July 21, 2009

TO: Mayor and City Council

FROM: Mark J. Madison, Director of Municipal Utilities

SUBJECT: PURCHASE OF ONE TRUCK-MOUNTED SEWER CLEANER (PUR 069-008)

RECOMMENDATION

It is recommended that the City Council adopt a resolution approving findings and authorizing the purchase of a truck-mounted sewer cleaner unit from Municipal Maintenance Equipment of Sacramento in the amount of $303,877.

Summary

By this action, the Council will adopt a resolution approving findings and authorizing the purchase of a truck-mounted sewer cleaner unit to replace a 12-year-old unit. The proposed equipment will be used by Municipal Utilities Department Collection Division staff as part of its Line Cleaning Program. The total cost of the equipment is $303,877.

DISCUSSION

Background

Sewer cleaners are truck-mounted vacuum systems for removing solid material from underground utilities such as sanitary sewer lines, storm drains and lift station wet wells. One Municipal Utilities sewer cleaning machine is a 1997 model with 14,904 hours, which could be compared to a vehicle with 447,000 miles. Due to costly repairs (parts are becoming harder to locate), overall age and condition, the Fleet Manager recommends it be replaced. The new truck-mounted sewer cleaner unit meets City requirements for this equipment.

Present Situation

City staff researched various models and prices of truck-mounted vacuum systems from several vendors to determine the best model and system to meet the needs of the City. Depending on the vehicle and equipment installed, the pricing ranges from $318,000 to $350,000 for a brand new unit.

Municipal Maintenance Equipment is a vendor for the Vac-Con equipment. This equipment met the City's requirements and was the best value for the quoted price. Municipal Maintenance Equipment has offered a demonstration Vac-Con unit with numerous attachments, required by the City, with a new factory warranty for $303,877. This is a conservative savings of $42,000 over the list price. Normal delivery time is

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nine to ten months once the vehicle is ordered. This vehicle will be delivered within 30 days.

Findings

Stockton Municipal Code Section 3.68.070 provides for an exception to the competitive bidding requirements for contracts in excess of $30,813 in cases where the City Council has approved findings which support and justify exceptions to the competitive bidding process.

Proposed findings to support this purchase are as follows:

1. Staff research of the market revealed that new truck-mounted sewer cleaner units have an average selling price of $345,000.

2. Municipal Maintenance Equipment is offering the unit to the City for $303,877, which includes all normally required features. They are also including additional add-ons that are usually purchased after the fact. The City will realize an approximate savings of $42,000 because of this offer.

3. Arrangements have been made to obtain this vehicle within a 30-day period thus reducing down time for City Staff while waiting for a new vehicle to be delivered, which would normally take nine months.

4. This offer is for a limited time only. It will expire on July 31, 2009.

FINANCIAL SUMMARY

The cost of the Municipal Maintenance Equipment demonstration unit is $303,877. This equipment is budgeted in the 2009-2010 Budget, which was previously approved by Council. Sufficient funds are available in account 431-4332-606. (Wastewater Fund—Wastewater Collections). This expenditure will not affect the General Fund.

Respectfully submitted,

MARK J. MADISON
DIRECTOR OF MUNICIPAL UTILITIES

APPROVED BY

J. GORDON PALMER, JR.
CITY MANAGER

MM:CSG:bg
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Resolution No. __________

STOCKTON CITY COUNCIL

RESOLUTION AUTHORIZING THE PURCHASE OF A TRUCK MOUNTED SEWER CLEANER (PUR 69-008)

Stockton Municipal Code ("SMC") section 3.68.070 provides for an exception to the competitive bidding requirements for purchases in cases where the City Council has approved findings that support and justify exceptions to the competitive bidding process; now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The City Council hereby approves the following findings to support the purchase of one (1) Truck Mounted Sewer Cleaner from Municipal Maintenance Equipment (MME):
   a. Staff research of the market revealed that a new truck mounted sewer cleaner has an average selling price of $345,000.
   b. MME is offering the unit to the City of Stockton for $303,877, which includes all normally required add-ons. In addition, they are including add-ons that are normally purchased after-the-fact. The City will realize an average savings of $42,000 because of this offer.
   c. Arrangements have been made to obtain this vehicle within a 30-day period; thus, reducing downtime for City Staff while waiting for a new vehicle to be delivered, which would normally take nine months.
   d. This offer is for a limited time only and will expire on July 31, 2009.

City Atty:  
Review:  
Date: July 20, 2009
2. Based on these findings and pursuant to SMC section 3.68.070, the City Council declares an exception to the competitive bidding process is justified and authorizes the City Manager, on behalf of the City of Stockton, to purchase one (1) Truck Mounted Sewer Cleaner from MME in the amount of $303,877.

3. The City Manager is authorized to take such other actions as are appropriate and necessary to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, and ADOPTED ________________________.

ANN JOHNSTON
Mayor of the City of Stockton

ATTEST:

KATHERINE GONG MEISSNER
City Clerk of the City of Stockton