



## City Council Staff Report

**From: City Manager**

**Report Type: CONSENT CALENDAR**

**Lead Department: Public Works**

**Meeting Date: April 7, 2025**

Report #:2408-3381

### **TITLE**

Approval of a Purchase Order with Municipal Maintenance Equipment, Inc. in an Amount Not to Exceed \$520,020 for the Purchase of a 2024 All-Electric Ford E-Transit Van with a Closed-Circuit Television Crawler Camera System, Utilizing a Cooperative Purchase Agreement, as Part of the Fiscal Year 2024 Scheduled Vehicle and Equipment Replacement Capital Improvement Project (VR-24000); CEQA Status – Exempt Under Sections 10560 and 105671

### **RECOMMENDATION**

Staff recommends that Council approve and authorize the City Manager or their designee to execute a purchase order with Municipal Maintenance Equipment, Inc. in the total Not to Exceed amount of \$520,020, including 5% contingency in the amount of \$24,763 for unforeseen price increases, for the purchase of one new 2024 All-Electric Ford E-Transit Van with a Closed-Circuit Television Crawler Camera System, utilizing cooperative purchase agreement number 120721 between RapidView, LLC., and Sourcewell, a cooperative purchasing agency serving government and not-for-profit organizations.

### **BACKGROUND**

The Vehicle and Equipment Use, Maintenance, and Replacement Policy section 4-1 provides for the on-going replacement of City fleet vehicles and equipment. Replacements are scheduled using guidelines based on age, mileage accumulation, and obsolescence. Policy 4-1 prescribes a replacement interval for trucks with service bodies of ten years or 100,000 miles. Replacement of unit 8793 is programmed in the Fiscal Year 2024 Scheduled Vehicle and Equipment Replacement Capital Improvement Program project VR-24000.

Closed-Circuit Television (CCTV) inspections are a critical requirement for all sanitary sewer system operators. This vehicle serves as a critical pipe inspection platform, enabling operators to accurately assess the condition of sewer pipes. The operator uses a wheeled robot equipped with a camera and sensors to enter the pipe, capturing both video and still images. These visuals are then entered into and processed by software that generates specialized reports used

by management to make key determinations and operational decisions. The CCTV Crawler Camera supports the following functions:

- Provide engineering staff with accurate data to identify degraded sewer pipes in need of replacement. This information is used to guide future capital improvement projects.
- Verify the quality of sewer cleaning and modify cleaning schedules as needed.
- Determine the cause of spills and stoppages.
- Verify the presence or absence of cross-bores, including gas lines and communications conduits.
- Locate connections to the sewer system.
- Document and locate inflows into the system and outflows leaving the system.

### **ANALYSIS**

The Utilities Department currently operates one CCTV Crawler Camera within unit 8793, a 2005 Ford E-450 model with over 26,000 miles. As a specialty vehicle, the mileage is less significant compared to the total hourly engine run-time. Daily tasks require the unit to be stationary and idling the majority of the time, reflecting a higher hourly usage and wear and tear on the engine than vehicle mileage would indicate. Unit 8793 was introduced to the fleet in 2005, and at nineteen years old, it is one of the oldest pieces of equipment in the inventory. The truck does not record engine hours but has been consistently and regularly used by the department throughout the last decade.

The absence of a functional CCTV Crawler Camera would significantly impact the maintenance of the sewer system and pipelines, potentially leading to delayed repairs of critical infrastructure. Benefits of replacing unit 8793 include 4K resolution cameras for higher video and image quality, improved lateral launch capabilities for inspecting sewer laterals that may not have above-ground access, and increased operational efficiency with fewer repairs, maintenance, and breakdowns.

The continued use of unit 8793 highlights the expertise of the operators who have diligently maintained this aging vehicle. However, the inevitable wear and tear are now adversely affecting the Utilities Department's operational readiness, resulting in diminished reliability, increased breakdowns, and compromised image quality with instances of blurriness or overexposure. To ensure operational efficiency, optimal decision-making, productivity, and accountability within the Utilities Department, staff recommends that Council approve the purchase order from Sourcewell (Attachment B) to replace unit 8793 with a modern, state of the art apparatus.

The approval of the 5% contingency is important as staff has experienced uncertainty in pricing. Manufacturers and vendors cannot guarantee pricing as they are experiencing ongoing supply chain issues, materials pricing fluctuations, and changes in availability. Whereas in the past,

these increases were not passed on to the consumer but absorbed by the manufacturers and vendors, we are now subject to last minute price changes. The contingency allows for staff to proceed with the purchase without having to return to Council for authorization in the event of a minor price increase.

#### Procurement Process

Palo Alto Municipal Code section 2.30.360(j) allows the use of cooperative purchasing agreements in lieu of conducting a competitive solicitation. Municipal Maintenance Equipment, Inc. (MME) was awarded a contract by Sourcewell<sup>1</sup>, a cooperative purchasing agency serving governmental, higher education, K-12 education, not-for-profit, tribal government, and other public agencies. Sourcewell conducted a Request for Proposals under which MME was an awarded vendor. To participate under the cooperative agreement, a Request for Quotation was sent to Sourcewell, and staff received a quote from MME on February 10, 2025 (Attachment A).

#### **FISCAL/RESOURCE IMPACT**

Funding was approved for the purchase of one 2024 Ford E-Transit Van with the CCTV Crawler Camera System in the Fiscal Year 2024 Scheduled Vehicle and Equipment Replacement Capital Improvement Program project (VR-24000).

#### **STAKEHOLDER ENGAGEMENT**

Requests for vehicle replacements are presented to the Fleet Review Committee (FRC) for approval during the development of the proposed budget and any deviation from these plans is also reviewed by the FRC. The FRC is comprised of executive leadership representatives from the Public Works and Administrative Services Departments and the City Manager's Office. Additionally, Fleet staff review proposed vehicle replacements with the departments using the vehicles.

#### **ENVIRONMENTAL REVIEW**

This purchase is exempt from the provisions of the California Environmental Quality Act (CEQA) under Sections 10560 and 10561.

#### **ATTACHMENTS**

Attachment A: Quote

Attachment B: Purchase Order

#### **APPROVED BY:**

Brad Eggleston, Director Public Works/City Engineer

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<sup>1</sup> Sourcewell Contract with RapidView; <https://www.cityofpaloalto.org/files/assets/public/v/1/public-works/public-services/fleet/rapidview-sourcewell-contract-120721-1.pdf>