

Agenda Report

October 23, 2017

TO: Honorable Mayor and City Council

**FROM:** Department of Public Works

SUBJECT: PURCHASE ORDER CONTRACT AWARD TO GORDY'S GARAGE AND TOWING FOR AS-NEEDED TOWING AND RECOVERY SERVICES FOR CITY VEHICLES FOR A NOT-TO-EXCEED AMOUNT OF \$120,000

## **RECOMMENDATION:**

It is recommended that the City Council:

- 1. Find that this action is exempt from the California Environmental Quality Act (CEQA) in accordance with Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have an effect on the environment; and
- 2. Accept the bid dated September 9, 2017 submitted by Gordy's Garage and Towing (Gordy's) in response to specifications for towing and recovery services, and authorize the issuance of a purchase order contract with Gordy's in an amount not to exceed \$120,000 over a three-year period with the option for two additional one-year terms in the annual amount of \$40,000, subject to the approval of the City Manager, for a maximum total contract length of five years and a total contract amount of \$200,000.

# BACKGROUND:

The Department of Public Works, Building Systems and Fleet Management Division (BSFMD) repairs and maintains over 1,100 city vehicles and equipment. Instances of mechanical failures, accidents, or other circumstances require that the City contract with a towing company to transport vehicles and equipment to and from City-owned facilities or designated repair locations in Southern California. On August 24, 2017, a Notice Inviting Bids for Towing and Recovery Services was published in the *Pasadena Journal* and posted on Planet Bids, which generated notices to 248 vendors. Four vendors downloaded the bid documents; additionally, the bid packet was distributed to five towing companies in Pasadena.

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One bid was received by the bid closing date of September 12, 2017. The bid result is as follows:

| Bidder                       |              | Amount (\$) |  |
|------------------------------|--------------|-------------|--|
| 1. Gordy's Garage and Towing | Altadena, CA | \$37,437.50 |  |

The bid proposal was evaluated by BSFMD staff and it was determined that Gordy's Garage and Towing was found to be a responsive and responsible bidder. Bid amounts are based on a one-way flat rate charge for towing vehicles or equipment within defined mileage radius thresholds. Although only one bid was received, staff recommends awarding the contract to Gordy's as the business is located in close proximity to Pasadena City Yard and contracting with Gordy's will ensure timely response times. The City has done business with Gordy's in the past, issuing purchase orders totaling over \$171,850 since 2000 for towing and recovery services.

Based on prior years' actual expenditures for towing and recovery services, staff estimates the need for an annual purchase order contract authorization of \$40,000. The Department of Public Works recommends that the City Council authorize a purchase order contract with Gordy's for as-needed towing and recovery services, for a three-year period in an amount not to exceed \$120,000. As proposed, the contract may be extended for two additional one-year terms not to exceed \$40,000 annually, subject to the approval of the City Manager and without further City Council approval, provided that the contract pricing terms remain the same.

#### **COUNCIL POLICY CONSIDERATION:**

This contract supports the City Council's goals of maintaining fiscal responsibility and stability and ensuring public safety.

### **ENVIRONMENTAL IMPACT:**

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This purchase complies with all South Coast Air Quality Management District rules and regulations.

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#### FISCAL IMPACT:

The total cost of this action is \$200,000. Funding for this fiscal year will be addressed by utilization of existing budgeted appropriations in the Fleet Maintenance operating budget account 811400-51122058.

Respectfully submitted,

ARA MALOYAN, P.E.

Director of Public Works

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STEVE MERMELL City Manager