

**Council Meeting: March 9, 2010****SUBJECT: Reject Bids for Vehicle Purchases****BACKGROUND**

Approval is requested to reject formal bids received in response to three (3) Invitations for Bids (IFBs) to procure various vehicles for the General Services/Fleet Maintenance Division. The bids consist of two Regenerative Air Sweepers (F0901-66), one Aerial Forestry Service Truck (F0912-55), and one Landscape Chipper Truck (F0901-69).

DISCUSSION

These vehicles had been budgeted for replacement in FY 2009/2010, and are at or near the end of their useful life. Subsequent to releasing the IFBs, staff was asked to evaluate the necessity for replacing the vehicles given the City's ongoing operating budget concerns. Pending the outcome of budget deliberations that will take place over the next few months (which may include cost saving changes to services such as street sweeping and tree trimming), it would be inadvisable to purchase the vehicles at this time.

The low bids received in response to the IFBs are as follows:

- Two Regenerative Air Sweepers - \$335,398
- One Aerial Forestry Service Truck - \$144,264
- One Landscape Chipper Truck - \$80,828

City Council approval is required to reject bids received in response to formal competitive bids, e.g., those anticipated to cost more than \$50,000 in any single transaction, per Sunnyvale Municipal Code Section 2.08.140(b).

FISCAL IMPACT

Although budgeted funds are available, delay of these purchases will allow staff to critically evaluate the necessity for replacement in the context of the upcoming operating budget.

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 Web site.

RECOMMENDATION

It is recommended that Council reject all bids received in response to Invitations for Bids F0912-55, F0901-66 and F0901-69.

Reviewed by:

Mary J. Bradley, Director of Finance

Prepared by: Pete Gonda, Senior Management Analyst, Finance

Reviewed by:

Robert Walker

Assistant City Manager

Approved by:

Gary M. Luebbers

City Manager