



Legislation Text

File #: 23-402, Version: 1

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SUBJECT: Approval of a Supplemental Appropriation in the Fund 7006-Fleet Replacement in the Amount of \$289,823 and Approval to Waive the Competitive Bidding Requirements and Authorizing the Purchase of One 3600 Gallon Water Truck Through a Cooperative Purchasing Agreement with Sourcwell via Interstate Truck Center for \$263,475.00, Plus Applicable State and DMV Fees

REPORT IN BRIEF

Considers approving a supplemental appropriation in Fund 7006-Fleet Replacement in the amount of \$289,823, waiving the competitive bid requirement and authorizing the purchase of one 3600-gallon water truck.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving a supplemental appropriation from the unreserved, unencumbered fund balance in Fund 7006-Fleet Replacement and appropriating in Vehicle Expenditure in the amount of \$289,823; and,
- B. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code section 3.04.210 and authorizing the purchase to be made with a cooperative purchase agreement through Sourcwell, a government procurement program; and,
- C. Approving the purchase of one 3600 Gallon Water Truck in the amount of \$263,475.00, plus applicable State and DMV fees, from Interstate Truck Center through Sourcwell contract #060920-PMC; and,
- D. Authorizing the City Manager or Deputy City Manager to execute the necessary documents, the Finance Officer to make the necessary budget adjustments and the City Buyer to issue the Purchase Order, and approval of change orders not to exceed 10% of the total purchase price.

ALTERNATIVES

- 1. Approve, as recommended by staff; or,
- 2. Approve, subject to conditions other than recommended by staff; or,
- 3. Deny; or,
- 4. Refer to staff for reconsideration of specific items; or,
- 5. Continue to a future meeting.

AUTHORITY

Merced City Charter, Section 200. Municipal Code Section 3.04.210 - Exemptions from competitive bidding.

CITY COUNCIL PRIORITIES

As provided for in the FY 22/23 Adopted Budget.

DISCUSSION

Sourcewell offers an equipment/vehicle purchase program to government entities nationwide; specifications are created, and Request for Bids are sought by Sourcewell for a wide variety of equipment used by local governments. As a result of the nationwide scope of these programs, the City can purchase specialized equipment for much less than the more traditional method of creating specifications and soliciting bids in-house.

Over the last several years, the City has purchased a variety of equipment not provided by local vendors including, street sweepers, leaf trucks, fire trucks, refuse trucks, etc. through the Sourcewell government procurement program with great success.

Buying these vehicles directly through this outside program requires waiving the City's competitive bid requirements. In addition to cost savings, purchasing directly from Sourcewell allows the City to standardize equipment, which is a desire of the Fleet Services Division. With standardized equipment, Fleet Services will have the ability to reduce parts inventory, and ensure the vehicle controls, handling, and maneuvering are the same for vehicles that are currently being used by City employees. The vehicles requested will be the same make and model as other City equipment.

The Public Works Department, Fleet Services Division, is requesting Council authorize the purchase of one 3600 Gallon Water Truck utilizing the nationwide government procurement service Sourcewell via Interstate Truck Center.

This vehicle was originally in the FY 21/22 Adopted Budget; however, global supply chain issues did not allow for the availability of the vehicle to be purchased at that time. This chassis is again available for production. This vehicle needs replacement for California Air Resource Board (C.A.R.B.) compliance.

Section 3.04.210 of the Merced Municipal Code provides that the City Council can approve a waiver of the City's competitive bidding requirements when such purchases are made pursuant to cooperative purchasing in conjunction with other governmental entities. Staff requests waiving the bidding requirements to standardize equipment and utilize the government pricing contract.

IMPACT ON CITY RESOURCES

A supplemental appropriation in the amount of \$289,823 is needed within Fund 7006-Fleet Replacement for the vehicle purchase, taxes, fees, and contingency.

ATTACHMENTS

1. Interstate Truck Center Quote
2. Sourcewell Certificate of Membership