

Agenda Report

April 26, 2021

TO: Honorable Mayor and City Council
FROM: Department of Public Works
SUBJECT: **CONTRACT AWARD TO DARTCO TRANSMISSION SALES AND SERVICE, INC. FOR ALLISON TRANSMISSION SERVICE FOR A NOT-TO-EXCEED AMOUNT OF \$440,000 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 March 19, 2021, submitted by Dartco Transmission Sales and Service, Inc. (Dartco), for Heavy Duty Allison Transmission Service; ii) reject all other bids; and iii) authorize the City Manager to enter into a contract with Dartco for an amount not to exceed \$264,000 (which includes a \$24,000 contingency) over a three-year period with the option for two additional one-year extensions in the annual amount of \$88,000 (which includes a \$8,000 contingency), at the discretion of the City Manager, for a maximum total contract length of five years and a total contract amount of \$440,000.

BACKGROUND:

The Department of Public Works, Building Systems and Fleet Management Division (BSFMD) repairs and maintains over 1,100 city vehicles and equipment. Certain repair jobs are outside the expertise of City Staff and therefore must be contracted to a third-party vendor on an as-needed basis. Using an outside vendor for specialized repairs does not eliminate work performed by City employees but is in addition to that ongoing work. Approximately 100 heavy duty trucks such as tree trimming bucket trucks, dump trucks, fire trucks, sanitation trucks, and others are equipped with an Allison Transmission. These trucks may require periodic repair, maintenance, computer reprogramming, and overhaul services.

Reliable and consistent provision of transmission service and repair on the City of Pasadena's heavy duty vehicles is critically important to keep the City's fleet in good working condition while providing minimum downtime.

On March 4, 2021, a Notice Inviting Bids for Allison Transmission Service 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 13 vendors downloaded the Specifications of which none were local. A total of two bids were received by the bid opening date of March 23, 2021. 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 that may perform this service. Of the local businesses contacted, none of the local vendors could accommodate nor provide services as outlines in the bid specifications.

BID RESULT:

Per the bid specifications, bidders were asked to provide hourly labor rates for various different types of repairs which are routinely necessary in Allison Transmission work orders for bid purposes only and does not reflect anticipated needs.

Bids received by the bid closing date of March 23, 2021 are as follows:

Bidder	Bid Amount (\$)
1. Dartco Transmission Sales and Service, Inc. - Anaheim, CA	\$130,950
2. Western States Converters & Transmissions, Inc. - San Diego, CA	\$138,100

Dartco has performed automotive repair work for the City of Pasadena since Fiscal Year 2019 and has received purchase order awards in the amount of \$24,995 cumulatively. Based on anticipated need for increased comprehensive transmission repairs of the City's aging heavy duty trucks, the annual amount needed is estimated at \$88,000.

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

The contract will be set out as follows:

	Year 1 to 3	Year 4 Optional 1 st Extension	Year 5 Optional 2 nd Extension
Base Bid	\$ 240,000	\$ 80,000	\$ 80,000
Contingency Allowance	<u>\$ 24,000</u>	<u>\$ 8,000</u>	<u>\$ 8,000</u>
	\$ 264,000	\$ 88,000	\$ 88,000
		TOTAL	<u>\$440,000</u>

COUNCIL POLICY CONSIDERATION:

This contract supports the City Council's 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 \$264,000 and the total cost of the action will be \$440,000. 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,



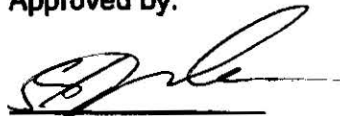
ARA MALOYAN, P.E.
Director of Public Works

Prepared by:



Mark McCullough
Public Works Administrator (BSFMD)

Approved by:



STEVE MERMELL
City Manager