

# Agenda Report

April 26, 2021

**TO:** Honorable Mayor and City Council  
**FROM:** Department of Public Works  
**SUBJECT: REJECTION OF BIDS FOR LUBRICATION OILS FOR CITY FLEET VEHICLES**

## **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. It is recommended that City Council reject all bids received March 25, 2021 in response to the Notice Inviting Bids for Lubrication Oils for the Department of Public Works.

## **BACKGROUND:**

The Department of Public Works Building Systems and Fleet Management Division (BSFMD) requires a qualified vendor to provide periodic on-call delivery of specific lubrication oils that meet or exceed Original Equipment Manufacturer specifications such as synthetic motor oil, synthetic Automatic Transmission Fluid, hydraulic fluid, differential fluid, and lubrication grease.

On February 25, 2021, a Notice Inviting Bids for Lubrication Oils for the City's Vehicle Fleet 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. Six bids were received by the bid closing date, March 25, 2021, from non-local firms.

**BID RESULT:**

Per the bid specifications, bidders were asked to provide costs of specified lubricants in estimated quantities. Six bids were received by the bid closing date, March 25, 2021, from non-local firms. However, upon further review of the bid proposals, it was evident the majority of bidders incorrectly followed instructions regarding pricing discounts provided in the bid materials. Staff therefore recommends that the City Council reject all bids. During the process of redrafting the invitation to bid, bid language regarding pricing discounts will be clarified to ensure that instructions are clear to all potential bidders. BSFMD staff intends to modify and update the specification, to re-advertise this bid for competitive bidding selection, and to return to City Council within the next two months for contract award.

**COUNCIL POLICY CONSIDERATION:**

Rejecting all bids supports the City Council's goals to maintain fiscal responsibility and stability.

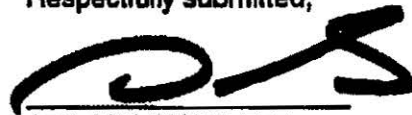
**ENVIRONMENTAL IMPACT:**

The rejection of bids does not impact compliance with all South Coast Air Quality Management District rules and regulations.

**FISCAL IMPACT:**

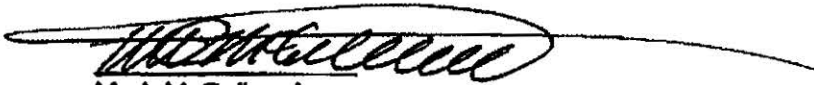
There is no fiscal impact as a result of this action.

Respectfully submitted,



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Director of Public Works

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Approved by:



STEVE MERMELL  
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