

DATE: January 5, 2006

TO: Mayor and City Council Members

FROM: Utilities Department

SUBJECT: **RESOLUTION NO. 7726 - A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH FOLSOM LAKE FORD FOR THE PURCHASE OF FOUR ONE-TON CAB AND CHASSIS**

**BACKGROUND / ISSUES**

The Fiscal Year 2005/2006 Budget authorized the purchase of four one-ton trucks for the Utilities Department. All four trucks will replace existing trucks that are at least 15 years old and have been determined to be no longer suitable for their needed use. Three of the four existing trucks will be sold as surplus while one will be reassigned as a back-up vehicle.

Two trucks will be assigned to the Utilities Sewer Division and will be used for general maintenance functions. The other two will be assigned to the Utilities Water Division. One of these trucks will be used for hydrant flushing operations, while the other will be used for general maintenance at the Water Treatment Plant. All four trucks will be outfitted with utility beds, with cranes being added to two trucks (one in each Division). The trucks will be purchased initially as cab and chassis, only. The utility beds and cranes will be added later by firms that specialize in this work through a separate bid process.

**POLICY / RULE**

Section 2.36.080 of the Folsom Municipal Code, Competitive Sealed Bidding, describes the procedures to solicit competition and award contracts with estimated values of \$41,750 or greater.

**ANALYSIS**

A Notice to Bidders for the initial purchase of cab and chassis was published in the November 13 and 14, 2005, editions of the Sacramento Bee. Staff also sent bid documents to the local Ford, Chevrolet and G.M.C. dealers. The bid opening was held on December 16, 2005, and only one bid was received. The bid received was from Folsom Lake Ford for the amount of \$88,421.24, or \$22,105.31 per truck.

Although only one bid was received, the amount of the bid appears to be very competitive and reasonable. The cost for adding utility beds and cranes is estimated at \$12,000 and \$10,000 per truck, respectively. This will bring the total cost per truck to roughly \$34,000 for those equipped with utility beds, and \$44,000 for those equipped with utility beds and cranes. These amounts are

well within the budgeted amounts of \$36,200 (with utility bed only) and \$48,700 (with utility bed and crane) per truck. Staff therefore recommends that the bid be awarded to Folsom Lake Ford.

**FINANCIAL IMPACT**

Sufficient funds have been budgeted in the FY 2005/06 Budget for these purchases, and will be expended from a combination of the Sewer Maintenance Fund (530), Water Maintenance Fund (520) and Vehicle Replacement Fund (602).

**ENVIRONMENTAL REVIEW**

The purchase of these trucks is not considered a project, and therefore is not subject to CEQA.

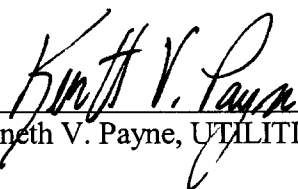
**ATTACHMENT**

Resolution No. 7726 - A Resolution Authorizing the City Manager to Execute an Agreement with Folsom Lake Ford for the Purchase of Four One-Ton Cab and Chassis

**RECOMMENDATION/ CITY COUNCIL ACTION**

The Utilities Department recommends that the City Council pass and adopt Resolution No. 7726 - A Resolution Authorizing the City Manager to Execute an Agreement with Folsom Lake Ford for the Purchase of Four One-Ton Cab and Chassis.

Submitted,

  
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Kenneth V. Payne, UTILITIES DIRECTOR

**RESOLUTION NO. 7726**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH FOLSOM LAKE FORD FOR THE PURCHASE OF FOUR ONE-TON CAB AND CHASSIS**

**WHEREAS**, staff has validated the need to purchase four one-ton trucks, to maintain the current level of service; and,

**WHEREAS**, sufficient funds are available and have been included in the FY2005/06 budget for this purchase; and,

**WHEREAS**, staff recommends acceptance of the responsive responsible bid received from Folsom Lake Ford; and,

**WHEREAS**, the provisions of the Folsom Municipal Code, Section 2.36.080 have been complied with; and,

**WHEREAS**, the agreement will be in a form acceptable to the City Attorney:

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Folsom authorizes the City Manager to execute an agreement with Folsom Lake Ford for the purchase of four one-ton cab and chassis for a total cost of \$88,421.24.

**PASSED AND ADOPTED** on this 10th day of January 2006, by the following roll-call vote:

**AYES:** Council Members

**NOES:** Council Members

**ABSENT:** Council Members

**ABSTAIN:** Council Members

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Andrew J. Morin, MAYOR

ATTEST:

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Christa Schmidt, CITY CLERK