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File #: 2021-1602 **Agenda Date:** 7/7/2021 **Agenda Item No:** 2.

FROM: James D. Herberg, General Manager
Originator: Rob Thompson, Assistant General Manager

SUBJECT:

REPLACEMENT PURCHASE OF A COMBINATION SEWER CLEANING VEHICLE

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

A. Approve a Purchase Order to Haaker Equipment Company to purchase one new/unused Combination Sewer Cleaning Truck using Sourcewell Cooperative Contract No. 122017-FSC-2 for a total amount not to exceed $775,410, including freight and taxes; and

B. Approve a contingency of $23,262 (3%).

BACKGROUND

The Orange County Sanitation District (OC San) owns and operates three combination sewer cleaning trucks within its fleet. These trucks are the primary means of removing rags and grit from the collection system while cleaning sewer pipes and pump station wet wells using a combination of vacuum and water jetting technology. These trucks are also invaluable responding to emergencies such as sewer spills. OC San services approximately 389 miles of regional pipes and 15 outlying pump stations. Three trucks are needed to complete the volume of work on an annual basis.

RELEVANT STANDARDS

- Participate in local, state, and national cooperative purchasing programs
- Maintain a proactive asset management program
- Ensure the public's money is wisely spent

PROBLEM

The truck identified for replacement is 13 years old with 260,600 miles. It is nearing the end of its useful life and is experiencing increased system breakdowns requiring costly repairs. In addition to the expenses of the necessary repairs, the length of time the unit is out of service to perform the repairs limits staff's ability to perform scheduled sewer cleaning without a rental truck while carrying out the repairs.

PROPOSED SOLUTION

Replace an existing combination sewer cleaning truck that is aging with a new truck to ensure proper maintenance of the collection system and the ability to respond to sewer spills effectively. The new unit will be fueled by compressed natural gas (CNG) rather than the existing diesel fueled unit, moving OC San to a greener fleet.

TIMING CONCERNS

A 3% contingency is recommended in the event of a pricing change between the date of approval and the date of purchase due to tariffs and uncontrolled market conditions.

RAMIFICATIONS OF NOT TAKING ACTION

The vehicle selected for replacement is becoming unreliable and will continue to deteriorate. Rental equipment charges during repairs will increase.

ADDITIONAL INFORMATION

OC San has provisions to purchase materials, services, and equipment from cooperative agreements. As a result, these cooperative agreements produce lower unit prices by aggregating purchasing volume for many public agencies. OC San will utilize a cooperative agreement through Sourcewell (formerly National Joint Powers Alliance), Cooperative Contract No. 122017-FSC-2, with Haaker Equipment Company, under Ordinance No. OCSD-56, Section 2.03(B), Cooperative Purchases. The amount of savings under this cooperative agreement is $55,714 versus a non-cooperative contract list pricing. These costs are inclusive of freight and sales tax.

OC San is required to reduce or eliminate large diesel engines by the South Coast Air Quality Management District (SCAQMD). One of the three combination sewer cleaning trucks is a “Green” fuel (CNG) truck; the two remaining trucks are older diesel fuel trucks. Replacement trucks must be procured with “Green” fuel (CNG) options to comply with SCAQMD requirements.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District’s Purchasing Ordinance. This budgeted item is in the FY 2021-22 Budget, Line item: 2, Section 8, Page 98, Fleet Services.

Date of Approval	Contract Amount	Contingency
07/28/2021	$775,410	$23,262 (3%)

ATTACHMENT

The following attachment(s) may be viewed online at the OC San’s website (www.ocsan.gov) with the complete agenda package:

N/A

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