

City of Sacramento

Legislation Text

File #: 2020-00638, **Version:** 1

Title:

Cooperative Purchase Contract: Replacement Fire Apparatus [Published for 10-Day Review 06/19/2020]

File ID: 2020-00638

Location: Citywide

Recommendation:

Pass a Motion: 1) approving the use of the Public Procurement Authority/National Purchasing Partners Public Safety GPO (NPPGov PSGPO) cooperative purchase contract with Pierce Manufacturing, Inc. (Contract No. VH11574) for the purchase of two type 1 engines, one hazmat truck, and one type 3 engine from an authorized dealer, Golden State Fire Apparatus, Inc., for an amount not to exceed \$3,115,512; 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 multiple apparatus units for the Sacramento Fire Department. The two type 1 engines will be used daily to respond to fire and medical calls. The type 3 engine is a grass rig that can be used on wildland and urban interface fires like those seen on the American River Parkway. There are currently only three type 3 engines in the fire fleet. The Hazmat truck is used during hazardous material calls. There are two of these trucks in the fire fleet. This equipment is necessary to assist with the goal of the fire department to protect and save lives and property.

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 June 19, 2020 as required.

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: These pieces of equipment are being purchased to replace existing equipment, consistent with the normal fleet replacement schedule. It is essential to purchase new fire apparatus for many reasons: buying new equipment and decommissioning old equipment allows for lower maintenance costs and less downtime of the vehicles; and newer technology provides more safety options for fire personnel as well as for citizens.

After reviewing the available purchase options, Fleet Management has determined that the NPPGov PSGPO cooperative purchase contract with Pierce Manufacturing Inc. represents the most advantageous purchasing strategy. The contract was competitively bid nationally, and NPPGov PSGPO 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 \$3,115,512 will be made from the Department of Public Works Fiscal Year (FY) 2020/21 operating budget (Fleet Fund, Fund 6501) and will be charged to the Fire Apparatus Program (F12000300). Sufficient funding exists in the Department of Public Works FY2020/21 operating budget and the Fire Apparatus Program (F12000300) to support the recommended purchases.

Local Business Enterprise (LBE): Pierce Manufacturing, Inc. is not a Local Business Enterprises. 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.