

Agenda Report

December 12, 2016

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO A PURCHASE ORDER CONTRACT WITH REYNOLDS BUICK, INC. IN AN AMOUNT NOT TO EXCEED \$296,215.80 TO FURNISH AND DELIVER SEVEN (7) HEAVY DUTY TRUCKS

RECOMMENDATION:

It is recommended 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 General Rule that CEQA only applies to projects that may have an effect on the environment, and
- 2 Accept the bid dated October 14, 2016, submitted by Reynolds Buick, Inc in response to specifications to furnish and deliver 2017 Model Year, Three-Quarter Ton and One-Ton Trucks for the Water and Power Department ("PWP") and authorize the City Manager to enter into a purchase order contract with Reynolds Buick, Inc for an amount not to exceed \$296,215 80

BACKGROUND:

The PWP Water Division performs routine and emergency operations, maintenance, and construction on PWP's water storage, disinfection, and distribution systems. The crews require vehicles that can carry work tools, materials, and equipment essential to perform the required functions. The proposed new vehicles, which include five (5) ¾-ton trucks and two (2) 1-ton trucks, will improve efficiency and timely completion of water construction projects.

The vehicles currently in service have far exceeded their useful life and are expected to be salvaged. They will be declared surplus and disposed of according to City policy. The new vehicles will use unleaded fuel and will comply with all South Coast Air Quality Management District ("SCAQMD") rules and regulations for passenger vehicle engine emissions and clean air standards.

The adopted Fiscal Year ("FY") 2017 operating budget includes funds to replace seven trucks for the Water Construction Section.

The new trucks will replace the following vehicles

	Vehicle	Age	Approximate Miles Driven	Approximate Accrued Costs
FY 2017 Vehicles-Budgeted at \$116,000 00	1486	21	193,000	\$104,000
	1890	13	160,000	\$80,000
	1483	21	198,000	\$83,000
FY 2016 Carry Forward Vehicles – Budgeted at \$183,624 07	2095	11	152,000	\$78,000
	2156	11	227,000	\$104,000
	2139	11	185,000	\$77,000
	1469	18	100,000	\$110,000

The bids were categorized into four sections (1 through 4) based on the type and size of the trucks Bidders thereby had an opportunity to bid on any or all four sections The City benefits from this bidding strategy by choosing the lowest, responsive and responsible bidder in each of the sections

Bids received for the four sections are as follows (section totals include the 9% sales tax)

Bid Section 1 2017, Trouble Shooter ¾-Ton Extended Cab Heavy Duty Truck (quantity= 2)

	Bidders	Total Sec 1
1	Reynolds Buick, Inc , Covina, CA	\$106,139 90
2	Thorson Motor Center, Pasadena, CA <i>Note Thorson's bid was \$110,652 50 but because of the 1% Pasadena bid preference offered for materials and supplies, staff assumed \$109,545 98 for evaluation purposes</i>	\$109,545 98
3	Los Angeles Truck Centers, LLC , Whittier, CA	\$120,647 80
4	Frontier Ford, Santa Clara, CA	non-responsive

Bid Section 2 2017, ¾-Ton Extended Cab Heavy Duty Short Bed Truck (quantity=3)

	Bidders	Total Sec 2
1	Reynolds Buick, Inc , Covina, CA	\$96,801 90
2	Los Angeles Truck Centers, LLC , Whittier, CA	\$101,154 27
3	Frontier Ford, Santa Clara, CA	non-responsive
4	Thorson Motor Center, Pasadena, CA	non-responsive

Bid Section 3 2017, 1-Ton Dual Rear Wheel Truck with Stake Bed with Lift Gate (quantity = 1) and 1-Ton Dual Rear Wheel Truck with Stake Bed without Lift Gate (quantity = 1)

<u>Bidders</u>		<u>Total Sec 3</u>
1	Reynolds Buick, Inc , Covina, CA	\$93,274 00
2	Los Angeles Truck Centers, LLC , Whittier, CA	\$108,182 58
3.	<i>Frontier Ford, Santa Clara, CA</i>	<i>non-responsive</i>
4.	<i>Thorson Motor Center, Pasadena, CA</i>	<i>non-responsive</i>
5	<i>Western Truck Exchange, Los Angeles, CA</i>	<i>non-responsive</i>

Bid Section 4 2017, ½ -Ton Extended Cab Short Bed (quantity = 1)

<u>Bidders</u>		<u>Total Sec 4</u>
1	Frontier Ford, Santa Clara, CA	\$27,476 75
2	Reynolds Buick, Inc , Covina, CA	\$28,806 55
3	Los Angeles Truck Centers, LLC , Whittier, CA	\$33,057 24

Reynolds Buick, Inc was the lowest responsive and responsible bidder in Section 1, 2, and 3 and complies in all respects with the requirements of the specifications Staff will award a separate purchase order to Frontier Ford, the lowest responsive and responsible bidder in Section 4

Staff recommends that the City Council accept the bid submitted by Reynolds Buick, Inc and award a purchase order contract for an amount not to exceed \$296,215 80, representing Sections 1, 2, and 3 The proposed purchase order contract complies with Competitive Bidding and Purchasing Ordinance P M C 4 08 and the rules and regulations promulgated thereunder

Reynolds Buick, Inc Ford has previously participated in the City's competitive bidding processes and has been awarded seven purchase order contracts by PWP totaling approximately \$368,000 since 2004

COUNCIL POLICY CONSIDERATION:

The proposed contract 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 to implement capital improvements that will maintain and rehabilitate infrastructure

ENVIRONMENTAL ANALYSIS:

The proposed purchase order has been determined to be exempt from environmental review pursuant to State CEQA Guidelines Section 15061(b)(3), 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 The purchase of the trucks would have no adverse impact on the environment Conversely, by providing trucks with better fuel efficiency than the City's current trucks used for the same purpose, the proposed purchase has the potential to

reduce the air pollutant and greenhouse gas emissions that such trips generate
Furthermore, the purchase complies with the South Coast Air Quality Management
District fleet vehicle rule 1191 Clean On Road Light- and Medium-Duty Public
Passenger Fleet Vehicles and with the California Air Resources Board rules

FISCAL IMPACT:

The cost of this action will be \$296,215 80 Funding for this action will be addressed by
utilizing existing funds in PWP's Transportation Equipment account number 49506732-
850510-01500-53417-49506732-850513

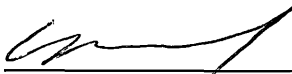
It is anticipated that \$296,215 80 will be expended in the current fiscal year
Maintenance, repair, and fuel costs are anticipated to be approximately \$20,000 over
the life span of each vehicle Sufficient funds will be requested annually in the annual
operating budget account to pay the cost of operating and maintaining these vehicles

Respectfully submitted,



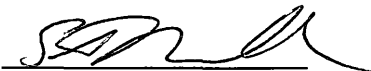
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