



Council Meeting: February 26, 2013

SUBJECT: Reject Bids for Four Electric Utility Service Carts (F13-31) and One Tractor Loader (F13-33)

BACKGROUND

Approval is requested to reject bids received in response to Invitations for Bids F13-31 and F13-33 for four (4) electric utility service carts and one (1) tractor loader with box scraper.

DISCUSSION

The electric utility service carts and tractor loader are part of the City's fleet of vehicles operated by WPCP staff and are scheduled for replacement in FY 2012/2013. The Invitations for Bids (IFB) for the carts and tractor were issued in early December 2012, both bids with a due date of December 19.

Six bids were received for the electric carts, ranging in price from \$54,580 to \$73,960. An initial determination was made by Fleet staff that the apparent low and second low bidders did not meet vehicle specifications, with a recommendation to award the contract to the third low bidder. The second low bidder subsequently filed a bid protest. Upon evaluating the bid protest and the vehicle specifications (which called for a Columbia brand cart), it was discovered that the specs contained ambiguities, making it difficult to determine the most responsive and responsible bid.

With the tractor loader, one bid was received in the amount of \$107,263. In this case, Fleet staff specified a John Deere model. The IFB was distributed to five known John Deere suppliers. The one bid received was substantially higher than the estimated cost of \$70,000.

City Council approval is required to reject bids received in response to formal competitive bid or proposal solicitations, per Sunnyvale Municipal Code Section 2.08.140(b). Rejecting both bids will provide staff the opportunity to re-evaluate specifications and the degree to which the City's fleet is standardized on particular vehicle brands or manufacturers. The bids will be reissued following the specification evaluation in the hopes of receiving better bid pricing for both vehicles and a higher level of competition for the tractor loader.

FISCAL IMPACT

No fiscal impact results from the recommended bid rejections.

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. Reject the six bids received in response to Invitation for Bids F13-31 for four electric utility service carts; and
2. Reject the one bid received in response to Invitation for Bids F13-33 for one tractor loader with box scraper.

Reviewed by:

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

Reviewed by:

Kent Steffens, Director, Public Works

Approved by:

Gary M. Luebbers
City Manager