



Legislation Text

File #: 16-213, **Version:** 1

Report Prepared by: Dan Arnold, Public Works Manager - Operations

SUBJECT: Purchase of an Articulating Telescopic Aerial Device Through a Government Procurement Program and Waiving the Competitive Bidding Requirement.

REPORT IN BRIEF

Consider authorizing the purchase of one Articulating Telescopic Aerial Device using the National Joint Powers Alliance Government Procurement Program for \$138,295.00, and waiving the competitive bidding process.

RECOMMENDATION

City Council - Adopt a motion waiving the competitive bidding requirements of Merced Municipal Code Section 3.04.210 to allow the purchase of the Articulating Telescopic Aerial Device from National Joint Powers Alliance; and, authorizing the City Manager to enter into a contract with Altec Industries, Inc. for the purchase of an Articulating Telescopic Aerial Device for \$138,295.00.

ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, subject to other than recommended by staff (identify specific findings and/or conditions amended to be addressed in the motion); or,
3. Deny; or,
4. Refer to staff for reconsideration of specific items (specific items to be addressed in the motion); or,
5. Continue to a future meeting (date and time to be specified in the motion).

AUTHORITY

Municipal Code Section 3.04.210.

CITY COUNCIL PRIORITIES

The purchase of this equipment provides the Public Works crew with the equipment needed to perform their duties.

DISCUSSION

The Public Works Department, Street Light/Traffic Signal Division performs routine and emergency operations and maintenance of the City's 6,800 street lights and 68 traffic signals. A new Articulating Telescopic Aerial truck is needed to maintain the City's street light and traffic signal system.

The fiscal year 2015-2016 budget approved by the City Council includes funds to replace one Articulating Telescopic Aerial Device. Vehicle number E-959 is 13 years old, has been driven

120,322 miles, was purchased for \$84,322.00 and has incurred operating costs to date of \$81,247.89 (excludes fuel) and continues to require costly repairs, keeping it out of service for extended periods of time. This vehicle will be declared surplus and proceeds from the sale of the old vehicle will go back into the corresponding replacement fund account.

Altec has extended the City of Merced the opportunity to purchase one 2017 Articulating Telescopic Aerial Device model #AT37-G on the National Joint Powers Alliance Contract #031014-ALT. This contract is available for use by government bodies, state agencies and any county, city, district or other government bodies, or corporations empowered to expend public funds. Purchasing the requested vehicle from Altec Industries, Inc. is in the City's best interest as the City will save both time and money. There is no guarantee that a formal bid would result in any cost savings. It also reduces the amount of time and internal costs by eliminating the need to prepare bid specifications, review proposals and award a competitive bid contract that would add at least two months and significant cost to the purchase and delivery of this new equipment.

It should be noted, Council authorization to waive the competitive bidding process will not affect local vendors, as there are no local vendors for this equipment. Over the last five years, the City has utilized several such programs, including NJPA, to purchase a variety of equipment, such as street sweepers and backhoes, etc. NJPA purchases are similar to making purchases from the State contract, in which vendors have submitted bids for equipment to the State of California. Local governments are then able to use the State contract pricing with their nearest vendor.

Purchase of the new low-emission gasoline-powered vehicle complies with the SJVAPCD Rule 4702 for internal combustion engines.

The total savings by purchasing this equipment using the NJPA pricing (compared to manufacturer's list price) is \$6,229.00.

HISTORY AND PAST ACTIONS

Council approved similar equipment purchases using the NJPA program on the January 21, 2014, January 15, 2015, and again on the May 4, 2015, Council meetings with good success. Staff is requesting authorization to do so again.

Attachment 1 shows the actual equipment quote directly from the manufacturer, and Attachment 2 is the NJPA Contract quote.

Current budget lines have sufficient funding for the purchase amount listed, but require Council approval to waive the City's bidding requirement and purchase directly from the applicable dealership using the NJPA pricing schedule.

IMPACT ON CITY RESOURCES

The fiscal year 2015-2016 budget approved by the City Council includes the funding to purchase one Articulating Telescopic Aerial Device.

ATTACHMENTS

1. Attachment 1 - Manufacturer Quote
2. Attachment 2 - NJPA Contract Quote