



Agenda Item # _____

Staff Report

City of Manhattan Beach

TO: Honorable Mayor Fahey and Members of the City Council

THROUGH: Geoff Dolan, City Manager

FROM: Bruce Moe, Director of Finance
Neil Miller, Public Works Director
Gwen Eng, General Services Manager
Clarence Van Corbach, Utilities Manager

DATE: October 4, 2005

SUBJECT: Authorization to Purchase a Vacuum/Hydro Truck from Municipal Maintenance Equipment in the Amount of \$286,565.90

RECOMMENDATION:

Staff recommends that the City Council: a) waive formal bidding per Municipal Code Section 2.36.140 (Waivers) and b) award a purchase order to Municipal Maintenance Equipment in the amount of \$286,565.90.

FISCAL IMPLICATION:

The total cost of the truck is \$286,565.90. Staff had anticipated acquiring the vehicle through a lease/purchase agreement and budgeted the first year payment of \$72,595 in the Fiscal Year 2005-2006 Budget. While we are requesting approval of the purchase tonight, we will return to Council at the next meeting with authorization to execute a lease/purchase agreement after we have had the opportunity to finalize those details.

BACKGROUND:

The vacuum/hydro truck requested will be used by the Public Works department to clean wet wells, catch basins, storm drain lines, CDS units (continuous deflector separators) which remove trash and silt from the storm drain system as well as maintain sewer mains and clear sewer line blockages caused by roots and other debris. The unit will add reliability to an important element of the day-to-day operations of Public Works Utility Division. The current vacuum/hydro truck is nine years old, has accumulated 72,000 miles (all short trips in town), and has been experiencing significant downtime due to repairs over the last couple of years. Over the last two years more than \$28,000 has been spent on repairs for this vehicle.

DISCUSSION:

Staff researched the various vehicles that could potentially meet our needs and only one, Vac-Con, has a vehicle that will meet all of our requirements. Those specifications that are unique to Vac-Con are:

- A magnetized lifting device that will lift as much as 500 pounds. This feature will help prevent back injuries which can occur from manually lifting and/or prying up manhole covers and heavy grates.
- A television camera system, which utilizes DVDs as the storage media, in the basic hose reel. This will allow video inspection at anytime the crew is cleaning a sewer or storm drain or clearing a blockage. Currently, the sewer crew has to exchange vehicles at the City Yard to take out a trailer mounted video system, which uses VHS tapes for storage, to perform video inspections. Video inspections are in greater demand to evaluate pipe conditions, evaluate causes of sewer backups, and to investigate illegal discharges.
- A payload of 9 cubic yards. Since our current vehicle can carry 5 cubic yards, a larger payload equates to fewer trips to the dump area during a day of cleaning catch basins or wet-wells.
- This brand also offers a high lift capability for the waste payload. This feature improves productivity by allowing a direct dump of contents into a waste bin. The current unit requires the payload to be unloaded on the ground and then picked up with a skiploader which is then dumped into the appropriate waste container.

The authorized Vac-Con dealer for California, Municipal Maintenance Equipment, has a demonstration vehicle available for purchase. For price comparison purposes, staff was able to locate a negotiated contract (State of Ohio) for the same vehicle, which is listed below:

<u>Vendor</u>	<u>Cost</u>
Vac-Con	\$296,979.99 (new)
Municipal Maintenance Equipment	\$286,565.90 (demonstration)

The manufacturer is providing the same warranty on the demonstration unit as though this were brand new (i.e., the one year warranty starts when we take possession).

In addition to the cost savings, staff recommends the purchase of this demo unit for the following reasons:

- The current vehicle's auxiliary engine, which runs the cleaning equipment, has 1,500 hours. It has now reached a point in its life that breakdowns will become more frequent. If it should fail, we could potentially incur tens of thousands in repair or rental costs until it is fixed or replaced.
- The demonstration model can be delivered within 5-7 days. The lead time for a new vehicle is six months.
- This truck is the same brand the crew has been using the last 9 + years and the need for operational and maintenance training will be minimal.

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During the preparation of this year's budget, staff anticipated a lease/purchase financing arrangement for the truck. If the truck is approved for purchase this evening, staff will return to Council with the appropriate documentation for review and approval.