

July 06, 2015

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Resolution No. 8936 authorizing execution of a purchase agreement with Cues Inc., in an amount not to exceed, \$747,628.20, including Washington State sales (WSST) and vehicle taxes, for the purchase of two closed-circuit television video camera trucks for Utilities Department use.

FISCAL IMPACT

This agreement will obligate the City to pay \$747,628.20, including Washington State sales (WSST) and vehicle taxes, for the purchase of two closed-circuit television (CCTV) video camera trucks.

The source of funding for this purchase is the Utilities Asset Replacement Account (ARA). The purchase of the two CCTV Video Camera trucks was planned within the 2015-16 Budget and sufficient funds exist in the ARA replacement account for this purchase. Funds received from selling the surplus trucks will be deposited into the appropriate replacement account.

STAFF CONTACT

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POLICY CONSIDERATION

Bellevue City Code

- BCC Chapter 4.28 provides for a fair and transparent purchasing process.

City Practice

- Vehicles may be purchased utilizing other agencies' cooperative purchase agreements or through a formal bid process conducted by the City.
- Purchases in excess of \$90,000 require Council approval.

BACKGROUND

Civic Services Fleet and Communications Division supports service delivery to Bellevue's citizens by providing timely, cost-effective maintenance and asset management services to City departments. Fleet staff identifies and purchases vehicles that meet the operational needs of departments, and also evaluates when to replace vehicles based on life expectancy and maintenance costs.

The Utilities Department has two CCTV vans, both of which are used by the Sewer Utility for condition assessment of sewer and storm pipes, performing risk analysis, and supporting the

work of the Engineering Planning section and the Asset Management Program. The pipe condition and mapping information gathered from these vehicles is necessary for Utilities staff to develop strategies for asset replacement planning, assist field personnel with asset location, and help determine cause in the event of asset failure. The Sewer Utility has an annual work plan objective to inspect one mile (5,280 linear feet) of pipe per week (or 275,000 linear feet per year, which is roughly ten percent of the 500 miles of Utility's wastewater gravity system pipe.) Both vehicles are used daily.

Equipment Selection

A product evaluation was performed by a committee staffed by representatives from the Utilities and Civic Services Departments. Performance criteria included: overall configuration, equipment technology, industry standards, cab and chassis, safety features, fit and finish, maintenance costs, vendor response to warranty issues, and company stability. After this evaluation process, it was determined that the Cues CCTV video camera truck best met the City's performance criteria and operational needs. Cues manufacturing had the additional benefit of being the sole builder of CCTV video camera trucks that are compatible with the City's current equipment, systems, and software. Continuing with Cue's Inc. vehicles and equipment will reduce the City's overall costs by eliminating the need for an additional purchase of different equipment and technology, and the associated cost of training staff on its use and maintenance.

If approved, this purchase agreement would be awarded to Cues Inc. with an average per-unit cost including taxes of \$373,814.10. This purchase will utilize an interlocal agreement between the City and the Houston-Galveston Area Council, which has a contract in place to purchase from Cues Inc. The City has benefitted from this cooperative purchasing arrangement for many years as it is a large consortium of public agencies and consequently obtains very competitive pricing.

EFFECTIVE DATE

If adopted, this Resolution becomes effective immediately.

OPTIONS

1. Adopt the Resolution authorizing execution of a purchase agreement with Cues Inc., . in an amount not to exceed, \$747,628.20, including Washington State sales (WSST) and vehicle taxes, for the purchase of two closed-circuit television video camera trucks for Utilities Department use.
2. Do not adopt the Resolution and provide alternative direction to staff.

RECOMMENDATIONS

Option 1.

MOTION

Move to adopt Resolution No. 8936 authorizing execution of a purchase agreement with Cues Inc., . in an amount not to exceed, \$747,628.20, including Washington State sales (WSST) and vehicle taxes, for the purchase of two closed circuit television video camera trucks for Utilities Department use.

ATTACHMENTS

Quote with Vehicle Specifications

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

Purchasing Agreement