



City of Palo Alto

City Council Staff Report

(ID # 7486)

Report Type: Consent Calendar

Meeting Date: 1/23/2017

Summary Title: Contract for Purchase of an Altec Crane

Title: Approval of a Contract With Altec Industries Inc., in the Amount of \$335,213 for the Purchase of an Altec Hydraulic Telescoping Crane and Approval of a Budget Amendment in Various Funds

From: City Manager

Lead Department: Public Works

Recommendation

Staff recommends that Council:

1. Approve and authorize the City Manager to execute a purchase order with Altec Industries Inc. in the amount of \$335,213 for the purchase of a Hydraulic Telescoping Crane, Model AC23-95B; and
2. Amend the Fiscal Year 2017 Budget Appropriation Ordinance for
 - a. the Waste Water Treatment Fund by:
 - i. Increasing the transfer to the Vehicle Replacement and Maintenance Fund in the amount of \$15,213; and
 - ii. Decreasing the Ending Fund Balance in the amount of \$15,213; and
 - b. the Vehicle Replacement and Maintenance Fund by:
 - i. Increasing the transfer from the Waste Water Treatment Fund by \$15,213; and
 - ii. Increasing the Scheduled Vehicle and Equipment Replacement Fiscal Year 2017 project VR-17000 in the amount of \$15,213

Background

The Vehicle and Equipment Use, Maintenance, and Replacement Policy section 4-1 provides for the on-going replacement of City fleet vehicles and equipment.

Replacements are scheduled using guidelines based on age, mileage accumulation and obsolescence. The policy prescribes a replacement interval for trucks with aerial lifts of ten years or 100,000 miles.

In accordance with the policy, the Fleet Review Committee reviews all vehicles proposed for replacement and authorized this replacement during the Fiscal Year 2017 budget process. Approval was based on:

- An examination of each vehicle's current usage;
- An analysis of each vehicle's operating and replacement costs;
- A comparison of the age, mileage, operating cost and performance of each vehicle with others in the class; and
- An analysis of alternatives to ownership, such as mileage reimbursement; pooling/sharing; the reassignment of another underutilized vehicle, or renting.

Staff recommends replacing vehicle 4655, a 1986 GMC 7000 truck with a 23-ton rated flatbed crane used at the Regional Water Quality Control Plant due to the vehicle exceeding the replacement policy on age and operating costs. The vehicle is frequently out of service for repairs, disrupting operations and maintenance activities and causing the need to procure a contracted and insured crane operator at an approximate cost of \$1,760 per day. Vehicle 4655 is well beyond its useful life and at over 30 years old, is no longer capable of its intended purpose.

Discussion

In addition to containing the newest safety features, the replacement aerial truck will allow Water Quality Control Plant staff to reach wastewater storage tanks not serviceable with the existing crane, be lowered into locations not accessible by ladder, add filter media (anthracite coal and sand) into the Dual Media Filter facility filters, help position parts and tools at the top of the fixed film reactors and assist contractors with time sensitive work, safely speeding up projects. Finally, the excessive delays caused by down-time and cost for contracted crane operators and equipment will be eliminated.

Bid Process

The City's Municipal code, PAMC section 2.30.360 (j) identifies the process that allows the use of Intergovernmental Cooperative Purchasing agreements. Bids

for this purchase were obtained through the National Joint Purchasing Alliance (NJPA), which is an approved cooperative group. A Request for Quotation was sent to NJPA on November 29, 2016, and a quote was received from Altec on December 23, 2016 (Attachment A).

Staff recommends that council approve this purchase order with Altec Industries Inc. for one Hydraulic Telescoping Crane, Model AC23-95B.

Resource Impact

The Vehicle Replacement Fund does not have sufficient funding to purchase this vehicle. Traditionally, vehicle procurements are pre-funded through annual charges to the department/fund that benefits from the vehicle. In this instance, \$320,000 was allocated for the replacement of this vehicle in the Fiscal Year 2017 budget for VR-17000. Thus to support this purchase, an appropriation of \$15,213 to the Scheduled Vehicle and Equipment Replacement Fiscal Year 2017 CIP project (VR-17000) in the Vehicle Replacement and Maintenance Fund, offset by a transfer of \$15,213 from the Waste Water Treatment Fund is recommended.

Policy Implications

Authorization of the contract does not represent any change to the existing policy.

Environmental Review

This vehicle will meet the EPA 2017 Emissions standards.

Attachments:

- Attachment A - NJPA Quote



Opportunity Number: 339404
 Quotation Number: 776392
 NJPA Contract #: 031014-ALT
 Date: 12/23/2016

Quoted for: City of Palo Alto
 Customer Contact: Raul Juarez
 Phone: 650-496-6948

Altec Crane Account Manager: Tom Williams (760) 250-2599
 Quoted by: Jason Ryan

REFERENCE ALTEC MODEL

AC23-95B	Hydraulic Telescopic Crane	\$197,150
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Per NJPA Specifications plus Options below

(A.) NJPA OPTIONS ON CONTRACT (Unit)

1	AC23-95B-RS	Riding Seat (AC23-95S)	\$19,288
2	AC23-95B-2JIB	Two Piece 26'-44' - Telescopic Side Stow Jib	\$5,736
3	AC23-95B-OC	Oil Cooler- 90,000 BTU	\$1,792
4	AC23-95B-UCR	Continuous Rotation (Must Select Front Bumper Outtrigger)	\$3,585

(A1.) NJPA OPTIONS ON CONTRACT (General)

1	AC23-95B-RRWR	350' of 9/16" Spin Resistant Cable	\$573
2	AC23-95B-SHEAVE1	One (1) Sheave load block with holder	\$2,295
3	AC23-95B-OC	Crane Hydraulic Oil Cooler	\$1,792
4	AC23-95B-PLAT	Platform - Two person connected to main boom or jib	\$5,755
5			
6			
7			
8			

NJPA OPTIONS TOTAL: \$237,966

(B.) OPEN MARKET ITEMS

1	UNIT		
2	UNIT & HYDRAULIC ACC	Radio controls for all crane controls - nbb	\$14,500
3	BODY	Custom Steel Flatbed in lieu of standard	\$5,050
4	BODY & CHASSIS ACC		
5	ELECTRICAL		
6	FINISHING		
7	CHASSIS	2017 Kenworth T300 6x6 AWD in lieu of standard Peterbilt 348 6x4	\$33,365
8	OTHER		

OPEN MARKET OPTIONS TOTAL: \$52,915

SUB-TOTAL FOR UNIT/BODY/CHASSIS: \$290,881

San Mateo County Sales Tax 8.75%: \$25,452

Federal Excise Tax (12% X \$112,083 chassis cost = FET): \$13,450

Delivery to Customer: \$5,430

TOTAL FOR UNIT/BODY/CHASSIS: \$335,213

****Pricing valid for 45 days****

NOTES

PAINT COLOR: White to match chassis, unless otherwise specified

WARRANTY: Standard Altec Warranty - One (1) year parts warranty One (1) year labor warranty Ninety (90) days warranty for travel charges (Mobile Service), Five (5) year structural warranty. Chassis to include standard warranty, per the manufacturer.

DELIVERY: No later than 30-45 days to City of Palo Alto (Pending stock unit availability) Custom build: 270 - 365 days

TERMS: Net 30 days

BUILD LOCATION: Plant 94, Daleville, VA