



REPORT TO COUNCIL City of Sacramento

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

CONSENT
June 21, 2007

Honorable Mayor and
Members of the City Council

Title: Purchase: Wheelchair Accessible Bus Using a Cooperative Purchase Agreement

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) Approving the use of the cooperative purchase agreement between the State of California and Creative Bus Sales for the purchase of one wheelchair accessible bus; and 2) authorizing the City Manager or the City Manager's authorized designee, if advantageous to the City, to issue the required purchase order under the agreement for the purchase of one wheelchair accessible bus in an amount not to exceed \$103,000 from Creative Bus Sales.

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 customer requirement to purchase one wheelchair accessible bus for the Department of Parks and Recreation. This bus will replace two existing buses that have exceeded their useful lives. The Department of Parks and Recreation has determined that one bus will meet the current department needs.

Under City Code 3.56.240, the City Council may approve the use of cooperative purchasing agreements, and authorize the City Manager, where advantageous to the City, to utilize such agreements to purchase supplies and non-professional services. Cooperative purchasing agreements allow the City to rely upon a competitive bidding process already utilized by another public agency, which

results in lower operating costs through volume purchasing and combining resources with other government agencies.

Policy Considerations: The recommendations in this report are consistent with the provisions of the City Code Section 3.56.240 which allows for use of legal contracts from other jurisdictions or public agencies without separate competitive bidding by the City upon approval of the purchasing agreement by City Council.

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).

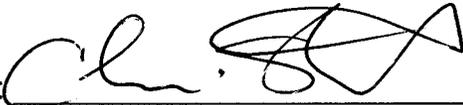
Rationale for Recommendation: In an ongoing effort to maximize cost savings and staff resources, many government agencies share contracting efforts through cooperative purchasing. This procurement method increases pricing competitiveness and lowers operating costs through volume buying. When comparing 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.

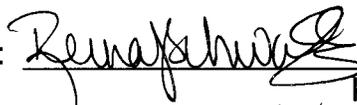
The City has used both regional and national cooperative purchasing agreements to complement its own contracting initiatives. Cooperative purchasing enables City departments and the Procurement Services Division to evaluate a broader range of contracting opportunities and to share resources with other jurisdictions. Cooperative purchasing also leverages internal and external resources to maximize cost savings opportunities for the City.

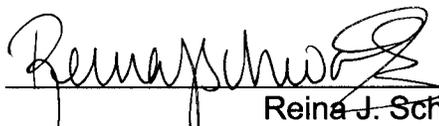
Using the existing cooperative agreement between the State of California and Creative Bus Sales (Contract No. 1-05-23-16) is in the best interests of the City as the agreement meets the needs of the City and utilizing the agreement will result in cost and time savings.

Financial Considerations: Sufficient funds exist in the Department of Parks and Recreation FY2006/07 operating budget to purchase one wheelchair accessible bus in an amount not to exceed \$103,000 from Creative Bus Sales. The replacement bus will be used by the three Recreation Divisions and serve in the same capacity as the older buses. In order to offset costs associated with the purchase of a replacement bus, Parks and Recreation staff raised \$13,500. These funds were deposited into the Special Recreation Fund (571). The remaining balance of \$89,500 will be paid by the START fund. This funding strategy distributes the cost between the START Fund and the Special Recreation Fund (571) since the bus will be used by both START and general recreation programs within the departments' recreation service delivery system.

Emerging Small Business Development (ESBD): Cooperative purchasing 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 Division and the Finance Department, Procurement Services Division will consider other alternatives if it is determined that using cooperative contracts may have a negative impact on small businesses.

Respectfully submitted by: 
Christopher Stewart
Procurement Services Manager

Respectfully submitted by: 
Keith Leech
for Fleet Manager

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

Recommendation Approved:


Ray Kerridge
City Manager

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RESOLUTION NO. 2007-XXXX

Adopted by the Sacramento City Council

June 21, 2007

APPROVE THE USE OF THE COOPERATIVE PURCHASE AGREEMENT BETWEEN THE STATE OF CALIFORNIA AND CREATIVE BUS SALES FOR THE PURCHASE OF ONE WHEELCHAIR ACCESSIBLE BUS AND AUTHORIZE THE CITY MANAGER OR THE CITY MANAGER'S AUTHORIZED DESIGNEE, IF ADVANTAGEOUS TO THE CITY, TO ISSUE THE REQUIRED PURCHASE ORDER UNDER THE AGREEMENT FOR THE PURCHASE OF ONE WHEELCHAIR ACCESSIBLE BUS IN AN AMOUNT NOT TO EXCEED \$103,000 FROM CREATIVE BUS SALES

BACKGROUND

- A. The Department of General Services, Fleet Management Division, has a customer requirement to purchase one wheelchair accessible bus for the Department of Parks and Recreation.
- B. Cooperative purchasing enables the 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.
- C. The competitive bid obtained by the State of California (Contract No. 1-05-23-16) as the basis for authorizing a purchase from Creative Bus Sales to purchase one wheelchair accessible bus is consistent with City Code 3.56.240, which allows for the use of cooperative purchase agreements through other governmental jurisdictions or public agencies without separate competitive bidding.
- D. Using the existing cooperative agreement between the State of California and Creative Bus Sales (Contract No. 1-05-23-16) is in the best interest of the City as the agreement meets the needs of the City and utilizing the agreement will result in cost and time savings.

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

- Section 1. Using the cooperative purchasing agreement between the State of California and Creative Bus Sales is hereby approved.
- Section 2. The City Manager or the City Manager's designee is authorized, if

advantageous to the City, to issue the required purchase order for one wheelchair accessible bus in an amount not to exceed \$103,000 from Creative Bus Sales, 13501 Benson Avenue, Chino, CA.