

Agenda Report

September 21, 2020

TO: Honorable Mayor and City Council
FROM: Department of Public Works
SUBJECT: CONTRACT AWARD TO FLEETCREW, INC. FOR STATE REGULATED SAFETY INSPECTION AND REPAIRS ON CITY-OWNED VEHICLES FOR AN AMOUNT NOT TO EXCEED \$525,000 FOR UP TO FIVE YEARS

RECOMMENDATION:

It is recommended that the City Council:

1. Find that this action is exempt under 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. i) Accept the bid dated August 3, 2020, submitted by Fleetcrew, Inc. (Fleetcrew) for Biennial Inspection of Terminals Services; ii) reject all other bids; and iii) authorize the City Manager to enter into a contract with Fleetcrew for an amount not to exceed \$315,000 (which includes a \$37,725 contingency) over a three-year period with the option for two additional one-year extensions in the annual amount of \$105,000 (which includes a \$12,575 contingency), at the discretion of the City Manager, for a maximum total contract length of five years and a total contract amount of \$525,000.

BACKGROUND:

The Department of Public Works, Building Systems and Fleet Management Division (BSFMD) requires qualified firms to perform state regulated safety inspections and repairs known as Biennial Inspection of Terminals (BIT) on a variety of City-owned vehicles to comply with state requirements and to ensure the safety of the City's fleet and its operators.

The California Commercial Motor Vehicle Safety Act of 1988, aimed at alleviating increasing truck-related collisions, requires safety inspections to be performed on vehicles which exceed thresholds in specified categories such as vehicle weight and number of axles. Vehicles subject to this BIT program must undergo required inspections and repairs by qualified technicians at least every 90 days. Results are

documented and maintained for two years which were previously inspected every other year by the California Highway Patrol's (CHP) Motor Carrier Specialists (MCS). Effective 2016, CHP lowered the weight threshold criteria under this BIT program and expanded MCS' periodic inspections to be conducted at its discretion. This action nearly doubled the number of the City's fleet subject to the BIT inspection and prompted increased intervals in maintenance and repair needs to successfully pass the mandated inspections.

On July 7, 2020 a Notice Inviting Bids for Biennial Inspection of Terminals was published in the paper as well as posted on PlanetBids. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. A total of 16 vendors downloaded the Specifications of which none were local. A total of 3 bids were received by the bid closing date August 18, 2020 from non-local firms. Staff also referenced a list of local vendors in the City's business license database as well as online web searches in an attempt to reach potential local vendors. Of the businesses notified, none of the local vendors could provide this specialized service as outlined in the bid specification.

BID RESULTS:

Bids received by the bid closing date of August 18, 2020 are as follows:

Bidder		Bid Amount (\$)
1. Fleetcrew, Inc.	Commerce, CA	\$ 92,425
2. Southern California Fleet Services, Inc.	Corona, CA	\$112,450
3. Derotic Emergency Equipment	El Dorado Hills, CA	\$162,425

Fleetcrew is headquartered in Riverside, CA with branch locations in Commerce, Barstow, Fontana, and Hesperia. The City has been doing business with Fleetcrew since 2018 spending an aggregate total of \$79,945 for various automotive-related maintenance and repair services. Estimated annual need in the amount of \$98,000 is projected based on actual and anticipated amount needed to remain in full compliance for inspection and repairs including any likely additions to the fleet.

Since Fleetcrew is the lowest responsive and responsible bidder, staff recommends that Fleetcrew be awarded a three year contract term with an option for two one-year extension period, renewable at the discretion of the City Manager.

The contract amounts will be set as follows:

	Year 1 to 3	Year 4 Optional 1 st Extension	Year 5 Optional 2 nd Extension
Base Bid	\$277,275	\$ 92,425	\$ 92,425
Contingency Allowance	<u>\$ 37,725</u>	<u>\$ 12,575</u>	<u>\$ 12,575</u>
	\$315,000	\$105,000	\$105,000
		TOTAL	<u>\$525,000</u>

The contingency allowance is to cover anticipated increase in services to meet compliance requirements on existing and projected fleet and Consumer Price Index adjustments.

COUNCIL POLICY CONSIDERATION:

This purchase supports the City Council's strategic goal to maintain fiscal responsibility and stability; and ensure public safety.

ENVIRONMENTAL IMPACT:

This action is exempt from CEQA pursuant to State CEQA Guidelines Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have an effect on the environment.

FISCAL IMPACT:

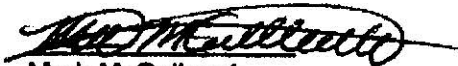
The cost of this contract is \$315,000 and the total cost of this action will be \$525,000. Funding will be addressed by the utilization of existing budgeted appropriations from the Fleet Maintenance & Repair Fund budget account 51122058-823600. There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,



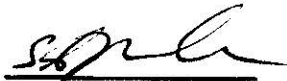
ARA MALOYAN, P.E.
Director of Public Works

Prepared by:



Mark McCullough
Public Works Administrator (BSFMD)

Approved by:



STEVE MERMELL
City Manager