

Agenda Report

March 7, 2016

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO ENTER INTO A PURCHASE ORDER CONTRACT WITH FRONTIER FORD FOR THE PURCHASE OF SIX ½-TON PICKUP TRUCKS FOR THE WATER AND POWER DEPARTMENT

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 December 15, 2015, submitted by Frontier Ford, in response to a Notice Inviting Bids to Furnish and Deliver Six ½-ton Crew Cab Short Bed Trucks for the Water and Power Department; and
3. Authorize the issuance of a purchase order contract with Frontier Ford for an amount not to exceed \$178,594.50, for the purchase of six ½-ton crew cab short bed trucks

BACKGROUND:

The Water and Power Department ("PWP") Water Division performs routine and emergency operations, maintenance, and construction on the City'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 Fiscal Year 2016 operating budget for PWP includes an appropriation to replace six 1-ton pickup trucks for the Water Operations and Services Section. Staff has re-evaluated the type of equipment and vehicles that will best meet the requirements and determined that ½-ton trucks are the best choice for this purpose. Half-ton trucks are a more suitable size and have better fuel economy. A Specification was issued to solicit bids for six ½-ton crew cab short bed trucks, instead of the six 1-ton trucks originally planned.

The new ½-ton trucks will replace the following vehicles:

- Vehicle 01672, which is 16 years old, has been driven 130,000 miles and has accrued approximately \$45,000 in costs
- Vehicle 01728, which is 15 years old, has been driven 126,000 miles and has accrued approximately \$60,000 in costs
- Vehicle 01047, which is 19 years old, has been driven 134,000 miles and has accrued approximately \$75,000 in costs
- Vehicle 01498, which is 19 years old, has been driven 150,000 miles and has accrued approximately \$70,000 in costs
- Vehicle 01499, which is 19 years old, has been driven 140,000 miles and has accrued approximately \$65,000 in costs
- Vehicle 01606, which is 16 years old, has been driven 200,000 miles and has accrued approximately \$77,000 in costs

The trucks listed above have far exceeded their useful life. They have become unreliable, which can create delays with operations due to breakdowns and numerous service repairs. All vehicles that will be replaced will be declared surplus and disposed of according to City policy. The new vehicles will use unleaded fuel, and comply with all South Coast Air Quality Management District ("SCAQMD") rules and regulations for passenger vehicle engine emissions and clean air standards.

A Notice Inviting Bids for the purchase of six ½-ton crew cab short bed trucks was published on November 26, 2015. On December 15, 2015, three responsive bids were received as follows:

<u>Vender:</u>	<u>Bid Amount</u>
Frontier Ford, Santa Clara, CA	\$178,594.50
Reynold's Buick, Covina, CA	\$183,205.20
Thorson Motor Center, Pasadena , CA	*\$184,576.07

** Amount includes 1% local preference for competitive bids*

Frontier Ford was the lowest responsive bidder that met all requirements of the specifications and is recommended to receive the contract award. The proposed contract complies with the Competitive Bidding and Purchasing Ordinance P.M.C.4.08 and the rules and regulations promulgated thereunder.

Staff recommends that the City Council authorize the issuance of a purchase order contract for an amount not to exceed \$178,594.50 to Frontier Ford. Frontier Ford often participates in the City's competitive bidding processes, and has been awarded seven purchase order contracts by PWP totaling \$511,441.04 over the past five years.

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:

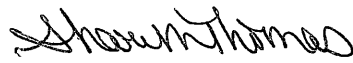
The proposed purchase order has been determined to be exempt from environmental review pursuant to State CEQA Guidelines Section 15061(b)(3), the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty 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 six ½-ton crew cab short bed 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 ("SCAQMD") fleet vehicle rule 1191 Clean On Road Light- and Medium-Duty Public Passenger Fleet Vehicles and with the California Air Resources Board ("CARB") rules.

FISCAL IMPACT:

The maximum cost of this action will be \$178,594.50. Funding for this action will be addressed by utilizing existing funds in PWP's Transportation Equipment account number: 49506732-850500-01500-53417-49506732-850513.

It is anticipated that all funds 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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