



Agenda Report

January 25, 2021

TO: Honorable Mayor and City Council
FROM: Water and Power Department
SUBJECT: AUTHORIZATION TO ENTER INTO A PURCHASE ORDER CONTRACT WITH UAG CERRITOS I, LLC DBA PENSKE CHEVROLET TO FURNISH AND DELIVER THREE HALF-TON VEHICLES FOR AN AMOUNT NOT TO EXCEED \$93,925

RECOMMENDATION:

We recommend that the City Council:

1. Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA") in accordance with Section 15061(b)(3), the Common Sense Exemption that CEQA only applies to projects that have the potential for causing a significant effect on the environment; and
2. Accept the bid dated December 1, 2020, submitted by Penske Chevrolet in response to specifications to furnish and deliver Half-Ton Vehicles for the Water and Power Department ("PWP"); reject all other bids received; and authorize the City Manager to enter into a purchase order contract not to exceed \$93,925.

BACKGROUND:

PWP Water Division performs routine maintenance, emergency operations, and restoration for the City's water production, treatment, and distribution systems. The crews and utility service planners require vehicles that can carry work tools and equipment essential to perform the required functions and to improve efficiency and timely completion of water projects. The proposed replacement half-ton vehicles include: an Underground Service Alert utility markings vehicle; a utility service planning vehicle used to transport customer installation equipment and supplies and fire hydrant flow testing equipment; and a conservation team vehicle used for an array of programs, field projects, including PWP landscape conversion and water waste response.

Two vehicles are currently in service and one vehicle is salvaged. The vehicles currently in service will be declared surplus and disposed of according to City policy. The new trucks replace the following vehicles that average 18 years of age, were driven an average of approximately 133,000 miles, and have average accrued maintenance costs of approximately \$49,000.

Vehicle	Age	Approximate Miles Driven	Lifetime Maintenance and Repair Costs
705	23	98,866	\$53,834
1982-salvaged	17	151,146	\$25,161
2115	14	147,991	\$67,358

On November 5, 2020, a Notice Inviting Bids Half-Ton Vehicles for PWP was published in the Pasadena Journal 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. One local business was contacted directly, but opted not to bid. Sixteen vendors downloaded the Specifications, none Pasadena based. Five bids were received by the bid opening date of December 10, 2020. One of the bidders included only one truck accessory and was therefore deemed non-responsive due to an incomplete submission. Electric vehicles were considered but are not determined to satisfy the Water Division needs at this time. The bid results are as follows.

Bidder	Total Amount
Penske Chevrolet, Cerritos, CA	\$93,924.38
Winner Chevrolet, Inc., Elk Grove, CA	\$98,948.06
Watsonville Fleet Group, Watsonville, CA	\$115,465.07
FFBH Motors, LLC dba Frontier Ford, Santa Clara, CA	\$125,182.05

It is recommended that the City Council: i) accept the bid dated December 1, 2020 submitted by Penske Chevrolet in response to specifications furnish and deliver Half-Ton Vehicles for PWP; and ii) authorize the issuance of a Purchase Order contract not to exceed \$93,925.

The proposed purchase order contract complies with Competitive Bidding and Purchasing Ordinance P.M.C. 4.08 and the rules and regulations promulgated thereunder.

Penske Chevrolet has previously participated in the City's competitive bidding processes and has been awarded eleven purchase order contracts by the City totaling approximately \$294,376 since 2016.

COUNCIL POLICY CONSIDERATION:

Providing PWP crews with vehicles needed to perform their duties 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 purchase complies with all South Coast Air Quality Management District ("SCAQMD") rules and regulations for engine emissions and clean air standards in the South Coast Air Basin. The purchase also complies with the SCAQMD fleet vehicle rule 1191 Clean On Road Light- and Medium-Duty Public Passenger Fleet Vehicles and with the California Air Resources Board rules. These vehicles 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. The proposed action has been determined to be exempt from environmental review pursuant to State CEQA Guidelines Section 15061(b)(3), the common sense exemption (formerly the general rule) that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

FISCAL IMPACT:

The maximum cost of this action is \$93,925. Funding for this action will be addressed by using existing budgeted appropriations in the Water Capital Fund 412, Automotive Equipment accounts (49506732-850510-01500-53417-49506732-850500, 49006732-850510-01500-53417-49006732-850500, and 41406732-850510-01500-53959-41406732-850500). It is anticipated that the entire cost will be spent during the current fiscal year.

Indirect and support costs such as maintenance, repair and fuel costs are anticipated to be approximately \$40,000 per vehicle over the 10-year life span of the vehicle and will be addressed annually in the Water Operating Fund budget.

Respectfully submitted,



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Water and Power Department

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Approved by:



STEVE MERMELL
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