



REPORT TO COUNCIL

City of Sacramento

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

CONSENT
September 11, 2007

Honorable Mayor and
Members of the City Council

Title: Purchase: Cargo Box Trucks Using a Cooperative Purchase Agreement

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) approving the use of a Cooperative Purchase Agreement between the City of San Diego and Los Angeles Truck Centers, LLC for the purchase of two cargo box trucks in an amount not to exceed \$272,000; and 2) authorizing the City Manager to execute agreements under the referenced cooperative purchase agreement in an amount not to exceed \$272,000.

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 customer requirement to purchase two cargo box trucks for the Sacramento Fire Department. These trucks will be used by the department's California Urban Search and Rescue Task Force 7 (CA-TF7) to carry search and rescue equipment and supplies when the task force is deployed to emergency sites. The purchase of these trucks will be reimbursed by grant funding from the Department of Homeland Security, Federal Emergency Management Agency (FEMA).

In accordance with City Code 3.56.240 the City Manager, where advantageous to the City, may, by cooperative purchasing agreements approved by the City

Council, purchase supplies through legal contracts of other governmental jurisdictions without separate competitive bidding.

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

In May 2007, staff from the City of Sacramento and the City of San Diego collaboratively developed the specifications for the needs of the City of Sacramento's CA-TF7 and its San Diego counterpart, CA-TF8. The City of San Diego issued Request for Bid No. 8789-07-P. Only one bid was received. The responsive and responsible bidder was Los Angeles Truck Centers, LLC. Using the agreement resulting from Request for Bid No. 8789-07-P between the City of San Diego and Los Angeles Truck Centers, LLC is in the best interest of the City as the agreement meets the City's fleet equipment specifications for cargo box trucks for CA-TF7. Additionally, utilizing this agreement will result in cost and time savings.

Financial Considerations: This purchase will be reimbursed with grant funding from the Department of Homeland Security, Federal Emergency Management Agency.

Truck Centers, LLC.

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.

Los Angeles Truck Centers, LLC is not a City certified emerging/small business. Through the third quarter of FY2006/07 the Department of General Services has achieved an ESBD percentage of 65%.

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:

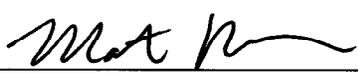

Ray Kerridge
City Manager

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RESOLUTION NO. 2007-XXXX

Adopted by the Sacramento City Council

September 11, 2007

APPROVING THE USE OF A COOPERATIVE PURCHASE AGREEMENT FOR THE PURCHASE OF TWO CARGO BOX TRUCKS

BACKGROUND

- A. The Department of General Services, Fleet Management Division, has a customer requirement to purchase two cargo box trucks for the Sacramento Fire Department for use by the department's California Urban Search and Rescue Task Force 7 (CA-TF7). The purchase of these trucks will be reimbursed by grant funding from the Department of Homeland Security, Federal Emergency Management Agency.
- B. In May 2007, staff from the City of Sacramento and the City of San Diego collaboratively developed the specifications for the needs of the City of Sacramento's CA-TF7 and its San Diego counterpart, CA-TF8. The City of San Diego issued Request for Bid No. 8789-07-P. Only one bid was received. The responsive and responsible bidder was Los Angeles Truck Centers, LLC.
- C. Staff requests that the Mayor and City Council approve the use of the agreement resulting from Request for Bid No. 8789-07-P between the City of San Diego and Los Angeles Truck Centers, LLC as it is in the best interest of the City. Using this agreement is consistent with City Code 3.56.240, which allows for the use of legal contracts of other governmental jurisdictions without separate competitive bidding.

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

- Section 1. The Cooperative Purchase Agreement between the City of San Diego and Los Angeles Truck Centers, LLC resulting from Request for Bid No. 8789-07-P is approved for the purchase of two cargo box trucks.
- Section 2. The City Manager is authorized to execute the purchase of two cargo box trucks in an amount not to exceed \$272,000.