

# City of Sacramento

## Legislation Details (With Text)

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**File #:** 2020-00636    **Version:** 1    **Name:**  
**Type:** Consent Item    **Status:** Agenda Ready  
**File created:** 5/21/2020    **In control:** City Council - 2PM  
**On agenda:** 6/30/2020    **Final action:**  
**Title:** Cooperative Purchase Contract: Replacement Pipeline Inspection Van  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:**

Date	Ver.	Action By	Action	Result
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**Title:**  
**Cooperative Purchase Contract: Replacement Pipeline Inspection Van**

File ID: 2020-00636

**Location:** Citywide

**Recommendation:**

Pass a Motion: 1) approving the use of the Houston-Galveston Area Council (HGAC) cooperative purchase agreement with CUES, Inc. (Contract No.SC01-18) for the purchase of one replacement pipeline inspection van from an authorized dealer, Weco Industries, in an amount not to exceed \$290,868; and 2) authorizing the City Manager or the City Manager's designee to execute the purchase specified above.

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

**Presenter:** None

**Attachments:**

- 1-Description/Analysis
- 2-Contract

### Description/Analysis

**Issue Detail:** The Department of Public Works, Fleet Management Division, has a customer requirement to purchase one replacement pipeline inspection van (CCTV) for the Department of

Utilities Wastewater Collection Section. This piece of equipment allows for the review and video of pipe conditions and potential blockages within 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 are not considered to be a project in accordance with Section 15378(b)(2) of the California Environmental Quality Act guidelines.

**Sustainability:** The recommended purchase is 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:** The recommended purchase of the pipeline inspection van (CCTV) cleaning trucks are a part of the normal replacement schedule completed by the Fleet Management Division each year. The truck is essential in maintenance of the wastewater system to ensure free-flowing, unblocked pipes, as well as to provide condition assessments of the system.

After reviewing the available purchase options, Fleet Management has determined that using the cooperative purchase agreement with Houston-Galveston Area Council (HGAC) and CUES, Inc. represents the most advantageous purchasing strategy. The contract was competitively bid nationally, and HGAC 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 approach 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 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 \$290,868 will be made from the Department of Public Works Fiscal Year (FY) 2019/20 operating budget (Fleet Fund, Fund 6501) and will be charged to the Department of Utilities Wastewater Fleet Project (I06146000) (Wastewater Fund, Fund 6006). Sufficient funding exists in the Department's FY2019/20 operating budget and the Utilities Fleet Project (I06146000) to support the recommended purchase. No general funds will be used for this purchase.

**Local Business Enterprise (LBE):** CUES, Inc. is not a local business enterprise. 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.