STAFF REPORT

ITEM NO. 10

CITY OF OCEANSIDE

DATE: April 20, 2011

TO: Honorable Mayor and City Councilmembers

FROM: Public Works Department

SUBJECT: **PURCHASE ORDERS FOR ONE NEW SEWER VACTOR, ONE NEW HYDRANT/VALVE EXERCISER TRUCK, ONE NEW SIGN TRUCK, ONE NEW FORD EXPLORER XLT 4x2, AND ONE NEW FORD ESCAPE XLS 4x2 AND APPROVAL OF BUDGET TRANSFERS TO FUND THEIR PURCHASE**

SYNOPSIS

Staff recommends that the City Council approve two purchase orders: in an amount not to exceed $427,116 to Haaker Equipment Company of Laverne, California, for one new Vactor sewer cleaner for Water Utilities; and in an amount not to exceed $257,791 to Downtown Ford of Sacramento for one new Hydrant/Valve Exerciser Truck for Water Utilities; one new sign truck for Traffic Division; one new Ford Explorer for Fire; and one new Ford Escape for Property Management; and authorize the Financial Services Director, or designee, to execute the purchase orders.

BACKGROUND

Each budget cycle vehicles that will meet their planned service life in years and/or miles during that budget cycle are planned for replacement. Prior to purchasing a replacement, Fleet and the department using the vehicle(s) determine if the vehicle type is still needed, if so, is there a cheaper alternative, if not, what type of vehicle is required and finally, does the vehicle still have any useful life.

After careful review, it was determined that all the vehicles listed on Exhibit A have reached the end of their service life due to age, mileage and lifetime maintenance cost.

ANALYSIS

Existing bids, sole source or federal/state/city contract bid lists are being used for vehicle purchases and the purchases meet the requirements of City Code chapter 28 A.

Exhibit A lists the vehicles to be replaced this fiscal year, vendor cost, in-house cost to build the vehicle and total vehicle cost.

Exhibit B shows vehicle funding source for all vehicles being purchased.

FISCAL IMPACT

SD880, a 1998 sewer-cleaning Vactor truck with 176,435 miles has collected enough funds to fund the purchase of its replacement, which will be paid for out of the Fleet Replacement fund 620609831.5705.

The funds collected from two Water Department vehicles: W116, a 1986 Chevrolet C70 5-yard dump, which was sent to auction in July of 2010 due to major maintenance and air quality compliance issues, and W168, a 1996 Chevrolet K3500 with 82,512 miles that was converted for use as a hydrant/valve exerciser truck and is grossly under rated for the job, will be used to fund the purchase of the new hydrant/valve exerciser truck that will meet the required specifications for the job. The two vehicles being retired have collected sufficient funds to pay for the new truck which will be paid for out of the Fleet Replacement fund 620609831.5705.

F84, a 2002 Fire Department Ford Explorer with 92,055 miles used by the Fire Inspectors will be replaced with a 2011 Ford Explorer. Replacement funds collected from F84 are enough to purchase the new vehicle. The upfitting costs of $3,500 will come from replacement funds collected from F78, a 2001 Ford Crown Victoria that was wrecked, auctioned and never replaced in May of 2010. Replacement funds for F78 were set aside to be used for offsetting the build costs for F84's replacement. The new vehicle will be paid for out of the Fleet Replacement fund 620609831.5705.

E32, a 2001 Chevrolet C1500 pickup with 125,000 miles is used by the Landscape Maintenance District Inspector. The mileage on the C1500 is primarily stop-and-go miles and the wear and tear on the vehicle has reached the point where replacing it with the cheaper, more fuel efficient Ford Escape is more economical than continuing to maintain it. Replacement funds collected for E32 are sufficient to purchase its replacement, which will be paid for out of the Fleet Replacement fund 620609831.5705.

The Ford F450 sign truck is replacing T11, a 1997 GMC 3500 sign truck with 116,437 miles, on which the vehicle-mounted equipment is no longer adequate to perform the required job; and T16, a 2001 Chevrolet C1500 pick-up with 177,844 miles. The new sign truck will provide the Traffic Division with a vehicle that meets the demands of the job and will replace two vehicles. T11 and T16 collected enough to pay for the new sign truck and funds will come from the Fleet Replacement fund 620609831-5705.

COMMISSION OR COMMITTEE REPORT

Does not apply.

CITY ATTORNEY'S ANALYSIS

Purchases should be made according to the procedures set forth in chapter 28A of the city code.

RECOMMENDATION

Staff recommends that the City Council approve two purchase orders: in an amount not to exceed $427,116 to Haaker Equipment Company of Laverne, California, for one new Vactor sewer cleaner for Water Utilities, and in an amount not to exceed $257,791 to Downtown Ford of Sacramento for one new Hydrant/Valve Exerciser Truck for Water Utilities; one new sign truck for Traffic Division; one new Ford Explorer for Fire; and one new Ford Escape for Property Management; and authorize the Financial Services Director, or designee, to execute the purchase orders.

PREPARED BY:

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SUBMITTED BY:

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City Manager

REVIEWED BY:

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Joseph Arranaga, Deputy Public Works Director

Gary Gurley, General Services Manager

Teri Ferro, Financial Services Director

Exhibit A Vehicle Purchases

Exhibit B Funding For Vehicle Purchases

EXHIBIT A
VEHICLE PURCHASES

VEHICLE TO BE PURCHASED	VEHICLE TO BE REPLACED.			VENDOR (PO Needed)		IN HOUSE BUILD	TOTAL COST
	VEH #	YEAR	MILEAGE	DOWNTOWN FORD	HAAKER EQUIPMENT CO.		
International 7600 - Sewer Vactor Truck	SD880	1998	176,435		$427,116	$1,500	$428,616
Total Sewer Department					**$427,116**	**$1,500**	**$428,616**
Ford F550 Hydrant/Valve Exerciser Truck	W168	1996	82,512	$115,213		$3,200	$118,413
	W116	1986	43,059				
Total Water Utilities				**$115,213**		**$3,200**	**$118,413**
Ford Explorer XLT 4x2	F84	2002	92,055	$30,623		$3,500	$34,123
	*F78	2001	84,844				
Total Fire Department				**$30,623**		**$3,500**	**$34,123**
Ford F450 Sign Truck	T11	1997	114,129	$91,319		$3,700	$98,719
	T16	2001	177,844				
Total Traffic Control Systems				**$91,319**		**$3,700**	**$98,719**
Ford Escape XLS 4x2	E32	2001	125,731	$20,636		$1,000	$21,636
Total Property Management				**$20,636**		**$1,000**	**$21,636**
Total All Vehicles				**$257,791**	**$427,116**	**$12,900**	**$701,507**

* F78 was wrecked and auctioned in May of 2010...its replacement funds were held to offset additional costs to upfit F84's replacement.

EXHIBIT B
FUNDING FOR VEHICLE PURCHASES

	Replacement Funds Available	Fleet Replacement Fund 620609831-5705	Total
1 - Sewer Vehicle, SD880	$429,698	$429,698	$429,698
2 - Water Dept Vehicles (W116 & W168)			
W116	$93,016	$93,016	$93,016
W168	$45,567	$45,567	$45,567
2 - Fire Dept Vehicles (F84 & F78)			
F84	$30,371	$30,371	$30,371
F78	$29,203	$29,203	$29,203
2 - Traffic Control Vehicles (T11 & T16)			
T11	$58,823	$58,823	$58,823
T16	$37,999	$37,999	$37,999
1 – Property Management, E32	$32,461	$32,461	$32,461
Total	**$757,138**	**$757,138**	**$757,138**