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DEPARTMENT OF
FINANCE

CITY OF SACRAMENTO
CALIFORNIA

5730 24TH STREET
BUILDING FOUR
SACRAMENTO, CA
95822-3699

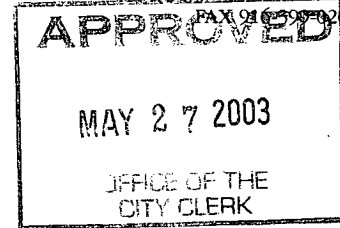
PROCUREMENT SERVICES DIVISION

May 16, 2003

PS:Admin:03-19:RBH:MR:mh

PH 916-433-6240
FAX 916-298-2633

City Council
Sacramento, California



Honorable Members in Session:

SUBJECT: PURCHASE OF ORIGINAL EQUIPMENT MANUFACTURER PARTS FOR LEACH REFUSE TRUCKS AND EQUIPMENT IN AN AMOUNT NOT TO EXCEED \$195,000

LOCATION AND COUNCIL DISTRICT: Citywide

RECOMMENDATION:

Staff recommends that the City Council adopt the attached Resolution, which suspends formal competitive bidding for the purchase of original equipment manufacturer (OEM) parts and authorizes the City Manager to execute the necessary purchase order for next Fiscal Year 2003/04 with Arata Equipment Company in an amount not to exceed \$195,000.00 through June 30, 2004.

CONTACT PERSONS: Robert Summersett, Fleet Superintendent, 433-6309
Marc Robles, Buyer II, 433-6343

FOR COUNCIL MEETING: May 27, 2003

SUMMARY:

The Maintenance Services Division (Fleet Operations) has a continuing requirement to purchase OEM replacement parts for Leach refuse trucks. This report recommends that the City Council adopt the attached Resolution which suspends formal competitive bidding for these purchases and authorizes the City Manager to execute the necessary purchase order for fiscal year 2003/04 with Arata Equipment Company, 1160 Industrial Road, San Carlos, California, in a total amount not to exceed \$195,000.00.

BACKGROUND:

The Maintenance Services Division (Fleet Operations) has an ongoing requirement for the purchase of replacement OEM parts for maintenance and repair of Leach refuse trucks for use by the Solid Waste Division. As the Leach refuse trucks approach the end of their useful life, the frequency of repairs and maintenance increases, compounding the need for OEM parts. The majority of these replacement parts are

available only from the original manufacturer or their authorized dealers and after market replacement parts are not available. Arata Equipment Company is the exclusive territorial distributor for Northern California for the purchase of Leach refuse truck OEM replacement parts. Staff requests that the City Council authorize the City Manager to execute the necessary purchase order to Arata Equipment Company for next fiscal year, in a total amount not to exceed \$195,000.00.

FINANCIAL CONSIDERATIONS:

There are sufficient funds available in the Maintenance Services Division proposed budget for FY03/04.

ENVIRONMENTAL CONSIDERATIONS:

The current project has been determined to be exempt from the requirements of the California Environmental Quality Act (CEQA), under Sections 15061(b)(3) which states that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The current proposal involves only the purchase of OEM parts for repair and maintenance of City refuse trucks. Therefore, it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment.

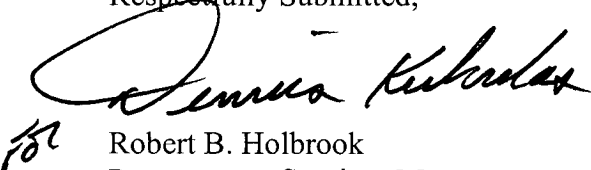
POLICY CONSIDERATIONS:

The recommendations in this report are accordance with the provisions of the City Code section 3.56.230(c), which authorizes suspension of formal competitive bidding upon a two-thirds vote of the City Council.

ESBE CONSIDERATIONS:

Arata Equipment Company is not a City-certified ESBE firm. As Arata is the sole territorial distributor for the required replacement parts, ESBE efforts are not applicable.

Respectfully Submitted,


702 Robert B. Holbrook
Procurement Services Manager

RECOMMENDATION APPROVED:

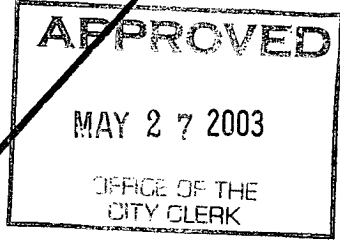


ROBERT THOMAS
City Manager

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V.H.



RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF May 27, 2003

PURCHASE OF ORIGINAL EQUIPMENT MANUFACTURER PARTS FOR LEACH REFUSE TRUCKS AND EQUIPMENT IN AN AMOUNT NOT TO EXCEED \$195,000

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

- 1. In the best interest of the City of Sacramento, formal competitive bidding is hereby suspended for the purchase of original equipment manufacturer parts for Leach refuse trucks, and;
- 2. The City Manager is hereby authorized to issue the necessary purchase order to Arata Equipment Company, 1760 Industrial Road, San Carlos, CA 94070 for FY03/04 in an amount not to exceed \$195,000.00 through June 30, 2004.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____