

City of Sacramento

Legislation Details (With Text)

File #: 2020-00686 **Version:** 1 **Name:**
Type: Consent Item **Status:** Agenda Ready
File created: 6/4/2020 **In control:** City Council - 2PM
On agenda: 6/30/2020 **Final action:**
Title: Cooperative Purchase Contract: Fire Ambulances
Sponsors:
Indexes: Budget Change
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

Title:
Cooperative Purchase Contract: Fire Ambulances

File ID: 2020-00686

Location: Citywide

Recommendation:

Adopt a Resolution: 1) authorizing the City Manager or the City Manager's designee to increase the expenditure and revenue budgets by \$618,928 in the Department of Public Works operating budget in the Fleet Fund (Fund 6501); 2) authorizing the City Manager or City Manager's designee to appropriate the Intergovernmental Transfer (IGT) commitment of General Fund balance in the amount of \$618,928 to the Advanced Life Support Equipment Program (F12000200); 3) approving the use of the Houston-Galveston Area Council (HGAC) cooperative purchase agreement with Braun Northwest, Inc. (Contract No. AM10-18) for the purchase of three ambulances in an amount not to exceed \$618,928; and 4) 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
- 3-Resolution

Description/Analysis

Issue Detail: The Department of Public Works, Fleet Management Division, has a customer requirement to purchase three ambulances for the Sacramento Fire Department.

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

Economic Impacts: None

Environmental Considerations:

California Environmental Quality Act: 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: Fleet Management recommends the purchase of three additional ambulances (medics) for multiple reasons. The medics will provide the ability to rotate the units within the fleet. This allows for medics to be swapped between busier and slower stations to smooth out the number of miles units are driven each year. The purchased medics will increase the number of reserve fleet which are needed when medics are taken out of service due to maintenance and accidents. The reserve fleet is also utilized for flex medics that are placed into service when the fire department experiences higher call volumes.

After reviewing the available purchase options, Fleet Management has determined that using the cooperative purchase agreement with Houston-Galveston Area Council (HGAC) and Braun Northwest, Inc. represents the most advantageous purchasing strategy. The contract was competitively bid, 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 method increases pricing competitiveness and lowers capital 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 an amount not to exceed \$618,928, will be made from the Department of Public Works operating budget in the Fleet Fund (Fund 6501) and charged to the Advanced Life Support Equipment Program (F12000200).

An increase to the Department of Public Works operating revenue and expenditure budgets in the amount of \$618,928 (Fund 6501) is necessary as the units were approved after the budget process took place. An appropriation in the amount of \$618,928 from the IGT commitment of General Fund balance to the Advanced Life Support Equipment Program (F12000200) is requested to cover the costs of the three units. Sufficient resources are available in the IGT commitment of General Fund balance to complete the recommended appropriation.

Upon completion of the recommended budget adjustments, sufficient funding will be available in the Department of Public Works, Fleet Management Division's operating budget (Fund 6501) and in the Advanced Life Support Equipment Program (F12000200) to support the recommended purchase.

Local Business Enterprise (LBE): Braun Northwest, Inc. 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.