

City of Sacramento

Legislation Details (With Text)

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Title: Cooperative Purchase Agreement: Replacement Water Truck
Sponsors:
Indexes:
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Attachments:

Date	Ver.	Action By	Action	Result
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Title:
Cooperative Purchase Agreement: Replacement Water Truck

File ID: 2019-00063

Location: Citywide

Recommendation:

Pass a Motion: 1) approving the use of the Sourcewell cooperative purchase agreement with CNH Industrial America, LLC (Contract No. 032515-CNH) for the purchase of one replacement water truck from an authorized dealer, Sonsray Machinery, in an amount not to exceed \$143,082; and 2) authorizing the City Manager or the City Manager's designee to execute the purchase specified above.

Contact: Alison Crandall, Program Specialist, (916) 808-1163; Mark Stevens, Fleet Manager, (916) 808-5869, Department of Public Works

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Agreement

Description/Analysis

Issue Detail: The Department of Public Works, Fleet Management Division, has a customer requirement to purchase one water truck for the Department of Utilities, Wastewater Collection Division. The water truck will be used to assist the hydro-excavation equipment in maintaining and cleaning the wastewater system.

Policy Considerations: The recommendations in this report are in accordance with City Code Chapter 3.56.

Economic Impacts: None

Environmental Considerations: 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 California Environmental Quality Act guidelines.

Sustainability: The recommended purchases are consistent with the updated Fleet Sustainability Policy adopted by City Council on December 12, 2017 (Resolution No. 2017-0478).

Commission/Committee Action: None

Rationale for Recommendation: After reviewing the available purchase options, the Fleet Management Division has determined that the Sourcewell cooperative purchase agreement with CNH Industrial America, LLC represents the most advantageous purchasing strategy. The contract was competitively bid nationally, and Sourcewell (formerly the National Joint Powers Alliance) receives greater discounts from the manufacturer due to a higher purchase volume than the City would receive if issuing its own bid.

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.

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 purchase, in a total amount not to exceed \$143,082 will be made from the Department of Public Works Fiscal Year (FY) 2018/19 operating budget (Fleet Fund, Fund 6501) and will be charged to the Department of Utilities Wastewater Fleet Project

(I06146000, Fund 6006). An additional \$657 was added to the not to exceed amount due to the sales tax increase that will occur on April 1, 2019. Sufficient funding exists in the Department's FY2018/19 operating budget and the Utilities Fleet Project (I06146000) to support the recommended purchase.

Local Business Enterprise (LBE): New Holland Construction is not an LBE. The minimum LBE participation requirement is waived for the City's use of cooperative purchase agreements that have been competitively bid, evaluated, and awarded by other governmental agencies that may or may not have similar LBE programs.