



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

CONSENT
July 24, 2007

**Honorable Mayor and
Members of the City Council**

Title: Contract: Purchase of Nine Dump Trucks

Location/Council District: Citywide

Recommendation: Adopt a **Resolution** awarding a one-year contract with two one-year renewal options to Sacramento Truck Center, the lowest responsible and responsive bidder, for the purchase of up to nine dump trucks in amount not to exceed \$913,749.

Contacts: Keith Leech, Fleet Manager, 808-5869; Christopher Stewart, Procurement Services Manager, 808-6202

Presenters: Not Applicable

Department: General Services

Division: Fleet Management

Organization No: 3259

Description/Analysis:

Issue: The Department of General Services, Fleet Management Division, has a need to purchase up to nine dump trucks for various City departments. These vehicles will replace older units or add to the City fleet and will be used for various infrastructure tasks throughout the City of Sacramento.

Policy Considerations: The recommendations in this report are in accordance with the provisions of City Code Section 3.56.

Committee/Commission Action: Not Applicable

Environmental Considerations: The Environmental Services Manager has determined that the action of purchasing vehicles does not have the potential for causing a significant effect on the environment and is therefore exempt under California Environmental Quality Act (CEQA) Guidelines, Categorical Exemption Section 15061(b)(3).

This purchase is consistent with the City's revised Low Emission Vehicle Acquisition Policy (Resolution No. 2004-613) and Fleet Fuel Strategies (Resolution No. 2005-454). These 2008 model year vehicles will be California Air Resources Board and United States Environmental Protection Agency certified. Model Year 2008 heavy duty engines feature 96% reduction of particulate matter and 90% reduction of nitrogen oxides when compared to the dump trucks they replace.

The Invitation for Bid requested vendors to provide a quote for alternative fuel (liquid natural gas) powered engines, but no such quotes were received.

Rationale for Recommendation: In support of various City departments, the Department of General Services, Fleet Management Division has a need to purchase three dump trucks for scheduled replacements of existing City fleet vehicles. In an effort to save the time and expense of additional bidding, the recommended contract allows for the purchase of up to six additional dump trucks should the need arise.

In June 2007, Procurement Services issued Invitation for Bid No. B071181091, which was developed and administered in accordance with City Code Section 3.56 for the purchase of up to nine new dump trucks. A total of four bids were received. Two bidders, Bonander Trucks, and Riverview International Trucks, were found to be non-responsive due to exceptions taken to the dump body specification. Sacramento Truck Center was determined to be the lowest responsive and responsible bidder.

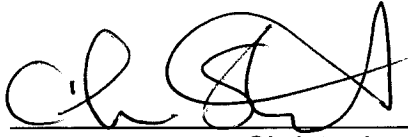
Financial Considerations: This report recommends awarding a multi-year contract for the purchase of up to nine dump trucks in a total amount not to exceed \$913,749. The initial purchase in the first year of this contract (FY2007/08) will be for three dump trucks in an amount not to exceed \$285,105. Sufficient funds for the initial purchase are available in the Department of General Services, Fleet Management FY2007/08 operating budget, as well as the FY2007/08 operating budgets of the Departments of Utilities, Transportation, and Parks and Recreation.


Additional purchases for the remaining quantities will be at the current bid price plus a maximum 5% annual cost escalation, and will be subject to appropriations in the FY2008/09 and FY2009/10 annual budgets for these types of vehicles.


The contract not-to-exceed amount of \$913,749 includes the annual escalation factor and is calculated under the assumption that additional purchases, if any, will not be made until the third year (FY2009/10) of the contract, as illustrated in the following table.

Fiscal Year	No of Trucks	Not-to-Exceed Amount
FY2007/2008	3	\$285,105
FY2008/2009	0	\$0
FY2009/2010	6	\$628,644
3-Year Total	9	\$913,749

Emerging Small Business Development (ESBD): Sacramento Truck Center is not certified as an emerging/small business enterprise. Through the third quarter of FY2006/07 the Department of General Services has achieved an ESBD percentage of 65%.

Respectfully submitted by: 
 Christopher Stewart
 Procurement Services Manager

Respectfully submitted by: 
 Keith Leech
 Fleet Manager

Approved by: 
 Reina J. Schwartz
 Director, Department of General Services

Recommendation Approved:



 Ray Kerridge
 City Manager

Table of Contents:

Report	Pg 1
Attachments	
1 Bid Details	Pg 4
2 Resolution	Pg 5

Attachment 1

BID NO. B071181091 – 3 AXLE DUMP TRUCKS
Bid Due Date: June 13, 2007

Three Axle Dump Trucks Schedule

Bidder	3 Axle Dump Trucks (Incl. Sales and Tire Tax)	5% E/SBE Preference	Prompt Payment Discount	1% City Tax Preference	Evaluation Total 9-unit
Riverview International (2)	\$841,221.68	None	<\$4,500.00>	None	\$836,721.68
Sacramento Truck Center	\$855,312.14	None	None	<\$7,936.47>	\$847,375.67
Western Truck Center	\$894,670,.42	None	<\$900.00>	<\$2,645.49>	\$872,435.14
Bonander Trucks (2)	\$840,203.44	None	<\$4,500.00>	None	\$835,703.44

Total Amount of Contract: \$913,747.71 ⁽¹⁾

Award of Contract to: Sacramento Truck Center
 100 Opportunity St.
 Sacramento, CA 95838

Original Estimated Cost: \$810,000

Using Department: Utilities, Transportation, Parks and Recreation

Total No. of Bids Solicited	No. of E/SBE Bids Solicited	No. of E/SBE Responses	Award to E/SBE Vendor
16	TBD	0	No

(1) The lowest responsible and responsive bid total of \$855,312.14 represents the total for the estimated quantities selected for evaluation purposes only. Authorization is requested to enter into a contract in an initial amount not to exceed \$285,105 and a total contract amount not to exceed \$913,749 (three (3) in first year and six (6) in third year), which more closely reflects the actual amount anticipated to be expended during this three year contract and assuming that six (6) trucks are purchased in the 3rd year of this contract with escalation provisions.

(2) Bonander Trucks and Riverview International Trucks were found to be non-responsive due to exceptions taken to the dump body specification.

RESOLUTION NO. 2007-XXXX

Adopted by the Sacramento City Council

July 24, 2007

AWARD A ONE YEAR CONTRACT WITH TWO ONE-YEAR RENEWAL OPTIONS TO SACRAMENTO TRUCK CENTER, THE LOWEST RESPONSIBLE AND RESPONSIVE BIDDER, FOR THE PURCHASE OF UP TO NINE DUMP TRUCKS FOR AN AMOUNT NOT TO EXCEED \$913,749

BACKGROUND

- A. The Department of General Services has a current requirement for the purchase of three dump trucks. This bid was structured to allow for additional purchases at the current bid price plus a maximum 5% annual cost escalation within the next three years if other City departments have a need to replace or buy additional dump trucks.
- B. In June 2007, the City issued Invitation for Bid No. B071181091 for nine dump trucks. A total of four bidders responded. Sacramento Truck Center was determined to be the lowest responsible and responsive bidder.
- C. The City Council has adopted a policy of fuel strategies to improve air quality (Resolution 2005-454) and revised Low Emission Vehicle Acquisition Policy (Resolution No. 2004-613). This purchase is consistent with these Council adopted policies.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The one year contract with two one-year renewal options for the purchase of up to nine dump trucks is awarded to Sacramento Truck Center in an amount not to exceed \$913,749.
- Section 2. The contract with Sacramento Truck Center provides for an initial term of one year, with the option to extend for additional one year terms, up to a total contract term of three years (including the initial term and all extensions). The City Manager may authorize such extension(s) for the not to exceed amount specified above, provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).