639.39	None	<\$4,500.00>	None	\$828,139.39

Schedule 1 Bid Amount: \$828,983.43

Schedule 3, Optional Manuals, Software, Interface⁽⁴⁾

Bidder	Repair Manuals, 2 each	Parts Manuals, 2 each	Repair Software /Interface, 2 each	Sales Tax	Total
Riverview International	\$500	\$500	\$4,400	\$418.50	\$5,818.50
Sacramento Truck Center	\$1,100	\$400	\$7,100	\$666.50	\$9,266.50
Western Truck Center	\$1,150	\$380	\$5,450	\$533.98	\$7,423.98
Tec of California	\$190	\$250	\$1,600	\$158.10	\$2,198.10
Bonander Trucks ⁽³⁾	\$1,150	\$540	No Bid	\$130.98	\$1,820.98

Total Amount of Contract: \$892,000.00⁽¹⁾

Award of Contract to: Riverview International Trucks, Inc.
 2445 Evergreen Ave.

West Sacramento, CA 95691

Original Estimated Cost: \$810,000

Using Department: Utilities, Transportation, Parks and Recreation

Total No. of Bids Solicited	No. of E/SBE Bids Solicited	No. of E/SBE Responses	Award to E/SBE Vendor No⁽²⁾
16	1	0	

- (1) The lowest responsible bid total of \$828,983 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 \$283,000 and a total contract amount not to exceed \$892,000, which more closely reflects the actual amount anticipated to be expended during this three year contract and assuming that 6 trucks are purchased in the 3rd year of this contract with escalation provisions.
- (2) A dump truck consist of two major components; 1) the truck cab and chassis, which is generally bid on by a truck dealer, and 2) the dump body, bid by a sub-contractor. In this case the sub-contractor, Tom's House of Hydraulics, is E/SBE certified.
- (3) Bonander Truck was found to be non-responsive due to an exception taken to the rear axle specification.
- (4) The IFB requested a quotation for diagnostic software, interface and maintenance/repair manuals. The purchase of this option is necessary for future maintenance and is a one time cost of \$5,818.50. Please note that this equipment is manufacturer specific and that Riverview International Trucks was the only International Truck vendor responding.

RESOLUTION NO. 2007-XXXX

Adopted by the Sacramento City Council

May 1, 2007

AWARD A ONE-YEAR CONTRACT WITH TWO ONE-YEAR RENEWAL OPTIONS TO RIVERVIEW INTERNATIONAL TRUCKS, INC. ,THE LOWEST RESPONSIBLE AND RESPONSIVE BIDDER, FOR THE PURCHASE OF UP TO NINE DUMP TRUCKS WITH THE ASSOCIATED DIAGNOSTIC TOOLS FOR AN AMOUNT NOT TO EXCEED \$892,000

BACKGROUND

- A. The Department of General Services has a current requirement for the purchase of dump trucks. This bid was structured to allow for additional purchases at the current bid price within the next three years if other City departments have a need to replace or buy additional dump trucks.
- B. In February 2007, the City issued a formal Invitation to bid, Bid No. B071181069 for nine dump trucks. Five bidders responded. The apparent low bidder, Bonander Truck, was non-responsive because it did not comply with the stated specifications. Riverview International Trucks, Inc., the next lowest bidder, was then determined to be the lowest responsible and responsive bidder.
- C. The City Council has adopted a policy of fuel strategies to improve air quality (Resolution 2005-454) and revised Low Emission Vehicle Acquisition Policy (Resolution 2004-613).

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

- Section 1. Award a one-year contract with two one-year renewal options to the Riverview International Trucks, Inc. for purchase of nine dump trucks and the associated diagnostic tools in an amount not to exceed \$892,000.
- Section 2. The City Manager or his designee is authorized to execute the above contract with Riverview International Trucks, Inc., 2445 Evergreen Street, West Sacramento, CA for the initial purchase of three dump trucks including the associated diagnostic tools in an amount not to exceed \$283,000 in FY2006/07.
- Section 3. The City Manager or his designee is authorized to execute the above contract with Riverview International Trucks, Inc. to purchase the remaining quantities (up to 6 units) in FY2007/08, FY2008/09 and FY2009/10 at the current bid price plus a maximum 5% annual escalation

Contract: Purchase of Nine Dump Trucks

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cost, contingent upon the approved FY2007/08, FY2008/09 and FY2009/10 budget appropriations.

