



REPORT TO COUNCIL

City of Sacramento

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

CONSENT
December 4, 2007

Honorable Mayor and
Members of the City Council

Title: Contracts: Purchase of Medium Duty Trucks

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) awarding a one-year contract with two one-year renewal options for the purchase of medium duty trucks to: a) Bonander Truck in an amount not to exceed \$1,063,295; b) Downtown Ford Sales in an amount not to exceed \$1,379,746; c) Riverview International in an amount not to exceed \$1,016,200; and 2) authorizing the City Manager or the City Manager's designee to execute the contracts specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).

Contacts: Keith Leech, Fleet Manager, 808-5869

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 medium duty trucks from various manufacturers. These vehicles will replace older units or augment the City's fleet.

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 current proposal involves the purchasing of City vehicles. The proposal is not a 'project' in accordance with Section 15378 (b) (2) of the California Environmental Quality Act Guidelines. The proposal involves a continuing administrative activity. Therefore, as determined by the City's Environmental Services Planning Manager, no environmental review is necessary.

Fleet Management is committed to providing its customers with alternatives to traditionally fueled vehicles wherever practical. In developing the specifications for this bid, Fleet Management staff determined that hybrid vehicles are available for only two of the vehicle groups (Groups IV and V noted below). The invitation for bid did not include hybrid vehicles because of their cost (as much as \$60,000 more per vehicle), and the fact that the City's fleet budget does not currently include funding for the incremental cost for alternative fuel vehicles. Each year as the recommended contracts are due for renewal, Fleet Management will consider opportunities to rebid these contracts in the event that alternative fuel vehicles become more affordable or the City's fleet budget provides the funding for these vehicles. Additionally, Fleet Management staff will continue to seek grant opportunities to offset the cost of alternative fuel vehicles.

The 2008 or newer model year vehicles to be purchased under the recommended contracts will be California Air Resources Board and United States Environmental Protection Agency certified. Model year 2008 heavy duty diesel engines feature 96% reduction of particulate matter and 90% reduction of nitrogen oxides when compared to the vehicles they will replace.

Rationale for Recommendation: In support of various departments, the Department of General Services, Fleet Management Division has a need to purchase medium duty trucks to replace older units or augment the City's fleet. In an effort to expedite future purchases, the recommended contracts allow for two one-year renewals for the purchase of medium duty trucks provided that sufficient funds are available in the adopted budgets for the applicable fiscal years.

In September 2007, Procurement Services, in accordance with City Code Section 3.56, issued Invitation for Bid No. B081181011 for the purchase of medium duty trucks. The bid consisted of nine different groups. The City reserved the right to make multiple awards. It is in the City's best interest to make multiple awards to insure that the City receives the best pricing and there is no gap in service. A summary of the bid results is provided below. Detailed bid results are provided in Attachment 1. This report recommends awarding a contract to the lowest bidder in each of the nine groups listed.

Group I included 15,000 lb. Gross Vehicle Weight Rating (GVWR) conventional cab and chassis, to which two bidders responded. The responsive and responsible bidders were Bonander Truck and Downtown Ford Sales.

Group II included 17,500 lb. GVWR conventional cab and chassis, to which two bidders responded. The responsive and responsible bidders were Bonander Truck and Downtown Ford Sales.

Group III included 25,500 lb. GVWR conventional cab and chassis, to which three bidders responded. The responsive and responsible bidders were Bonander Truck, Downtown Ford Sales, and Riverview International.

Group IV included 30,000 lb. GVWR conventional cab and chassis, to which four bidders responded. The responsive and responsible bidders were Bonander Truck, Downtown Ford Sales, Riverview International, and Sacramento Truck Center.

Group V included 33,000 lb. GVWR conventional cab and chassis, to which four bidders responded. The responsive and responsible bidders were Bonander Truck, Downtown Ford Sales, Riverview International, and Sacramento Truck Center.

Group VI included 60,000 lb. GVWR conventional cab and chassis, to which three bidders responded. The responsive and responsible bidders were Bonander Truck, Riverview International, and Sacramento Truck Center.

Group VII included 14,500 lb. GVWR cab-over engine cab and chassis, to which two bidders responded. The responsive and responsible bidders were Bonander Truck and Downtown Ford Sales.

Group VIII included 17,500 lb. GVWR cab-over engine cab and chassis, to which three bidders responded. The responsive and responsible bidders were Bonander Truck, Downtown Ford Sales, and Riverview International.

Group IX included 25,500 lb. GVWR cab-over engine cab and chassis, to which one bidder responded. The responsive and responsible bidder was Bonander Truck.

Financial Considerations: This report recommends awarding one-year contracts with two one-year renewal options as follows for the purchase of medium duty trucks:

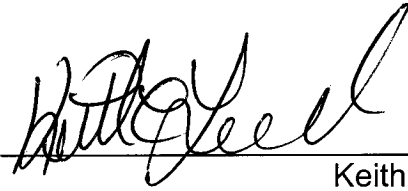
Vendor	Commodity	Year 1 Estimate	Year 2 Estimate	Year 3 Estimate	Total Contract Amount
Bonander Truck	Groups III, IX	\$ 389,805	\$ 0	\$ 673,490	\$ 1,063,295
Downtown Ford Sales	Groups I, II, IV, VII, VIII	\$ 551,815	\$ 0	\$ 827,931	\$ 1,379,746
Riverview International	Groups V, VI	\$ 252,335	\$ 0	\$ 763,865	\$ 1,016,200
Total		\$1,193,955	\$0	\$2,265,286	\$3,459,241

The contract not-to-exceed amounts are determined based on an analysis of the specific line item bids from each vendor, as well as the projected annual need for medium duty trucks. Each contract has a term of 365 days from date of award and will begin in December of each year. The potential three year term for each contract will begin in FY2007/08 and conclude in FY 2010/11. Purchases of medium duty trucks are subject to funding availability in the adopted budgets for each fiscal year.

The contract not-to-exceed amounts include annual escalation factors and are calculated under the assumption that additional purchases, if any, will not be made until the third year (FY2010/11) of the contract, as illustrated in the preceding table. Pricing after the first year will be at the original bid price plus a potential annual price increase not to exceed 5%.

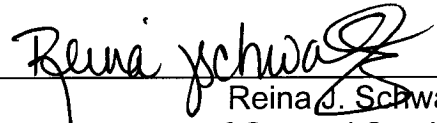
Emerging Small Business Development (ESBD): Bonander Truck, Downtown Ford Sales, and Riverview International are not certified as emerging/small business firms. For FY2006/07, the Department of General Services achieved an ESBD percentage of 62%.

Respectfully submitted by:



Keith Leech
Fleet Manager

Approved by:



Reina J. Schwartz
Director, Department of General Services

Recommendation Approved:



for
Ray Kerridge
City Manager

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Attachment 1

Bid Results for Bid No. B081181011

Bid Due Date: October 10, 2007

Group I – 15,000 lbs. GVWR Conventional Cab & Chassis

Bidder	Unit Price	Quantity	Prompt Payment Discount	1% City Tax Preference	Sales Tax	Tire Fee	Bid Evaluation Total
Bonander Truck	37,955.00	8	<800.00>		23,470.10	98.00	326,408.10
Downtown Ford Sales	32,400.00	8	<12,960.00>	<2,592.00>	18,882.72	98.00	262,628.72
Riverview International	No Bid						
Sacramento Truck Center	No Bid						

Award Contract to: Downtown Ford Sales
525 North 16th Street
Sacramento, CA 95814

Group II – 17,500 lbs. GVWR Conventional Cab & Chassis

Bidder	Unit Price	Quantity	Prompt Payment Discount	1% City Tax Preference	Sales Tax	Tire fee	Bid Evaluation Total
Bonander Truck	38,090.00	1	<100.00>		2,944.23	12.25	40,946.48
Downtown Ford Sales	34,100.00	1	<1,705.00>	<341.00>	2,484.19	12.25	34,550.44
Riverview International	No Bid						
Sacramento Truck Center	No Bid						

Award Contract to: Downtown Ford Sales
525 North 16th Street
Sacramento, CA 95814

Continuation of Bid Results for Bid No. 081181011

Group III – 25,500 lbs. GVWR Conventional Cab & Chassis

Bidder	Unit Price	Quantity	Prompt Payment Discount	1% City Tax Preference	Sales Tax	Tire Fee	Bid Evaluation Total
Bonander Truck	51,289.00	16	<1,600.00>		63,474.36	196.00	882,694.36
Downtown Ford Sales	57,000.00	16	<45,600.00>	<9,120.00>	66,439.20	196.00	923,915.20
Riverview International	53,772.00	16	<8,000.00>		66,057.28	196.00	918,605.28
Sacramento Truck Center	No Bid						

Award Contract to: **Bonander Truck**
4520 N. Golden State Blvd
Turlock, CA 95382

Group IV – 30,000 lbs. GVWR Conventional Cab & Chassis

Bidder	Unit Price	Quantity	Prompt Payment Discount	1% City Tax Preference	Sales Tax	Tire Fee	Bid Evaluation Total
Bonander Truck	55,956.00	2	<200.00>		8,657.68	24.50	120,394.18
Downtown Ford Sales	57,500.00	2	<5,750.00>	<1,150.00>	8,377.75	24.50	116,502.25
Riverview International	57,124.00	2	<1,000.00>		8,776.72	24.50	122,049.22
Sacramento Truck Center	58,374.00	2		<1,167.48>	8,957.49	24.50	124,562.51

Award Contract to: **Downtown Ford Sales**
525 North 16th Street
Sacramento, CA 95814

Continuation of Bid Results for Bid No. 081181011

Group V – 33,000 lbs. GVWR Conventional Cab & Chassis

Bidder	Unit Price	Quantity	Prompt Payment Discount	1% City Tax Preference	Sales Tax	Tire Fee	Bidder Evaluation Total
Bonander Truck	58,236.00	10	<1,000.00>		45,055.40	122.50	626,537.90
Downtown Ford Sales	62,500.00	10	<31,250.00>	<6,250.00>	45,531.25	122.50	633,153.75
Riverview International	58,535.00	10	<5,000.00>		44,977.13	122.50	625,449.63
Sacramento Truck Center	63,284.00	10		<6,328.40>	48,554.65	122.50	675,188.75

Award Contract to: Riverview International
 2445 Evergreen Ave
 West Sacramento, CA 95691

Group VI – 60,000 lbs. GVWR Conventional Cab & Chassis

Bidder	Unit Price	Quantity	Prompt Payment Discount	1% City Tax Preference	Sales Tax	Tire Fee	Bid Evaluation Total
Bonander Truck	72,826.00	4	<400.00>		22,545.06	77.00	313,526.06
Downtown Ford Sales	No Bid						
Riverview International	72,934.00	4	<2,000.00>		22,454.54	77.00	312,267.54
Sacramento Truck Center	94,217.00	4		<3,768.68>	28,915.20	77.00	402,091.52

Award Contract to: Riverview International
 2445 Evergreen Ave
 West Sacramento, CA 95691

Continuation of Bid Results for Bid No. 081181011

Group VII – 14,500 lbs. GVWR Cab-over Engine Cab & Chassis

Bidder	Unit Price	Quantity	Prompt Payment Discount	1% City Tax Preference	Sales Tax	Tire Fee	Bid Evaluation Total
Bonander Truck	43,460.00	1	<100.00>		3,360.40	12.25	46,732.65
Downtown Ford Sales	36,400.00	1	<1,820.00>	<364.00>	2,651.74	12.25	36,879.99
Riverview International	No Bid						
Sacramento Truck Center	No Bid						

Award Contract to: Downtown Ford Sales
 525 North 16th Street
 Sacramento, CA 95814

Group VIII – 17,500 lbs. GVWR Cab-over Engine Cab & Chassis

Bidder	Unit Price	Quantity	Prompt Payment Discount	1% City Tax Preference	Sales Tax	Tire Fee	Bid Evaluation Total
Bonander Truck	43,460.00	1	<100.00>		3,360.40	12.25	46,732.65
Downtown Ford Sales	39,800.00	1	<1,990.00>	<398.00>	2,899.43	12.25	40,323.68
Riverview International	41,306.00	1	<500.00>		3,162.47	12.25	43,980.72
Sacramento Truck Center	No Bid						

Award Contract to: Downtown Ford Sales
 525 North 16th Street
 Sacramento, CA 95814

Continuation of Bid Results for Bid No. 081181011

Group IX – 25,500 lbs. GVWR Cab-over Engine Cab & Chassis

Bidder	Unit Price	Quantity	Prompt Payment Discount	1% City Tax Preference	Sales Tax	Tire Fee	Bid Evaluation Total
Bonander Truck	53,954.00	1	<100.00>		4,173.69	12.25	58,039.94
Downtown Ford Sales	No Bid						
Riverview International	No Bid						
Sacramento Truck Center	No Bid						

Award Contract to: **Bonander Truck**
4520 N Golden State Blvd
Turlock, CA 95382

RESOLUTION NO. 2007-XXXX

Adopted by the Sacramento City Council

December 4, 2007

AWARD CONTRACTS FOR THE PURCHASE OF MEDIUM DUTY TRUCKS

BACKGROUND

- A. In support of various departments, the Department of General Services, Fleet Management Division, has a need to purchase medium duty trucks for the City’s fleet.

- B. In September 2007, Procurement Services, in accordance with City Code Section 3.56, issued Invitation for Bid No. B081181011 for the purchase of medium duty trucks from various manufacturers. The bid was grouped into nine different categories by Gross Vehicle Weight Rating (GVWR) as shown in the table below. The City reserved the right to make multiple awards. This report recommends awarding a contract to the lowest bidder in each of the nine groups listed.

<u>Group #</u>	<u>GVWR /Cab and Chassis</u>	<u>Responsive and Responsible Bidders</u>
Group I	15,000 lb. GVWR / Conventional cab and chassis	Bonander Truck and Downtown Ford Sales
Group II	17,500 lb. GVWR / Conventional cab and chassis	Bonander Truck and Downtown Ford Sales
Group III	25,500 lb. GVWR / Conventional cab and chassis	Bonander Truck, Downtown Ford Sales and Riverview International
Group IV	30,000 lb. GVWR / Conventional cab and chassis	Bonander Truck, Downtown Ford Sales, Riverview International, and Sacramento Truck Center
Group V	33,000 lb. GVWR / Conventional cab and chassis	Bonander Truck, Downtown Ford Sales, Riverview International, and Sacramento Truck Center
Group VI	60,000 lb. GVWR / Conventional cab and chassis	Bonander Truck, Riverview International, and Sacramento Truck Center

Group VII	14,500 lb. GVWR / Cab-over engine cab and chassis	Bonander Truck and Downtown Ford Sales
Group VIII	17,500 lb. GVWR / Cab-over engine cab and chassis	Bonander Truck, Downtown Ford Sales and Riverview International
Group IX	25,500 lb. GVWR / Cab-over engine cab and chassis	Bonander Truck

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

- Section 1. Bonander Truck is awarded a one-year contract with two one-year renewal options for the purchase of medium duty trucks (Groups III and IX) in an amount not to exceed \$1,063,295.
- Section 2. Downtown Ford Sales is awarded a one-year contract with two one-year renewal options for the purchase of medium duty trucks (Groups I, II, IV, VII, VIII) in an amount not to exceed \$1,379,746.
- Section 3. Riverview International Trucks is awarded a one-year contract with two one-year renewal options for the purchase of medium duty trucks (Groups V and VI) in an amount not to exceed \$1,016,200.
- Section 4. The City Manager or the City Manager’s designee is authorized to execute the contracts and annual renewal options specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year(s).