



RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: MARCH 11, 2019

ITEM NO: 7

SUBJECT: PURCHASE OF ONE TRAILER MOUNTED VACUUM EXCAVATOR IN LIEU OF THREE ARROW BOARDS, FOR USE BY THE WATER DIVISION FOR \$77,575.15

ISSUE:

Approve the purchase of one trailer mounted vacuum excavator, in the amount of \$77,575.15, in lieu of three arrow boards, remaining within the previously authorized \$2.3 million for new heavy equipment purchases by the Riverside Public Utilities Water Division.

RECOMMENDATION:

That the Board of Public Utilities approve the purchase of one trailer mounted vacuum excavator, in the amount of \$77,575.15, in lieu of three arrow boards, remaining within the previously authorized \$2.3 million for new heavy equipment purchases by the Riverside Public Utilities Water Division.

BACKGROUND:

Riverside Public Utilities (RPU) Water Division uses heavy equipment daily to provide safe and reliable water service to its customers. Heavy equipment needs to be in safe, operable condition, and compliant with state and local emissions regulations. Equipment, operating beyond its economic and useful life, needs to be replaced to ensure operating efficiency, employee productivity, and public safety. Aging equipment is more prone to significant mechanical failure, causing increased maintenance/repair costs and downtime for field employees during vehicle/equipment maintenance.

On December 12, 2016, the RPU Board (Board) approved participation in the 2016 City Lease Bond Issuance for the purchase of RPU Water Division heavy equipment in an estimated amount of \$2,300,000.

On March 14, 2017, the Riverside City Council adopted a resolution approving a cooperative financing agreement with Banc of America Public Capital Corp in the amount up to \$10,500,000 for the purchase of vehicles and equipment for Police, RPU, and Community and Economic Development, which included \$2,300,000 for the purchase of RPU Water Division heavy equipment.

On August 27, 2018, as part of that cooperative agreement, the Board approved the purchase of nineteen pieces of heavy equipment for the RPU Water Division in the total amount of \$2,232,977.

This equipment purchase enables Water Field crews to support the replacement of vital and critical aging infrastructure efficiently and in a timely manner. In addition, the proposed purchases are essential for the Water Division to support Utility 2.0 Capital Improvement Project (CIP) initiatives.

DISCUSSION:

The nineteen pieces of equipment are at different stages in the procurement process some of which have already been delivered. However, since the time of approval in August 2018, staff has recognized the need for a new trailer mounted vacuum excavator. The Water Division currently has two trailer mounted vacuum excavators that are used as an alternative to backhoes for excavation. The trailer mounted vacuum excavators use a pressure washer and vacuum extraction system, which disturbs a smaller footprint than traditional excavation methods. Current equipment has proven that specialized vacuum excavation is a benefit to the City, and its expanded use is necessary to maintain or replace aging water infrastructure.

The City is a member of a purchasing cooperative known as Sourcewell (formerly known as NJPA). Sourcewell uses cooperative contract purchasing to leverage the national purchasing power of more than 50,000 member agencies while also streamlining the required purchasing process. As a municipal national contracting agency, Sourcewell establishes and provides nationally leveraged and competitively solicited purchasing contracts under the guidance of the Uniform Municipal Contracting Law. Sourcewell laws enable members to make purchases using their awarded contracts. Purchasing Resolution No. 23256 Section 602(e) states that competitive procurement shall not be required when goods or services can be procured from a contractor who offers the same or better price, terms, and conditions as the contractor previously offered as the lowest responsive bidder under competitive procurement or negotiations conducted by the City or another public agency, provided that, in the opinion of the Purchasing Manager, it is in the best interest of the City to do so. Using the Sourcewell program, the cost for the vacuum excavator is \$77,575.15.

Staff would like to maximize the use of available funds under the cooperative agreement toward the purchase of new heavy equipment, to meet its current need. Therefore, in lieu of purchasing three of the four arrow boards as anticipated in the original equipment purchase request, staff would like to apply that savings, along with the additional balance available in the cooperative agreement, to purchase a trailer mounted vacuum excavator. Currently, the trailer mounted vacuum excavator is a higher priority than replacement arrow boards.

The following table summarizes the original equipment schedule alongside the requested changes. It also reflects slight variances in the final pricing of certain pieces of equipment.

		Equipment Pricing as Approved by the Board on August 27, 2018	Revised Equipment Pricing
No.	Description	Unit Price	Unit Price
1	Asphalt Zipper	\$127,544	\$128,727
2	Backhoe (JD 410)	\$146,875	\$146,875
3	Backhoe (JD 410)	\$146,875	\$146,875
4	Backhoe (JD 410)	\$146,875	\$146,875
5	Backhoe (JD 710)	\$200,600	\$200,600
6	Service Truck	\$260,989	\$261,805
7	Dump Truck	\$252,061	\$252,061
8	Large Saw	\$28,752	\$28,752
9	Backhoe Trailer	\$30,026	\$30,026
10	Backhoe Trailer	\$30,026	\$30,026
11	Arrow Board	\$5,432	\$5,075
12	Arrow Board	\$5,432	\$0
13	Arrow Board	\$5,432	\$0
14	Arrow Board	\$5,432	\$0

		Equipment Pricing as Approved by the Board on August 27, 2018	Revised Equipment Pricing
No.	Description	Unit Price	Unit Price
15	Sweeper	\$379,530	\$379,530
16	Loader	\$248,038	\$248,038
17	Compressor Trailer	\$27,016	\$27,016
18	Valve Turning Trailer*	\$36,042	\$36,042
19	Dump Truck (Used)**	\$150,000	\$150,000
20	Trailer Mounted Vacuum Excavator	\$0	\$77,575
	Totals	\$2,232,977	\$2,295,898 Use \$2,300,000

* Valve Turning Trailer was purchased in 2017. Funds from the cooperative purchase agreement will be used to reimburse the Water Division.

** City Fleet has an existing dump truck to be purchased by RPU.

The Purchasing Manager concurs that the recommended action is in compliance with Purchasing Resolution No. 23256.

FISCAL IMPACT:

Sufficient funds are available in the Public Utilities Water Automotive Equipment Account No. 6205000-463100.

Prepared by: Todd L. Jorgenson, Utilities Assistant General Manager/Water
 Approved by: Todd M. Corbin, Utilities General Manager
 Approved by: Al Zelinka, FAICP, City Manager
 Approved as to form: Gary G. Geuss, City Attorney

Certifies availability
 of funds: Aileen Ma, Interim Utilities Assistant General Manager/Finance & Administration

Attachments:

1. Sourcewell Price Quotation for a Trailer Mounted Vacuum Excavator
2. Presentation