

**MEMORANDUM
COUNTY OF PLACER
DEPARTMENT OF ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES DIVISION**

TO: Honorable Board of Supervisors

FROM: Jim Boggan, Purchasing Manager *JB*

DATE: September 22, 2009

SUBJECT: Authorize the Lease/Purchase of Two 3,000 Gallon Water Tenders Using a Competitively Bid Contract with US Tanker in the Total Amount of \$676,082.12

ACTION REQUESTED

Authorize the lease/purchase of two 3,000 gallon water tenders using a competitively bid contract with US Tanker of Burlington, WI and a master lease agreement with Baystone Financial of LaGrange Park, IL in the total amount of \$676,082.12, and authorize the Purchasing Manager to sign the resulting documents.

BACKGROUND

The Placer County Fire Department has requested to lease/purchase two 3,000 gallon water tenders. These water tenders will be used by Western Placer Fire, Stations 74 and 75, during emergency fire situations.

To save time and obtain best pricing, Procurement Services researched available competitively awarded large government bids that could be piggybacked. A comparison of available piggyback opportunities is attached. The contract awarded by the Houston-Galveston Area Council (H-GAC) provided the most favorable pricing. H-GAC is a regional council of governments operating under the laws of the State of Texas and governed by a board comprised of 35 elected officials from the 13 county regions. The Board awards all contracts, which are made available to local governments nationwide, by virtue of a public competitive process. On December 1, 2007, the H-GAC Board awarded the purchase of fire service apparatus, as Contract FS12-07, to various vendors. US Tanker of Burlington, WI was one of these vendors. Under the terms of H-GAC's contract with US Tanker, Placer County's price for the requested water tenders is \$308,875.14 each. Pricing includes applicable sales tax. In accordance with the Purchasing Policy Manual (PPM) Section 1.3 (e)(3), County policy permits contracting with a vendor that was awarded an agreement by another public agency as the result of a competitive process without further competitive bidding by Placer County.

The purchase plan calls for Placer County Fire to pay US Tanker in the amount of \$235,272.72 for the two cabs and chassis at the time they are delivered to US Tanker by the chassis manufacturer. The balance of the purchase price, \$382,477.56, will be financed via a lease purchase agreement. In accordance with the PPM Section 7.1, Procurement Services solicited quotes from three firms that were willing to lease the apparatus for five years in the amount of the remaining balance. Baystone Financial of LaGrange Park, IL provided the most favorable lease quote at 4.926% (firm until September 26), resulting in five annual lease payments of \$88,161.88 for a total lease cost of \$440,809.40 with no residual buyout.

FISCAL IMPACT

The total cost of the lease/purchase resulting from this recommendation will be \$676,082.12. CEO's Fiscal Impact Statement is attached.

Attachment:

1. Comparison of Piggyback Opportunities
2. Lease Financing Quote Evaluation
3. CEO Fiscal Impact Statements

cc: Gary Brittner, Placer County Fire
Kim Davis, CEO Fiscal Unit

COUNTY OF PLACER, AUBURN, CA

BID EVALUATION & AWARD RECOMMENDATION

Bid No.
Title: Water Tankers
Due Date: 9/1/09

Buyer Name: Ben Bramer
Phone: 530-889-4257
Estimated Award Date: 9/23/09

(Recommended award is highlighted)

Item No.	Item Description	Qty	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
			US Tanker Burlington, WI JR Lee 800-279-4911 262-769-0905 H-GAC FOB Delivery Time: 300+ days Make/Model: International 7600 LVP Certified? ⁽¹⁾ No Invoice Terms ⁽²⁾ Chassis Pre-Pay, Net 30		West-Mark Ceres, CA Wayne Kindred 209-537-4747 209-537-1753 CMAS FOB Delivery Time: 300+ days Make/Model: International 7600 LVP Certified? No Invoice Terms: Net 30		Hi-Tech Fire Oakdale, CA Dan Marchione 209-847-3042 209-847-2110 FOB Delivery Time: 300+ days Make/Model: Freightliner LVP Certified? No Invoice Terms: Net 30	
1	3,000 Gal Water Tender w/ 1,000 gpm Hale Quak Pump	3	\$ 295,335.00	\$ 856,005.00	\$ 330,969.00	\$ 992,907.00	\$ 304,472.00	\$ 913,416.00
(1) Local Vendor Preference is granted to those firms who file an LVP Affidavit with the County prior to the close of the bid			Subtotal	\$ 856,005.00	Subtotal	\$ 992,907.00	Subtotal	\$ 913,416.00
(2) Invoice Terms of less than 10 days cannot be considered			8.25% Sales Tax	70,620.41	8.25% Sales Tax	81,914.83	8.25% Sales Tax	75,356.82
			Bid Total	\$ 926,625.41	Bid Total	\$ 1,074,821.83	Bid Total	\$ 988,772.82
			LVP	-	LVP	-	LVP	-
			Prompt Pay Disc	-	Prompt Pay Disc	-	Prompt Pay Disc	-
			Ref. Price	\$ 926,625.41	Ref. Price	\$ 1,074,821.83	Ref. Price	\$ 988,772.82

Notes:



COUNTY OF PLACER, AUBURN, CA

BID EVALUATION & AWARD RECOMMENDATION

Bid No.: Water Tender Lease
Title: Water Tender Lease
Due Date: 9/1/2009
Buyer Name: Ben Bramer
Phone: 530-889-4257
Estimated Award Date: 9/23/2009

(Recommended award is highlighted)

		Name of Firm	Baystone Financial Group	GE Capital Solutions	Mike Albert Leasing Inc
		City/State	LaGrange Park, IL	Clayton, CA	Cincinnati, OH
		Telephone	Tim Doyle 888-972-1166	Patty Youngdale 925-673-5290	Mark Radzely 513-554-2847
		Fax Number	708-579-2177	952-960-7041	613-959-2647
		FOB Delivery Time			
		LVP Certified? ⁽¹⁾			
		Invoice Terms ⁽²⁾			
Item No	Item Description				
	Interest Rate		4.926%		6.95%
	Rate Factor		0.230502		
	Year	1	44,080.94	3,896.17	46,754.04
	Year	2	44,080.94	3,896.17	46,754.04
	Year	3	44,080.94	3,896.17	46,754.04
	Year	4	44,080.94	3,896.17	46,754.04
	Year	5	44,080.94	3,896.17	46,754.04
		Subtotal	220,404.70	233,770.20	230,032.05
(1) Local Vendor Preference is granted to those firms who file an LVP Affidavit with the County prior to the close of the bid		8.25% Sales Tax			
		Freight			
		Bid Total			
(2) Invoice Terms of less than 10 days were not considered in this evaluation.		LVP			
		Prompt Pay Disc			
		Ref. Price			



COUNTY OF PLACER

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COUNTY EXECUTIVE**
THOMAS M. MILLER, County Executive Officer

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TO: Honorable Board of Supervisors

FROM: Kim M. Davis, Accountant Auditor II *Kim Davis*

DATE: September 3, 2009

SUBJECT: **Fiscal Impact Statement**
RQ049893 for replacement Water Tender 74 for Western Placer Fire

The requisition amount is \$310,000. The department has budgeted correctly for this purchase and funding is available in the current fiscal year budget. The item is on the Master Fixed Asset List in the Special Districts Budget under Fund 501, Subfund 076 – Western Placer Fire.

The lease proposal calls for five annual payments of \$44,080.94 with the first payment due one year from close of transaction. The department will budget for these payments throughout the next five fiscal years and funding is available through Fund 501, Subfund 076 reserve designated for fixed asset acquisition.