

RESOLUTION NO. 19-008

**A RESOLUTION EXEMPTING THE PUBLIC CONTRACT FOR
THE PURCHASE OF A USED VAC-COMBO TRUCK FROM
COMPETITIVE BIDDING REQUIREMENTS**

WHEREAS, the City Public Works Department has an AquaTech combo-vacuum truck which has extensive hours of use and mileage, and which has been recently incurring increasing repair costs; and

WHEREAS, the Public Works Department has identified a used Vac-Con combo-vacuum truck sold by Enviro-Clean Equipment in Gresham Oregon, which is available for the purchase price of \$325,000; and

WHEREAS, Rule 02-0280(3)(d) of the City's Local Contract Review Board Rules, provides the City Council, acting as the Local Contract Review Board,, may exempt a contract for the purchase of used personal property from competitive bidding requirements if the Council has made findings that the purchase will (1) be unlikely to encourage favoritism or diminish competition, and (2) result in substantial cost savings or promote the public interest; and

WHEREAS, pursuant to Rule 02-0280(2) of the City's Local Contract Review Board Rules, the City provided public notice 7 days in advance of the Council's intent to approve the request to exempt the contract for the purchase of a used combo-vacuum truck from competitive bidding requirements;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL AS
FOLLOWS:**

Section 1. The public contract for the purchase of a used Vac-Con combo-vacuum truck, shall be exempt from competitive bidding requirements, pursuant to Rule 02-0280 of the City's Local Contract Review Board Rules, based upon the following findings:

Operational Issues

- A. The AquaTech combo-vacuum truck currently being used by the Public Works Department is one of the Department's most heavily used pieces of equipment, including minor excavation of utilities, responses to sewer back-ups, cleaning sewer lines, and water service and main repairs. This unit is now over 17 years old, and has 7,290 hours and 129,389 miles of usage. In the last four years, repair costs for the unit have significantly grown, to a total in excess of \$20,000. The unit proposed to be purchased which is a demonstrator has 10,680 miles on it and 268 hours on its auxiliary systems.

- B. The Public Works Department is proposing that the current unit would be retained as a back-up for the Vac-Con model. There are often occasions when the combo-vacuum truck is needed for work by more than one crew in the Public Works Department at the same time, and the work of one crew is delayed until another crew is finished using the truck. In order to be able to respond in a timely manner to water and sewer emergencies, it is essential for the Public Works Department to have access to a combo-vacuum truck at all times. There are also occasions when the work of a crew must be interrupted when the truck is needed to respond to an emergency. Last year, the Department rented the Vac-Con truck for two weeks at a cost of \$7,500 while the AquaTech truck was being repaired; the Vac-Con truck was rented for another two weeks in April 2019 at an additional cost of \$7,500 as the AquaTech truck was again being repaired. Having the current combo-vacuum truck serve as a back-up will prevent the interruption of the department's work due to emergencies or concurrent demands for service, and enhance the efficiency of the Department's work flow, while preventing the need for the Department to have to rent a back-up unit.
- C. The City Council finds that the proposed purchase of the used Vac-Con combo-vacuum truck, which is in good condition will significantly enhance the operational functions and capabilities of the Public Works Department, which promotes the public interest.

Favoritism or Diminishing Competition

- D. Over the last few years, Public Works Department staff has tested a number of units from various manufacturers. The Department's focus has been on the purchase of a new piece of equipment, as the Department has found it difficult to secure a used combo-vacuum truck in good condition with low hours of usage. In 2014, Department staff located a slightly used demonstrator truck for the sum of \$361,296, but it was sold before the Department was able to pursue possible acquisition of the truck. Last winter, the Department located another used combo-vacuum truck but it was sold before the Department could obtain pricing information related to the truck. The Vac-Con combo-vacuum truck which is proposed to be purchased was the only newer used combo-vacuum truck currently available in the local region. Competition for acquisition of these types of used combo-vacuum trucks is quite high, as reflected by these examples.
- E. The City Council finds that exemption of the contract for the purchase of a used Vac-Con combo vacuum truck will not result in favoritism among vendors of this type of equipment, nor will it diminish competition for the purchase of this type of equipment.

Substantial Cost Savings

- F. Purchase of the Vac-Con combo-vacuum truck will reduce the amount of costs which the Public Works Department has had to incur in repairs for the existing Aqua-Tech combo-vacuum truck. The costs of new combo-vacuum trucks tested by the Public Works Department over the last two years has ranged between \$408,000 and \$650,000 (the \$650,000 unit included an additional water recycling system). The price for a new Vac-Con unit, similarly equipped to the one proposed to be purchased, is listed at \$442,784. The purchase price of the proposed unit is \$325,000. Purchase of the demonstrator unit will allow the City to save \$117,784 compared to the purchase of a new truck with the same features, and the sum of \$83,000 compared to the cost of the lowest cost of the new trucks tested by the Public Works Department. The Vac-Con unit also costs \$36,296 less than the only other demonstrator unit for which the Public Works Department was able to get pricing.

- G. The City Council finds that exemption of the contract for the purchase of a used Vac-Con combo vacuum truck will result in substantial cost savings for the City.

Section 2. The City Manager or her authorized designee is authorized to purchase a used Vac-Con combo-vacuum truck from Environ-Clean Equipment, in an amount not to exceed the sum of \$325,000.

Section 3. Effective Date. This resolution shall be considered effective as of April 22, 2019.

PASSED AND ADOPTED THIS 22nd DAY OF APRIL, 2019.

Voting Yes, Councilors: Long, Curtiss, Brown, Runyon, Miller, McEllothlin
 Voting No, Councilors: _____
 Absent, Councilors: _____
 Abstaining, Councilors: _____

AND APPROVED BY THE MAYOR THIS 22nd DAY OF APRIL, 2019.

Richard A. Mays
 Richard A. Mays, Mayor

Attest:
Izetta Grossman, CMC
 Izetta Grossman, CMC, City Clerk