



Council Meeting: November 19, 2013

SUBJECT: Award of Contract for an Aerial Chipper Truck (F14-27)

BACKGROUND

Approval is requested to award a contract to Altec Industries, Inc. of Dixon in the amount of \$177,323, including sales tax, for one aerial chipper truck for use by the Department of Public Works.

CEQA REVIEW

N/A

DISCUSSION

The unit being replaced is a 70-foot aerial chipper truck. The unit will be used by the Parks Division for programmed pruning and maintenance of the City's 37,000 trees. The requested vehicle will replace a unit that has been in daily service for the past 16 years and now has over 13,500 hours. Economic operation of the City's fleet requires that vehicles and equipment be replaced before operating costs become excessive. This aerial chipper truck is considered safe, but its age, mileage, and breakdown record make replacement appropriate at this time.

Bid specifications were prepared by the Fleet Services Division. Purchasing staff issued Invitation for Bids No. F14-27, which was broadcast to potential suppliers through the Onvia DemandStar public procurement network and directly distributed to three known vehicle suppliers. Sealed bids were received and publicly opened on October 3, 2013. The sole bid received, from Altec Industries, Inc., offered two alternatives: a custom-built unit at a cost of \$186,618 or an in-stock unit at a cost of \$175,000. This in-stock unit matches the specifications prepared by Fleet Services, and has been approved by the Fleet Manager. The City will also exercise an option to trade in our existing unit under this contract. Altec has reduced the purchase price by \$13,000, to \$162,000, due to the trade in.

FISCAL IMPACT

The total purchase price of the new unit, including sales tax, tire fee and trade-in, is \$177,323. Budgeted funds are available in Fleet Equipment Replacement Account 020700.

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 award a contract in the amount of \$177,323, in substantially the same form as the attached draft purchase order, to Altec Industries, Inc. for one aerial chipper truck.

Reviewed by:

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

Reviewed by:

Kent Steffens, Director of Public Works

Approved by:

Gary M. Luebbers
City Manager

Attachments

- A. Draft Purchase Order



Document Terms:

Invoices must be sent directly to Accounts Payable by mail to the address above or by e-mail to accountspayable@sunnyvale.ca.gov and must reference the purchase order number. Failure to comply will result in a delay in payment processing.

This purchase order is subject to the City of Sunnyvale Standard Terms and Conditions for the Purchase of Goods, dated 10/8/2010, a copy of which is attached and incorporated by reference (Form #TCPO-G).

BUYER:

Dietz, Noel

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