



Legislation Text

File #: 24-138, **Version:** 1

Report Prepared by: Bill Osmer, Public Works Manger - Water Quality Control

SUBJECT: Approval of a Supplemental Appropriation in the Fleet Replacement Fund 7006 in the Amount of \$334,729, Approval to Waive the Competitive Bidding Requirements, and Authorizing the Purchase of One Vac-Con Model VPD3611LHAEN-P/1300 (700-10855) Through a Cooperative Purchasing Agreement with Sourcewell via Municipal Maintenance Equipment in the Amount of \$627,867.50

REPORT IN BRIEF

Considers approving to waive the City's competitive bidding requirements pursuant to Merced Municipal Code Section 3.04.210 to purchase a vac-con truck through the government procurement program Sourcewell.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving a supplemental appropriation from the unreserved, unencumbered fund balance in the Fund 7006-Fleet Replacement and appropriating to Vehicle Expenditure in the amount of \$334,729 to purchase the replacement of one vac-con truck; and,
- B. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code section 3.04.210 to utilize a cooperative purchasing agreement through Sourcewell, a government procurement program; and,
- C. Approving the purchase of one new Vac-Con Combination Sewer and Storm Drain Cleaner in the amount of \$627,867.50, including applicable taxes and fees, from Municipal Maintenance Equipment through Sourcewell contract #091520-DIV; and,
- D. Authorizing the City Manager to execute the necessary documents, approving change orders not to exceed 10% of the total purchase price; and,
- E. Authorizing the Finance Officer to make the necessary budget adjustments; and,
- F. Authorizing the City Buyer to issue the Purchase Order.

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 23/24 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 equipment/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, while ensuring that hard to get spare parts are available for specialized equipment/vehicles that are currently being used by City employees. The equipment 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 Vac-Con Combination Sewer and Storm Drain Cleaner utilizing the nationwide government procurement service Sourcewell via Municipal Maintenance Equipment.

This vehicle replacement will be supplemented with funding from the Storm Drains fund due to insufficient vehicle replacement balance for this vehicle. The original vac-con vehicle was purchased on January 23, 2012, for \$357,730 and was scheduled to be replaced in 2027. Due to multiple breakdowns, this vehicle will need to be replaced prior to the typical replacement schedule. Due to the early replacement, and the fact that inflation has outpaced the amount added to vehicle replacement each year, additional funding for this vehicle is required to supplement the vehicle replacement fund.

This equipment meets the California Air Resources Board (CARB) Tier IV final clean air vehicle pollution rating.

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

The vac-con truck will be purchased using funds budgeted in Fund 6000-Wastewater Operations, Storm Drain as well as requiring a supplemental appropriation from the Fund 7006-Fleet Replacement in the amount of \$334,729; total vehicle purchase price is \$627,867.50.

ATTACHMENTS

1. Vac-Con Quote from Municipal Maintenance Equipment
2. Cooperative Purchase Agreement
3. Sourcewell Certificate of Membership