



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Authorize the Purchase of Two (2) Sweeper Service Vehicles from Tymco, Inc. (F21-090)

REPORT IN BRIEF

Approval is requested to authorize the purchase of two (2) Model 600 sweeper service vehicles in the amount of \$542,450.50 (including tire and delivery fees and estimated sales tax) from Tymco, Inc. of Waco, Texas.

EXISTING POLICY

Pursuant to Section 2.08.040 of the Sunnyvale Municipal Code, which was recently amended to increase the City Manager's procurement authority, Council approval is required for the procurement of good and/or services greater than \$250,000 in any one transaction.

In accordance with Sunnyvale Municipal Code Section 2.08.220(a), the purchasing officer may authorize the City's participation with one or more other 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 using methods similar to those set forth in Sunnyvale Municipal Code Section 2.08.060.

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

The economical operation of the City's fleet requires that vehicles and equipment be replaced prior to the time when operating costs exceed the life cycle cost, in accordance with the vehicle replacement schedule. Additionally, the vehicle replacement guidelines allow the City, in its best interest, to modernize the fleet when warranted as newer vehicles are more technically advanced, have improved safety systems, produce fewer emissions and are more fuel-efficient, which minimizes costs and assures safety.

The purchase of these vehicles follows Administrative Policy "Energy Conservation for City Owned Facilities and Equipment" (Chapter 6, Article 4). Subdivision 3.B and 3.C, which specifies that new vehicle purchases shall be energy efficient and, where practical and economically feasible, alternative fuel vehicles shall be considered. Zero emission and hybrid alternative vehicles were researched and considered as part of the vehicle purchase process but were not an option for this specific vehicle type and required specifications.

The identified vehicles for replacement are department vehicles used to perform daily and routine City operations. The vehicles are one-for-one replacements for the Department of Public Works (units #509 and #517). The identified vehicles are scheduled for replacement per the City's equipment replacement schedule.

Traditionally, the City has purchased fleet vehicles through a cooperative purchasing agreement or through a California Statewide Commodity Contract. The City has used cooperative agreements many times in the past to identify vendors and has experienced better pricing than when bidding the goods/services individually. The identified vehicles that meet the City's requirements are available through Sourcwell, a national cooperative procurement organization offering publicly solicited contracts to government entities nationwide. It is in the best interest of the City to purchase through the Sourcwell contract with Tymco, Inc., its local authorized dealer, as utilizing the Sourcwell contract pricing saves time researching and writing numerous vehicle specifications while benefiting from established vehicle pricing through this agreement.

FISCAL IMPACT

Funding for this purchase is available in the Fleet Equipment Replacement Fund. These two replacements were planned at a total of \$401,600. The shortfall of \$140,850.50 can be absorbed in the current appropriation for fleet equipment and will be reflected in the FY 2021/22 Recommended Budget. This table outlines the total cost of purchase with estimated sales tax.

Description	Quantity	Unit Cost	Total
Model 600 Sweeper	2	\$240,320.00	\$480,640.00
Tires Fee	2	\$10.50	\$21.00
Delivery Fee	2	\$8,500.00	\$17,000.00
Sub-Total		\$248,830.50	\$497,661.00
Estimated Tax		\$22,394.75	\$44,789.50
Total		\$271,225.25	\$542,450.50

Funding Source

The City's Fleet vehicles are funded by the General Services Fund-Fleet Services Sub-Fund which provides for ongoing fleet equipment replacement and maintenance. Funding is provided through internal service charges from the various affected departments based on the equipment used.

PUBLIC CONTACT

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

RECOMMENDATION

Authorize the Purchase of Two (2) Sweeper Service Vehicles from Tymco, Inc. (F21-090).

Prepared by: Gregory S. Card, Purchasing Officer

Reviewed by: Tim Kirby, Director of Finance

Reviewed by: Chip Taylor, Director of Public Works

Reviewed by: Jaqui Guzmán, Deputy City Manager
Approved by: Kent Steffens, City Manager