

City of Sacramento

Legislation Text

File #: 2019-00107, **Version:** 1

Title:

Cooperative Purchase Agreements: Replacement Refuse Trucks [Published for 10-Day Review 02/14/2019]

File ID: 2019-00107

Location: Citywide

Recommendation:

Pass a Motion: 1) approving the use of a cooperative purchase agreement between the Texas Government Purchasing Cooperative (BuyBoard) and Chastang Enterprises (Contract No. 521-16) for the purchase of 16 Autocar chassis from an authorized dealer, Western Truck Parts and Equipment, in an amount not to exceed \$3,098,521; 2) approving the use of a cooperative purchase agreement between Sourcewell and Scranton Manufacturing Company, Inc. (Contract No. 112014-NWY) for the purchase of 16 New Way bodies from an authorized dealer, Ray Gaskin, in an amount not to exceed \$3,239,147; and 3) authorizing the City Manager or the City Manager's designee to execute the purchases 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 16 replacement refuse trucks for the Department of Public Works, Recycling & Solid Waste Division. The truck bodies and chassis are being purchased separately. These trucks are used to pick-up and transport recycling materials and refuse to facilities for processing.

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

Chapter 3.56 and Sacramento City Code Section 4.040.020 and Council Rules of Procedure, Chapter 7, Section E.2.d, which require additional posting time for labor agreements and agreements greater than \$1 million.

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 (CEQA) 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 using the BuyBoard cooperative purchase agreement with Chastang Enterprises and the Sourcewell cooperative purchase agreement with Scranton Manufacturing Company, Inc. represents the most advantageous purchasing strategy. The recommended cooperative purchase agreements were competitively bid nationally, and BuyBoard and Sourcewell receive greater discounts from the manufacturers, due to 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 purchases in a total amount not to exceed \$6,337,668 will be made from the Department of Public Works Fiscal Year (FY) 2018/19 operating budget (Fleet Fund, Fund 6501) and charged to the Department of Public Works Solid Waste Fleet Project (I06147000, Fund 6007). Sufficient funding exists in the Department's FY2018/19 operating budget and the Public Works Fleet Project (I06147000) to support the recommended purchase.

Local Business Enterprise (LBE): Chastang Enterprises and Scranton Manufacturing Company, Inc. are not LBEs. 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.