

City of Sacramento

Legislation Text

File #: 2019-01204, **Version:** 1

Title:

Cooperative Purchase Agreement: Replacement Fire Apparatus [Published for 10-Day Review 08/29/2019]

File ID: 2019-01204

Location: Citywide

Recommendation:

Pass a Motion: 1) approving the use of the Public Procurement Authority/National Purchasing Partners Fire Rescue GPO (NPPGov FRGPO) cooperative purchase agreement with Pierce Manufacturing, Inc. (Contract No. VH11574) for the purchase of two pumper trucks from an authorized dealer, Golden State Fire Apparatus, Inc., for an amount not to exceed \$1,477,253; 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-Agreement

Description/Analysis

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

Policy Considerations: The recommendations in this report are in accordance with City Code Chapter 3.56 and Sacramento City Council Rules of Procedure, Chapter 7, Section E.2.d, which requires additional posting time for labor agreements and agreements greater than \$1 million. This item was published for 10-day review on August 29, 2019.

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 NPPGov FRGPO cooperative purchase agreement with Pierce Manufacturing Inc. represents the most advantageous purchasing strategy. The contract was competitively bid nationally, and NPPGov FRGPO 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 a total amount not to exceed \$1,477,253 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 Fire Apparatus Equipment Project (F12000300). Sufficient funding exists in the Department of Public Works FY2019/20 operating budget and the Fire Apparatus Equipment Project (F12000300) to support the recommended purchases.

Local Business Enterprise (LBE): Pierce Manufacturing, 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.