

---

**File ID:** 2024-01124

6/25/2024

**Consent Item 13.**

---

**Contract Supplement No. 1: Replacement Altec Hydraulic Dump Chip Body Truck**

File ID: 2024-01124

**Location:** Citywide

**Recommendation:** Pass a **Motion** authorizing the City Manager or City Manager’s designee to execute Supplement No. 1 to Contract No. 2024-0707 with Altec Industries, Inc. for the purchase of one (1) hydraulic dump chip body truck in an amount not to exceed \$103,204 for a revised total contract not-to-exceed amount of \$304,392.

**Contact:** Bobbie Small, Program Specialist, bsmall@cityofsacramento.org, (916) 808-6711; Alison Kerstetter, Fleet Manager, akerstetter@cityofsacramento.org, (916) 808-1163; Department of Public Works

**Presenter:** None.

**Attachments:**

- 1 - Description/Analysis
- 2 - Supplemental Agreement No. 1

**Description/Analysis**

**Issue Detail:** The Department of Public Works, Fleet Management Division, has been commissioned to acquire a replacement hydraulic dump chip body truck for the, Urban Forest Services Division within the Public Works Department. This new truck will play a crucial role in the city's tree maintenance operations, specifically for the efficient removal of chippings and debris generated from tree trimming projects. Ensuring the Urban Forest Services Division has reliable equipment is essential for maintaining the health and aesthetics of the city's urban forest, as well as for the safety and cleanliness of public spaces.

**Policy Considerations:** The recommendations in this report are in accordance with City Code Chapter 3.56, which requires City Council approval of actions of \$250,000 or more.

**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 Fleet Sustainability Policy adopted by City Council on December 12, 2017 (Resolution No. 2017-0478).

**Commission/Committee Action:** None.

**Rationale for Recommendation:** The Sourcewell contract was previously used by Fleet Management for an amount not to exceed \$201,188. Fleet Management is requesting to purchase one additional truck under this agreement.

This replacement truck is necessary due to the existing truck having reached the end of its serviceable life, primarily because of high mileage and maintenance costs. The recommended acquisition of this truck aligns with the standard replacement schedule carried out by the Fleet Management Division.

After reviewing the available purchase options, the Fleet Management Division has determined that the Sourcewell cooperative purchase agreement with Altec Industries, Inc., represents the most advantageous purchasing strategy. The contract was competitively bid nationally, and Sourcewell 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 operating 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:** One replacement hydraulic dump chip body truck will be purchased in an amount not to exceed \$103,204 from the Department of Public Works Fiscal Year (FY) 2024/2025 operating budget (Fleet Fund, Fund 6501) and will be charged to the Department of Public Works

Landscape and Lighting Project (I06152000, Fund 2232). Sufficient funding exists in the Department of Public Works Landscape and Lighting Project and will exist in the Department of Public Works Fiscal Year (FY) 2024/2025 operating budget upon approval of the City's annual budget.

Due to the forecasted structural budget gap, the City Manager has directed City departments to minimize costs and for all new contracts to receive an additional level of scrutiny to ensure they are necessary for the operation of the City. This contract has been reviewed and approved by the City Manager's Office to advance to Council for approval. Funding for the proposed contract beyond FY2024/25 is subject to Council approval.

**Local Business Enterprise (LBE):** Altec Industries, 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.

# CONTRACT ROUTING SHEET

**Contract Cover/Routing Form: Must Accompany ALL Contracts; however, it is NOT part of the contract.**

## General Information (Required)

Original Contract # (supplements only): 2024-0707 Supplement/Addendum #: 01  
Assessor's Parcel Number(s): \_\_\_\_\_  
Contract Effective Date: 01/12/2022 Contract Expiration Date (if applicable): 12/27/2025  
\$ Amount (Not to Exceed): \$ 304,392.00 Adjusted \$ Amount (+/-): \$ 103,204.00  
Other Party: Altec Industries, Inc.  
Project Title: Replacement Hydraulic Dump Chip Body Truck  
Project #: \_\_\_\_\_ Bid/RFQ/RFP #: 110421-ALT  
City Council Approval: YES if YES, Council File ID#: 2024-01124

## Contract Processing Contacts

Department: Public Works Project Manager: Bobbie Small  
Contract Coordinator: Song Moua Email: smoua@cityofsacramento.org

## Department Review and Routing

<b>Accounting:</b>	_____	_____
	(Signature)	(Date)
<b>Supervisor:</b>	_____	_____
	(Signature)	(Date)
<b>Division Manager:</b>	_____	_____
	(Signature)	(Date)
<b>Other:</b>	_____	_____
	(Signature)	(Date)

## Special Instruction/Comments (i.e. recording requested, other agency signatures required, etc.)

**Recording Requested**       **Other Party Signature Required**

\*Suspend Competitive Bidding

-----**FOR CLERK & IT DEPARTMENTS ONLY – DO NOT WRITE BELOW THIS LINE**-----

**SUPPLEMENTAL CONTRACT**

**Project Title and Job Number:** Replacement Hydraulic Dump Body Truck

**Date:** 05/28/2024

**Purchase Order #:**

**Supplemental Contract No.:** 01

The City of Sacramento ("City") and Altec Industries, Inc. ("Contractor"), as parties to that certain Goods and Non-Professional Services Agreement designated as Contract Number 2024-0707, including any and all prior supplemental contracts modifying the contract (the contract and all supplemental contracts are hereafter collectively referred to as the "Contract"), hereby supplement and modify the Contract as follows:

1. The Scope of Services specified in Exhibit A of the Contract is amended as follows:

Adding one (1) additional Replacement Hydraulic Dump Body Truck to increase the total quantity to two (2) Replacement Altec Trucks.

2. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Contract for payment of Contractor's fees and expenses, is **increased/decreased** by \$ 103,204.00, and the Contract's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	\$ 201,188.00
Net change by previous supplemental contracts:	\$ 0.00
Not-to-exceed amount prior to this supplemental contract:	\$ 201,188.00
<b>Increase/decrease</b> by this supplemental contract:	\$ 103,204.00
New not-to exceed amount including all supplemental contracts:	\$ 304,392.00

3. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in schedules or in the delivery of other services by Contractor.
4. Contractor warrants and represents that the person or persons executing this supplemental contract on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental contract and bind Contractor to the terms hereof.
5. Except as specifically revised herein, all terms and conditions of the Contract shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Contract, as supplemented and modified by this supplemental contract.


**[SIGNATURES ON FOLLOWING PAGE]**

**SUPPLEMENTAL CONTRACT**

**Approval Recommended By:**

\_\_\_\_\_  
Project Manager

**Approved By:**

  
\_\_\_\_\_  
[Casey toley \(May 28, 2024 17:11 MDT\)](#)  
Contractor

**Approved By:**

\_\_\_\_\_  
Ryan Moore, Assistant City Manager  
City of Sacramento

**Approved As To Form By:**

*Paul A. Gale*

\_\_\_\_\_  
City Attorney

**Attest:**

\_\_\_\_\_  
City Clerk