



DATE: May 1, 2023

TO: Mayor and Members of the City Council

VIA: Stefan Chatwin, City Manager

FROM: Ramon Towne, Interim Public Works Director  
Zaheed Danish, Acting Public Works Maintenance Manager  
Greg Baeza, Public Works Maintenance Superintendent

DEPARTMENT: Public Works

SUBJECT: APPROPRIATION OF \$250,893 FROM FUND 501 TO ACCOUNT NO. 501-0560-431-4384 AND APPROVING THE SOLE SOURCE PURCHASE OF A 2024 FORD F-750 DIESEL REGULAR CAB BASE (F7D) TRUCK AND STETCO 950 UNIT CATCH BASIN CLEANER EQUIPMENT FOR A TOTAL COST OF \$250,892.82 FROM STETCO GROUP, LLC AND AUTHORIZE THE CITY MANAGER TO APPROVE THE PURCHASE ORDER

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### RECOMMENDATION

It is recommended that City Council adopt a resolution taking the following actions: 1. Approve an appropriation of \$250,893 from Vehicle Replacement Fund 501 to Account No. 501-0560-431-4384; and 2. Approve the sole source purchase of a 2024 Ford F-750 Diesel Regular Cab Base (F7D) Truck and Stetco 950 Unit Catch Basin Cleaner equipment (Catch Basin Cleaner) for a total cost of \$250,892.82 from Stetco Group, LLC. and authorize City Manager to approve the Purchase Order.

### EXECUTIVE SUMMARY

Based on an evaluation of the City's vehicle fleet during preparation of the FY 2021-2022 budget, the Catch Basin Cleaner Truck (Truck) was evaluated and determined to be in need of replacement. The Truck consists of a Ford F-750 truck chassis and a mounted Stetco Catch Basin Cleaner. The City Council authorized the purchase, and a purchase order was issued to National Fleet Group in the amount of \$248,771.01.

The National Fleet Group has determined that neither it nor its partner American Truck and Trailer Body is able to obtain the required chassis from Ford Motor Corporation and that it is therefore unable to fulfill, and has cancelled the order (Attachments 2 and 3).

Stetco Group, LLC (Stetco), which was originally subcontracted to provide only the truck-mounted equipment, has been able to secure the necessary chassis and has provided a Sole Source letter (Attachment 4) for the equipment.

The total cost to purchase the Truck and equipment from Stetco is \$2,121.81 more than the previously appropriated amount of \$248,771.01. Further, the funding that had been appropriated for the purchase was not expended during the FY 2021-2022 budget year and is no longer appropriated. Staff recommends that the City Council reappropriate the \$248,771 that was previously approved in FY 2021-2022 as well as additional funding in the amount of \$2,122 for a total appropriation of \$250,893 from the Vehicle Replacement Fund (501) to Account No. 501-0560-431-4384. Staff further recommends that the City Council authorize the Sole Source purchase of a replacement Catch Basin Cleaner Truck from Stetco.

## BACKGROUND

The current Truck is 20 years old, has served the City well, and has come to the end of its useful life. The Truck is a specialized vehicle that is vital to the street maintenance division for routine removal of debris from the catch basins throughout Foster City. The Truck is also used for emergency storm drain backups during winter storm events.

Utilizing a compliant bid process from another public agency, the City received competitive pricing and on October 18, 2021, the City Council approved the purchase of the Truck from Ford Motor Company and National Auto Fleet Group in the amount of \$248,771.01. However, over the past 17 months, neither National Auto Fleet Group nor its partner, American Truck and Trailer Body has been able to obtain the required chassis from Ford and therefore the order has been cancelled by National Auto Fleet Group.

## ANALYSIS

Foster City Municipal Code section 3.04.110 provides that the bidding requirements in the City's Purchasing Policy may be dispensed with for commodities that can be obtained from only one vendor (*i.e.*, a sole source purchase). In this case, Stetco is the sole manufacturer of the Catch Basin Cleaning equipment as documented in the Sole

Source letter (Attachment 4). Stetco also has possession of the Ford F-750 chassis needed to complete the vehicle. Therefore, staff is requesting authorization from the City Council to make a Sole Source purchase of the Catch Basin Cleaning Truck from Stetco.

Funding was appropriated in FY 2021-2022 for this purchase in the amount of \$248,771.01. However, because the purchase was unable to be completed in FY 2021-2022, the funding is no longer appropriated. It is recommended that the City Council reappropriate \$248,771 plus the additional \$2,122 that is needed due to cost escalation for a total appropriation of \$250,893 from the Vehicle Replacement Fund 501 to Account No. 501-0560-431-4384 and approve the purchase of the vehicle. There is sufficient funding in the Vehicle Replacement Fund for this appropriation.

#### CALIFORNIA ENVIRONMENTAL QUALITY ACT

The approval of the Truck is not subject to review under the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21000, et seq. and the CEQA Guidelines (14 Cal. Code Regs. §§ 15000 et. seq.), including without limitation, Public Resources Code section 21065 and California Code of Regulations 15378 as this is not a “project” that may cause a direct, or reasonably foreseeable indirect, physical change in the environment.

#### FISCAL IMPACT

Funding in the amount of \$248,771 plus the additional \$2,122 for a total of \$250,893 will need to be appropriated from the Vehicle Replacement Fund 501 to Account No. 501-0560-431-4384. There is sufficient funding in Fund 501 for this appropriation.

#### CITY COUNCIL VISION, MISSION, AND VALUE/PRIORITY AREA

Facilities and Infrastructure

#### ATTACHMENTS:

- Attachment 1 - Resolution
- Attachment 2 – National Auto Fleet Group Order Cancellation
- Attachment 3 – American Truck and Trailer Cancellation
- Attachment 4 – Stetco Sole Source Letter
- Attachment 5 – Quote from Stetco Group, LLC