



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Modify a Purchase Order with Golden State Fire Apparatus for Four (4) Fire Pumper Apparatuses (F19-021) and Approve Budget Modification No. 23

REPORT IN BRIEF

Approval is requested to modify an existing purchase order with Golden State Fire Apparatus of Sacramento in the amount of \$121,539.53, excluding \$10,938.56 in sales tax, for four (4) fire pumper apparatuses. This modification would increase the purchase order amount to a total of \$2,392,281.53. Approval is also requested for Budget Modification No. 23 to appropriate funding for the purchase.

EXISTING POLICY

Pursuant to Section 2.08.040 of the Sunnyvale Municipal Code, City Council approval is required for the procurement of goods and services exceeding \$100,000 in any one transaction.

Further, Section 2.08.220(b) of the Sunnyvale Municipal Code authorizes the purchasing officer to direct the city's participation with one or more governmental, public or quasi-public agencies in a cooperative agreement for the procurement of goods and/or services, provided that at least one of the agencies has solicited bids.

Pursuant to Sunnyvale Charter Section 1305, at any meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by affirmative votes of at least four members so as to authorize the transfer of unused balances appropriated for one purpose to another, or to appropriate available revenue not included in the budget.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

BACKGROUND AND DISCUSSION

On November 13, 2018, Council awarded a purchase order (RTC 18-0805), under a cooperative procurement, in the amount of \$2,270,742 to Golden State Fire Apparatus of Sacramento for the purchase of four (4) fire pumper apparatuses. Subsequent to issuance of the purchase order, staff from the Department of Public Works and the Department of Public Safety began working with the vendor to build the four new fire trucks.

As the original specifications were being developed between the Department of Public Works and the

Department of Public Safety for the new fire pumper apparatuses there were several assumptions made regarding the current equipment. Initially, it was assumed that certain components from the existing trucks could be salvaged and re-used on the new trucks. These included the water gun mounted on the deck of the truck, various valves and associated equipment related the pumping systems, as well as communication equipment, and computers.

During the build process, changes were made related to additions and modifications identified after the original specification was approved. As these are complex pieces of equipment, multiple conversations and reviews were completed during the build process. Staff worked in close coordination with the manufacturer Pierce as well as representatives from Golden State Fire Apparatus to develop the adjustments. Unfortunately, some of the equipment that the City anticipated to re-use was not compatible. Other modifications included important system enhancements which were necessary to provide greater service delivery, safety, and reduced maintenance costs over the life of the fire apparatus. They include improvements to equipment, storage, communications, pumping and safety upgrades such as automated deck water delivery cannon, self-adjusting air disc brake system and automated hose bed covers. The team further added a more resilient transmission and rear end with a 5-year warranty, upgraded the alternator to better meet increased electrical power needs, as well as wiring options to accommodate various communication, computer equipment and lighting needs.

It was realized too late in the process that the modifications were greater than the contingency amount approved. These apparatuses are much more complex and include many more options and components than a typical fleet vehicle. Based on this experience, staff has determined that any future builds of this complexity will be treated more like a Capital Improvement Project (CIP) with official change orders to be approved. One project manager will be assigned to the build and will be the only person authorized, with the manufacturer, to make changes and approve change orders within the contingency amount authorized. If it is determined that that a change order will go over the authorized amount, the item would be brought back to Council for approval before the change order is approved.

FISCAL IMPACT

Fleet replacements are funded out of the Fleet Services Internal Services Sub-fund. Staff is recommending approval of Budget Modification No. 23 to appropriate \$132,478.09 to the Fleet Equipment Replacement account to fund the additional cost for the purchase.

Budget Modification No. 23 FY 2019/20

	Current	Increase/ (Decrease)	Revised
General Services - Fleet Services Sub-fund			
<u>Expenditures</u>			
020700 - Fleet Equipment	\$4,595,955	\$132,478	\$4,728,433

Reserves

Equipment Reserve	\$1,668,821	(\$132,478)	\$1,536,343
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PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Staff recommends that Council Authorize the City Manager to amend an existing purchase order with Golden State Fire Apparatus for Four (4) Fire Pumper Apparatuses (F19-021) to increase the amount to \$2,392,281.53 and approve Budget Modification No. 23 to appropriate \$132,478.09 to the Fleet Equipment Replacement account to fund the additional cost for the purchase.

Prepared by: Tim Kirby, Director of Finance
Reviewed by: Chip Taylor, Director of Public Works
Reviewed by: Phan Ngo, Director of Public Safety
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager