



File #: 23-0578, Version: 1

REPORT TO COUNCIL

SUBJECT

Authorize the Purchase of Four Engines from Golden State Fire Apparatus (F23-155)

REPORT IN BRIEF

Approval is requested to authorize the purchase of four engines to replace existing equipment in the amount of \$4,010,233.32, including an estimated amount of \$334,618.24 in sales tax, from Golden State Fire Apparatus. Approval is also requested for a 4% contingency in the amount of \$160,409.33. Contingencies are typically not requested for vehicle purchases, but historically a nominal amount has been requested for fire apparatuses to make minor required modifications during the manufacturing process.

EXISTING POLICY

Pursuant to Section 2.08.040 of the Sunnyvale Municipal Code, City Council approval is required for the procurement of good and/or services greater than \$250,000 in any one transaction.

Further, Section 2.08.220(a) 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.

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

Economic operations of the City's fleet require that vehicles be replaced before operating costs become excessive. The vehicle replacement schedule includes the replacement of two American LaFrance fire apparatuses (pumpers) in 2023 and two American LaFrance fire apparatuses (pumpers) in 2024.

Since 2019, the department has acquired six (6) Pierce Velocity pumper apparatus. The four being replaced by this agreement are the last four American LaFrance pumpers the department has in service. DPS can better manage training costs by having uniformity in all pumper apparatus. If the fleet of pumper apparatus are homogenous, movement of personnel to respond to calls throughout the city will no longer require that personnel are trained and certified on two types of apparatus.

The Department of Public Safety (DPS) is requesting replacement of all four pumpers in one

purchase agreement for the following reasons:

- All four apparatuses have reached a life of 15 years and have high maintenance costs, which make their replacements appropriate now.
- As of January 17, 2014, American LaFrance ceased operations. This has caused extreme difficulty in acquiring repair parts for these aged units which has resulted in extended downtimes for maintenance and repair.
- The vendor will begin buildout of all four vehicles upon receipt of a signed contract to reducing the wait time.

The fire pumper apparatuses that meet the specified requirements can be provided by Pierce Manufacturing and are available through Sourcewell, 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 Sourcewell contract with Golden State Fire Apparatus, its local authorized dealer, as utilizing the Sourcewell contract pricing saves time developing vehicle specifications while benefiting from established vehicle pricing. Golden State has proposed the following three payment options for this purchase: Sourcewell

Payment Option	Proposed Price	Savings	% Savings
A - 100% at time of order	\$ 3,973,338	\$ 210,750	5%
B - 75% at time of order	\$ 4,010,233	\$ 173,854	4.15%
C - Pay at Delivery	\$ 4,184,088	-	-

As stated above, a small contingency has been requested fire apparatuses to make minor required modifications during the manufacturing process.

Therefore, it is recommended that Council authorize the issuance of a purchase order to Golden State Fire Apparatus for four (4) fire pumper apparatuses, using Option B above (payment of 75% at time of order), with a contingency of 4% added to the project for required buildout.

FISCAL IMPACT

Fleet equipment is budgeted for and accounted for in the Fleet Services Internal Service Fund. The FY 2023/24 Recommended Budget estimates \$4,150,900 in replacement cost for these vehicles. The apparatus' being replaced will be processed in accordance with the disposition of surplus property. Due to the long lead times for manufacturing and the final payment due upon delivery, the additional \$200,552 in cost can be included in the FY 2024/25 Budget.

PUBLIC CONTACT

Public contact was made by posting the Council meeting agenda on the City's official-notice bulletin board at City Hall, at the Sunnyvale Public Library and in the Department of Public Safety Lobby. In addition, the agenda and this report are available at the NOVA Workforce Services reception desk located on the first floor of City Hall at 456 W. Olive Avenue (during normal business hours), and on the City's website.

RECOMMENDATION

Take the following actions:

- Authorize the City Manager to issue a Purchase Agreement in the amount of \$4,010,233.32, including an estimated amount of \$334,618.24 in sales tax to Golden State Fire Apparatus, in substantially the same form as Attachment 1, Option B; and
- Approve a 4% contingency in the amount of \$160,409.33.

Prepared by: Lisa Vo, Acting Purchasing Officer

Reviewed by: Tim Kirby, Director of Finance

Reviewed by: Phan Ngo, Director of Public Safety

Reviewed by: Jaqui Guzmán, Deputy City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Golden State Fire Apparatus Product Proposal