



**Council Meeting: September 28, 2010**

**SUBJECT: Award of Contract for Two Vacuum Powered Cleaning Trucks (F1008-13) and Approval of Budget Modification No. 12**

**BACKGROUND**

Council approval is requested to award a contract to Municipal Maintenance Equipment, Inc. of Sacramento in the amount of \$577,630 for the purchase of two vacuum powered cleaning trucks. One truck replaces an existing City unit scheduled for replacement in FY 2010/2011. The second unit is an addition to the fleet. The estimated cost for both vehicles was included in the FY 2010/2011 Adopted Budget. However the estimate for the second additional unit was low and therefore Budget Modification No. 12 is required to provide full funding for this new equipment.

**DISCUSSION**

The first truck replaces a high-pressure flushing truck used by the Department of Public Works' Sanitary Sewer Storm Drain Division for maintaining 287 miles of sanitary sewer lines and 330 miles of storm drain pipes. Owning this unit enables the City to meet the California State Water Resources Control Board mandate which requires sewer agencies to have an emergency response plan that includes vacuum truck recovery of sewage spills. The existing unit has been operated for nine years, with approximately 7,000 hours of service. Optimal economic operation of the City's fleet requires vehicles and equipment to be replaced before maintenance costs become excessive. Maintenance costs for the existing flushing truck have increased substantially over the past several years.

The second truck is an addition to the City's fleet, and an estimated cost of the truck was included in the FY 2010/2011 Adopted Budget. This unit will be used by the Department of Public Works' Water Division to maintain and repair 330 miles of water mains and approximately 11,000 valves. The proposed unit is a hydro-excavator using pressurized water and a vacuum source to loosen and remove soil for lateral and main water system repairs and replacements. This unit has a 10-year life expectancy, with maintenance costs anticipated at \$17,200 annually. Currently, Sunnyvale contracts for this work at an approximate cost of \$10,000-\$12,000 per month for excavation equipment rental.

Bid specifications were prepared by the Fleet Services Division. Purchasing staff issued Invitation for Bids No. F1008-13, which was broadcast to potential suppliers through the City's Onvia DemandStar public procurement network.

Sealed bids were received and publicly opened on September 1, 2010. Four responsive bids were received.

<b><u>Bidder</u></b>	<b><u>Total Bid</u></b>
Municipal Maintenance Equipment of Sacramento, CA	\$577,630
Owen Equipment Sales of Sacramento, CA	\$607,880
Nixon-Egli Equipment Co. of Tracy, CA	\$620,319
Edward Bacon, San Martin, CA	\$730,315

Staff has determined that the vacuum powered cleaning trucks offered by Municipal Maintenance Equipment meets City specifications and recommends that the contract be awarded to that firm as the lowest responsive and responsible bidder.

**FISCAL IMPACT**

Total cost to the City will be \$577,630, including sales tax and delivery to the Corporation Yard. Budgeted funds are available for the sewer vacuum truck in Fleet Equipment Replacement Account 020700. The FY 2010/2011 adopted budget also planned a transfer of \$245,600 from the Water Supply and Distribution Fund to the Fleet Equipment Replacement Account to fund the new hydro-excavator. The cost of the new vehicle is \$278,969, \$33,369 over the planned budget.

Staff is recommending approval of Budget Modification No. 12 to appropriate funds from the Water Funds Capital and Infrastructure Reserve to fund the purchase of the hydro-excavator. Several water capital and infrastructure projects either ended FY 2009/2010 under budget or have been deferred or dropped. This will result in the return of funds to the Capital and Infrastructure reserve. Therefore there is no net impact of Budget Modification No. 12 to the water rates.

**Budget Modification No. 12**  
**Fiscal Year 2010/2011**

	Current	Increase (Decrease)	Revised
<b>Water Supply and Distribution Fund</b>			
Expenditures:			
FY 2010/2011 Interfund Transfer to General Services Fund for Hydro-Excavator	\$245,600	\$33,369	\$278,969
FY 2010/2011 Capital and Infrastructure Reserve	\$295,800	(\$33,369)	\$262,431

**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:

1. Award a contract for two vacuum powered cleaning trucks, in substantially the same form as the attached draft Purchase Order in the amount of \$577,630, to Municipal Maintenance Equipment, Inc. and;
2. Approve Budget Modification No. 12 to appropriate funds from the Water Fund Capital and Infrastructure Reserve to fund the purchase of a new hydro-excavator.

Reviewed by:

Grace K. Leung, Acting Director of Finance  
Prepared by: Pete Gonda, Purchasing Officer

Reviewed by:

Marvin Rose, Director of Public Works

Reviewed by:

Robert Walker  
Assistant City Manager

Approved by:

Gary M. Luebbers  
City Manager

**Attachments**

- A. Draft Purchase Order
- B. Municipal Maintenance Equipment Bid Detail





ITEM	DESCRIPTION	QTY	UNIT	UNIT COST	TOTAL
4	Sales Tax  Awarded by City Council 9/28/2010, RTC _____	48903.92	DLR	\$1.0000	\$48,903.92
				<b>TOTAL</b>	<b>\$577,629.92</b>

Document Terms:

Invoices must be sent directly to Accounts Payable at the address above and must reference the purchase order number. Failure to comply will result in a delay in payment processing.

<b>BUYER:</b>
Howard, Dreama
PHONE (408) 730-7396      FAX (408) 730-7710

**BID FORM (TO BE RETURNED)**  
**FOR**  
**TWO VACUUM POWERED CLEANING TRUCKS**

Honorable City Council  
City of Sunnyvale  
Sunnyvale, California

The undersigned bidder hereby offers to sell and deliver two vacuum powered cleaning trucks as required, to the City of Sunnyvale in strict compliance with the specifications, terms and conditions stated herein.

Bid Item No.	Description	Qty	Unit	Price Per Unit	Total Delivered Price
1.	Combination Sewer Cleaning Truck Make and Model offered: <u>Vac-Con Model V311LHA/850</u> <u>mounted on a 2011 IH 7400 SFA 6x4</u>	1	EA	\$ <u>273,858.00</u>	\$ <u>273,858.00</u>
2.	Hydro-Excavation Truck Make and Model offered: <u>Vac-Con Model VX311LH/675</u> <u>mounted on a 2011 IH 7400 SFA 6x4</u>	1	EA	\$ <u>255,833.00</u>	\$ <u>255,833.00</u>

Sales Tax (9.25%)	\$ <u>48,996.42</u>
Tire Fee (if applicable)	\$ <u>35.00</u>
<b>TOTAL COST</b>	\$ <u>578,722.42</u>

Alternate Bid:

1 each Combination Sewer Cleaning Truck: Vac-Con Model V311LHA/850 mounted on a 2011 Freightliner M2 6x4	\$273,358.00
1 each Hydro-Excavation Truck: Vac-Con Model VX311LH/675 mounted on a 2011 Freightliner M2 6x4	\$ <u>255,333.00</u>
9.25%	48,903.92
Tire Fee	<u>35.00</u>
<b>Total</b>	\$ <u>577,629.92</u>