



DATE: November 5, 2014

TO: Honorable Mayor and City Councilmembers

FROM: Public Works Department

SUBJECT: **APPROVAL OF PURCHASE ORDERS FOR TWO VEHICLES FOR THE WATER DEPARTMENT**

SYNOPSIS

Staff recommends that the City Council approve two purchase orders: 1) in an amount not to exceed \$303,918 to Haaker Equipment Company of Laverne for one new Vactor sewer cleaner; 2) in an amount not to exceed \$322,074 to Altec Industries, Inc. of Birmingham, Alabama for one new crane truck for the Water Utilities Department; 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 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, condition and lifetime maintenance costs.

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 28A.

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

FISCAL IMPACT

The Water Department is retiring two vehicles: SD990, a 2001 Vactor sewer cleaner and SD870, a 2000 Freightliner crane truck. The total cost of the new Vactor sewer cleaner, including the in-house cost, is \$304,918 which is fully funded in the Fleet

Replacement Fund (620609831.5705). The total cost of the new crane truck, including the in-house cost, is \$323,074 which \$312,945 will be funded from the Fleet Replacement Fund (620609831.5705) and \$10,129 from the Facilities Maintenance Sewer Fund (800800721.5705). The funding source is Fleet Replacement Internal Service charges.

COMMISSION OR COMMITTEE REPORT

Does not apply.

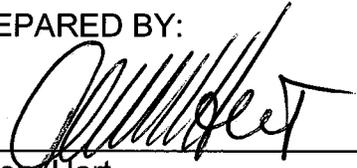
CITY ATTORNEY'S ANALYSIS

Purchases should be made according to the procedures set forth in Chapter 28A of the City Code.

RECOMMENDATION

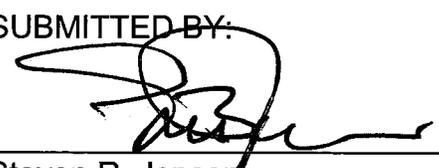
Staff recommends that the City Council approve two purchase orders: 1) in an amount not to exceed \$303,918 to Haaker Equipment Company of Laverne for one new Vactor sewer cleaner; 2) in an amount not to exceed \$322,074 to Altec Industries, Inc. of Birmingham, Alabama for one new crane truck for the Water Utilities Department; and authorize the Financial Services Director, or designee, to execute the purchase orders.

PREPARED BY:



Jeffrey Hart
Fleet Supervisor

SUBMITTED BY:



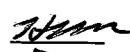
Steven R. Jepsen
City Manager

REVIEWED BY:

Michelle Skaggs Lawrence, Assistant City Manager



Kiel Koger, Public Works Division Manager



Cari Dale, Water Utilities Director



James Riley, Financial Services Director



Exhibit A

**EXHIBIT A
VEHICLE PURCHASES**

VEHICLE TO BE PURCHASED		VEH #	YEAR	MILEAGE	VENDOR (PO Needed)	IN HOUSE BUILD	TOTAL COST
International 4800 - Vactor Sewer Cleaner		SD990	2001	42,459	ALTEC INDUSTRIES, INC.		\$304,918
Freightliner FL-80 - Crane Truck		SD870	2000	22,307	HAAKER EQUIPMENT CO.		\$323,074
Total Vehicles				\$322,074	\$303,918	\$2,000	\$627,992