



Agenda Report

September 9, 2019

TO: Honorable Mayor and City Council

FROM: Water and Power Department

THROUGH: Finance Committee

SUBJECT: AUTHORIZATION TO ENTER INTO PURCHASE ORDER CONTRACTS WITH WARREN-ANDERSON FORD DBA FRITTS FORD AND UAG CERRITOS 1 DBA PENSKE CHEVROLET OF CERRITOS IN AMOUNTS NOT TO EXCEED \$225,500 AND \$91,324, RESPECTIVELY, TO FURNISH AND DELIVER SIX VEHICLES FOR THE WATER AND POWER DEPARTMENT

RECOMMENDATION:

We recommend that the City Council:

1. Find that the proposed actions are 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 May 20, 2019 submitted by Warren-Anderson Ford in response to the Specification to furnish and deliver three 2019 or newer 1-½-ton super cab trucks for the Water and Power Department, and authorize the issuance of a purchase order contract in an amount not to exceed \$225,500; and
3. Accept the bid dated June 4, 2019 submitted by Penske Chevrolet of Cerritos in response to the Specification to furnish and deliver three 2019 or newer ½-ton pickup trucks, with tool boxes, for the Water and Power Department; reject all other bids; and authorize the issuance of a purchase order contract in an amount not to exceed \$91,324; and
4. Amend the Fiscal Year 2020 Operating Budget by appropriating \$316,824 from the Power Capital Fund 411 to the Automotive Equipment Account 850510 in the Water and Power Department.

BACKGROUND:

The Pasadena Water and Power Department ("PWP") Power Delivery Division performs maintenance, construction, and emergency operations on the City's electrical transmission and distribution systems. Power Delivery crews require specialized vehicles and large trucks that carry work tools, material and equipment essential to

performing required functions that are vital to the reliability of the electric system. In order to improve efficiency and timely completion of power projects, PWP proposes to replace six vehicles that are approximately 20 years of age, have exceeded their useful lives, and are unreliable and often out of service due to frequent maintenance and repair needs. Two vehicles (1753 and 1983) were salvaged earlier this year due to major mechanical failures. Upon delivery of the replacement vehicles, vehicle numbers 601, 701, 1948, and 1500 will also be declared surplus property and disposed in accordance with City policy. Due to delays in the procurement process, a purchase order contract could not be secured before the end of Fiscal Year 2019. PWP anticipates all of the cost being spent during the current fiscal year.

The proposed new vehicles will use unleaded fuel and will comply with all South Coast Air Quality Management District (“SCAQMD”) rules and regulations for light, medium and heavy-duty vehicle engine emissions and clean air standards. Heavy-duty trucks are required to support specialized field operations, and no comparable electric or hybrid truck options are currently available. PWP has begun replacing light-duty passenger vehicles with Electric Vehicles (“EVs”) and plans to begin replacing heavy-duty trucks when manufacturers offer viable EV technologies that meet operational needs.

The new vehicles will replace the following vehicles listed below:

Vehicle Asset Number	Vehicle Type	Age (Years)	Mileage	Incurred Operating Costs to Date	New Vehicle
601	Flat Bed Truck	30	106,118	\$ 34,739.76	1-½-ton Super Cab Truck
*701	Service Truck	22	67,604	\$ 46,589.10	1-½-ton Super Cab Truck
1500	Service Truck	22	122,205	\$ 42,265.53	1-½-ton Super Cab Truck
1753	Pickup Truck	17	186,098	\$ 57,636.25	½-ton Pickup Truck
1983	Pickup Truck	14	149,780	\$ 97,636.56	½-ton Pickup Truck
**1948	Stake Bed Truck	15	51,060	\$ 44,751.99	Not to be Replaced

**Originally planned as 1917 in the FY 2019 budget. Changed to 701, a comparable utility van which has suffered recent mechanical deterioration and should be prioritized for salvage.*

***Originally planned as a single vehicle replacement of 1948 in FY 2019 budget. Changed to include the replacement of 1753 and 1983 due to major mechanical failures and operational priorities.*

On April 23, 2019, a Notice Inviting Bids for three 1-½-ton super cab substation construction & maintenance service trucks was published in the Pasadena Journal and posted on the City’s website via PlanetBids. The electronic posting generated 482 notices to prospective bidders (32 local) and Specification documents were downloaded by seven vendors (none local). Of the seven vendors that downloaded the Specification, only one vendor submitted a bid as required by the Specification by May 21, 2019.

Bidder	Quantity	Unit Price	Bid Amount
Warren-Anderson Ford, Riverside, CA	3	\$75,166.37	\$225,499.10

The bid submitted by Warren-Anderson Ford complies with all of the requirements in the Specification. Therefore, staff respectfully recommends that the City Council authorize the issuance of a purchase order contract to Warren-Anderson Ford in an amount not to exceed \$225,500. This vendor has been awarded two City purchase order contracts within the last three years valued at \$155,837.75.

On May 7, 2019, a Notice Inviting Bids for three ½-ton pickup trucks was published in the Pasadena Journal and posted on the City's website via PlanetBids. The electronic posting generated 532 notices to prospective bidders (37 local) and Specification documents were downloaded by 10 vendors (2 local). Three bids were received (one local; bid preference was applied at time of review) as required by the Specification by June 4, 2019.

Bidder	Quantity	Unit Price	Bid Amount
Penske Chevrolet, Cerritos, CA	3	\$30,441.12	\$91,323.37
Courtesy Chevrolet Center, San Diego, CA	3	\$31,780.62	\$95,341.88
Thorson Motor Center, Pasadena, CA	3	\$33,028.63	\$99,085.89

Penske Chevrolet of Cerritos was the lowest responsive and responsible bidder and complied with all of the requirements in the Specification. Therefore, staff respectfully recommends that the City Council authorize the issuance of a purchase order contract in an amount not to exceed \$91,324. Penske Chevrolet has not been awarded any contracts by the City.

The proposed purchase order contracts comply with the Competitive Bidding and Purchasing Ordinance pursuant to Pasadena Municipal Code Chapter 4.08 and the rules and regulations promulgated thereunder.

COUNCIL POLICY CONSIDERATION:

By providing PWP field crews with vehicles needed to perform their duties, the proposed purchase is consistent with the Public Facilities Element of the General Plan and supports the City Council's goal to improve, maintain and enhance public facilities infrastructure, and implement capital improvements that maintain and rehabilitate infrastructure.

ENVIRONMENTAL ANALYSIS:

The proposed action is exempt from 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. The purchase of these replacement vehicles has the same purpose as the vehicles being replaced, and will have no impact on the environment. Conversely, providing trucks with better fuel efficiency than the City's current trucks used for the same purpose has the potential to reduce air pollutants and greenhouse gas emissions that such trucks generate.

These purchases also comply with SCAQMD rule 1196, requiring all government agencies to purchase clean heavy-duty dedicated gasoline or alternative-fueled vehicles to reduce air toxics and pollutant emissions. These vehicles also meet the requirements of the Federal Emissions Standard rule 13 CCR 1956.1 issued by California Air Resources Board executive order A-010-11783-1 signed on February 28, 2012.

FISCAL IMPACT:

The maximum cost of this action is \$316,824. Funding for this action will be addressed by the recommended Fiscal Year 2020 budget amendment to the Power Capital Fund 411, Automotive Equipment Account 850510 for \$316,824. Funding for all vehicles was contained in Fiscal Year 2019.

Indirect and support costs such as maintenance, repair and fuel costs are anticipated at approximately \$40,000 per vehicle over the 10-year life span of the vehicle. Sufficient funds will be requested annually in the operating budget accounts for maintenance and fuel costs. The 1-½ -ton vehicles will be under warranty for five years; the ½-ton vehicles will be under warranty for three years.

Respectfully submitted,



GURCHARAN S. BAWA
General Manager
Water and Power Department

Prepared by:



MARVIN D. MOON
Assistant General Manager
Water and Power Department

Approved by:



STEVE MERMELL
City Manager