

Agenda Report

File #: 2019-859, **Version:** 1

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SUBJECT:

FLEET PURCHASE OF ONE MEDIUM-DUTY SERVICE BODY TRUCK

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

- A. Approve a Purchase Order to National Auto Fleet Group for the purchase of one New/Unused 2020 Ford Super Duty F-550 Truck with Maintainer Service Body and Short Tower Crane using Sourcwell (formerly National Joint Powers Alliance) Cooperative Contract No. 120716-NAF, for a total amount of \$158,142 plus freight; and
- B. Approve a contingency of \$7,907 (5%).

BACKGROUND

The Orange County Sanitation District (Sanitation District) maintains a fleet of vehicles necessary to meet its business needs. The fleet is comprised of 24 heavy-duty equipment trucks, 95 light-duty trucks, 31 sedans, 12 SUVs, and 10 vans, for a total of 172 vehicles.

As part of an overall fleet rightsizing and modernization strategy, the Fleet Services Division of the Sanitation District is systematically replacing the oldest vehicles of the fleet. Vehicle replacement is based on vehicle age, maintenance cost, condition, and mileage.

Replacement of older vehicles improves staff safety by ensuring vehicles are equipped with airbags, backup cameras, anti-lock brakes, and traction control.

This specific purchase supports the Fleet Services maintenance activity needs of pump station equipment, vehicles, and electric carts.

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 Sanitation District identified an aging service truck for replacement in FY 2018-19. This vehicle has been in service for 17 years. The truck chassis and utility body are badly corroded which prevents a cost-effective refurbishment option.

PROPOSED SOLUTION

Staff recommends the replacement of one medium-duty service body truck. This vehicle will meet current safety standards, emissions requirements, reduce fuel costs, and reduce annual maintenance costs.

TIMING CONCERNS

A 5% contingency is recommended should there be a pricing change between the date of approval and date of purchase due to tariffs and uncontrolled market conditions.

RAMIFICATIONS OF NOT TAKING ACTION

The vehicle selected to be replaced is unreliable, deteriorating, and no longer economical to maintain. Additionally, the vehicle is not equipped with more modern safety features currently required for fleet vehicles.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

The Sanitation District has provisions to purchase materials, services, and equipment from cooperative agreements. These cooperative agreements tend to produce lower unit prices.

The Sanitation District is utilizing a cooperative agreement through Sourcewell (formerly National Joint Powers Alliance), Cooperative Contract No. 120716-NAF with National Auto Fleet Group, in accordance with Ordinance No. OCSD-52, Section 2.03(B), Cooperative Purchases.

This agreement was awarded using a competitive bid process like the Sanitation District's and has been vetted by Purchasing. The amount of savings under this cooperative agreement is \$5,824.86 versus non-cooperative list pricing.

These costs are inclusive of sales tax. Summary information on the quote for one New/Unused 2020 Ford Super Duty F-550 Truck with Maintainer Service Body and Short Tower Crane is as follows:

Vehicle Description and Unit Quantities	Total Amounts (Including Options, Taxes, Tire Fee)
One New/Unused 2020 Ford Super Duty F-550 truck with utility body, crane	\$158,142

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted in FY 18-19. (Line item: Section 8, Page 100).

<u>Date of Approval</u>	<u>Contract Amount</u>	<u>Contingency</u>
02/05/2020	\$158,142	\$7,907

ATTACHMENT

The following attachment(s) may be viewed on-line at the OCSD website (www.ocsd.com) with the complete agenda package:

N/A