APPROVE PURCHASE OF SIXTEEN TRUCKS (PUR 14-005)

RECOMMENDATION

It is recommended that the City Council approve a motion authorizing the purchase of sixteen new trucks from Big Valley Ford of Stockton, California, in the amount of $496,624.10.

It is further recommended that the motion authorize the City Manager to take appropriate actions to carry out the purpose and intent of this motion.

Summary

Fleet staff has identified thirteen trucks of varying sizes that are in need of replacement. In addition, the Municipal Utilities Department (MUD) requires three new trucks for implementation of a sewer lateral maintenance program, and for additional sewer pump station maintenance. On April 10, 2014, the purchase of sixteen new trucks was put out to bid. On May 1, 2014, the City received three bids. The lowest responsive bid was received from Big Valley Ford of Stockton, California. The recommended motion authorizes the purchase of sixteen new trucks from Big Valley Ford of Stockton, California, at a total cost of $496,624.10.

DISCUSSION

Background

The 2013-14 replacement budget for the Fleet Internal Service Fund and the equipment purchase accounts for MUD include funding to purchase sixteen trucks for field use. Thirteen of the trucks will replace units that are currently in service. Fleet staff has identified six Public Works trucks and seven MUD trucks that have advanced age, high mileage, and/or recurring mechanical problems (Attachment A). These factors make them unreliable for continued daily use and cost prohibitive to repair. The Fleet Manager recommends replacement of these thirteen units. The remaining three trucks are to be purchased as additional MUD units. Two of the new trucks will be used to implement a lower lateral maintenance program that will inspect, repair, and replace sewer connection to reduce sanitary sewer overflows. The other new truck will be used for additional sanitary sewer pump station maintenance.

Fleet staff prepared vehicle specifications and utilized the formal bid process to give area dealers the opportunity to bid on these vehicles for the City. The number and types of trucks are:

- One 1 ton standard cab and flatbed (replacement unit)
- One 1 ton cab and chassis (replacement unit)
- One heavy duty dual rear wheel service body (new unit)
• Five ½ ton extended cab pickups (replacement units)
• Two ¾ ton extended cab pickups (replacement units)
• Two ½ ton standard cab pickups (replacement units)
• Three 1 ton standard cab service body pickups (one replacement unit, two new units)
• One ¾ ton standard cab service body pickup (replacement unit)

The specification was generic and designed such that any of the major pickup truck manufacturers could bid. In general, it is preferable in multi-vehicle purchases that the new units are from the same manufacturer. The standardization achieved by acquiring the same brand of vehicle allows for reduced vehicle setup costs and reduced training for City repair technicians.

Present Situation

On April 10, 2014, the purchase of sixteen new trucks was put out to bid. The Notice Inviting Bids was published in The Record on Saturday and Sunday, April 12th and 13th, 2014, respectively. At the same time, the Notice was mailed to 17 vendors, including Big Valley Ford, Chase Chevrolet, and Stockton Dodge. An e-mail notification was also sent through ASK Stockton to 2,571 recipients.

On May 1, 2014, three bids were received with the following results:

Big Valley Ford  
3282 Auto Center Circle  
Stockton, CA  95212  
$496,624.10

Tracy Ford  
3500 Auto Plaza Way  
Tracy, CA  95304  
$502,708.11

Towne Ford Sales  
3500 Auto Plaza Way  
Tracy, CA  95304  
$507,700.20

The bid from Big Valley Ford, the lowest bidder, meets the bid specifications and is regular in all respects (Attachment B). It is recommended that Council approve a motion authorizing the purchase of sixteen trucks from Big Valley Ford.

The vehicles being replaced will either be sold at auction or, if wrecked, used as parts cars and then sold as scrap.

FINANCIAL SUMMARY

Sufficient funds are available in the specified account numbers on the list below. The total amount of the purchase is $496,624.10. This is divided as follows: $279,118.75 for the nine pickup trucks to be utilized by MUD - Wastewater and Water Operations; $90,838.45 for the one heavy duty truck to be utilized by MUD - DWSP; and $126,666.90 for the six pickup trucks to be utilized by the Public Works Department. The specific costs and account numbers to be charged are shown below for each vehicle.
<table>
<thead>
<tr>
<th>TYPE OF TRUCK</th>
<th>DEPARTMENT</th>
<th>ACCOUNT NO.</th>
<th>PRICE (w/tax and fees)</th>
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</thead>
<tbody>
<tr>
<td>1 ton flatbed</td>
<td>PW</td>
<td>501-5060-670.80-02</td>
<td>$28,196.15</td>
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<tr>
<td>1 ton cab &amp; chassis</td>
<td>PW</td>
<td>501-5060-670.80-02</td>
<td>$23,661.75</td>
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<td>½ ton e/c pickup</td>
<td>PW</td>
<td>501-5060-670.80-02</td>
<td>$20,260.95</td>
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<tr>
<td>½ ton e/c pickup</td>
<td>PW</td>
<td>501-5060-670.80-02</td>
<td>$20,260.95</td>
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<tr>
<td>½ ton s/c pickup</td>
<td>PW</td>
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<td>$17,143.55</td>
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<tr>
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<td>PW</td>
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<tr>
<td>Heavy Duty</td>
<td>MUD/DWSP</td>
<td>421-4234-606.94-11</td>
<td>$90,838.45</td>
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<td>MUD</td>
<td>431-4341-606.94-05</td>
<td>$20,260.95</td>
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<td>MUD</td>
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<tr>
<td>½ ton e/c pickup</td>
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<td>$20,260.95</td>
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<tr>
<td>1 ton s/c, srv</td>
<td>MUD</td>
<td>431-4331-606.89-16</td>
<td>$33,526.25</td>
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<tr>
<td>1 ton s/c, srv</td>
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<td>431-4331-606.89-16</td>
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<tr>
<td>1 ton s/c, srv, valve opener</td>
<td>MUD</td>
<td>431-4333-606.94-09</td>
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<td>¾ ton e/c pickup</td>
<td>MUD</td>
<td>421-4231-606.94-03</td>
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<td>MUD</td>
<td>421-4231-606.94-03</td>
<td>$25,176.85</td>
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<tr>
<td>¾ ton srv</td>
<td>MUD</td>
<td>421-4231-606.94-03</td>
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<tr>
<td>Total</td>
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<td>$279,118.75</td>
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*e/c = extended cab, s/c = standard cab, srv = service body

The following shows the breakdown of the costs of sixteen trucks from Big Valley Ford.

- Pickup Trucks $454,210.00
- DMV Document Fees $1,280.00
- Sales Tax (9%) $40,994.10
- Tire Fees $140.00
- **Total Purchase Price** $496,624.10

The City Manager is authorized to record any and all appropriations and transactions necessary to accomplish the intent of this motion. There is no impact to the City’s General Fund or to any other unrestricted fund as a result of taking the recommended action.

Attachment A - List of Existing Units to be Replaced
Attachment B - Big Valley Ford Bid