

Agenda Report

December 11, 2017

TO: Honorable Mayor and City Council
FROM: Water and Power Department
SUBJECT: AUTHORIZATION TO ENTER INTO A PURCHASE ORDER CONTRACT WITH RACEWAY FORD IN AN AMOUNT NOT TO EXCEED \$340,158.42 TO FURNISH AND DELIVER FOUR WATER SERVICES VEHICLES

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 November 14, 2017, submitted by Raceway Ford for Sections 2, 3 and 4 in response to specifications to furnish and deliver 2018 Water Services Vehicles for the Water and Power Department ("PWP") and authorize a purchase order contract with Raceway Ford for an amount not to exceed \$340,158.42.

BACKGROUND:

The PWP Water Division performs routine and emergency operations, maintenance, and construction on PWP's water storage, disinfection, and distribution systems. The crews and utility service planners require vehicles that can carry work tools, materials, and equipment essential to perform the required functions. The proposed new vehicles, which include: two one-ton gate valve trucks; one Sport Utility Vehicle ("SUV"); and, one three-ton crane truck, will improve efficiency and timely completion of water construction and operations projects.

The vehicles currently in service average 14 years of age and have exceeded their useful lives. They are unreliable and are often out of service. 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") 2018 operating budget includes funds to purchase these vehicles for the water construction, operations and utility service sections. Three of the four vehicles requested are replacement vehicles. The new trucks will replace the

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following vehicles, each of which have been driven an average of approximately 82,000 miles and with average accrued maintenance costs of approximately \$62,000.

Vehicle	Age	Approximate Miles Driven	Approximate Accrued Costs
1667	18	25,000	\$29,000
2006	11	102,000	\$71,000
2215	12	120,000	\$85,000

Vehicle 1667 is an older crane truck with inoperable accessory equipment such as a welder and air hoses. The replacement truck includes equipment necessary to meet the demands of repairing and maintaining pump stations, replacing valves and pressure regulation stations. The SUV is a new purchase as there is currently no vehicle dedicated to the Water Division's customer driven utility service planning section.

The Notice Inviting Bids was advertised in the Pasadena Journal and posted online through Planet Bids. The bids were categorized into four sections (1 through 4) based on the type and size of the vehicles. 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.

The bid results are as follows:

Number of Vendors Notified	Number of Local Vendors Notified	Number of Vendors That Downloaded Bid
262	17	14 (including 1 local vendor)

Bids received for the four sections are as follows (section totals include the 9.5% sales tax):

Bid Section 1: One (1) 2018 Half-Ton Pickup Truck with Tool Box

	<u>Bidder(s)</u>	<u>Total Sec 1</u>
1.	Thorson Motor Center - Pasadena, CA	\$31,216.25
2.	Raceway Ford - Riverside, CA	\$32,449.22

Bid Section 2: Two (2) 2018 One-Ton Truck with a Custom Service Bed

	<u>Bidder(s)</u>	<u>Total Sec 2</u>
1.	Raceway Ford - Riverside, CA	\$162,207.14

Bid Section 3: One (1) 2018 SUV

	<u>Bidders(s)</u>	<u>Total Sec 3</u>
1.	Raceway Ford - Riverside, CA	\$24,455.72

Bid Section 4: One (1) 2018 Three-Ton Crane truck with a Custom Utility Bed

	<u>Bidders(s)</u>	<u>Total Sec 4</u>
1.	Raceway Ford - Riverside, CA	\$153,495.56

Raceway Ford was the lowest responsive and responsible bidder in Sections 2, 3, and 4 and complies in all respects with the requirements of the specifications. Thorson Motor Center, the lowest responsive and responsible bidder in Section 1, will be awarded a purchase order pursuant to the City Manager's authority for contracts less than \$75,000.

Staff recommends that the City Council accept the bid submitted by Raceway Ford and award a purchase order contract for an amount not to exceed \$340,158.42, representing Sections 2, 3, and 4. The proposed purchase order contract complies with Competitive Bidding and Purchasing Ordinance P.M.C. 4.08 and the rules and regulations promulgated thereunder.

Raceway Ford has previously participated in the City's competitive bidding processes and has been awarded four purchase order contracts by the City totaling approximately \$167,500.86 since 2003.

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 vehicles would have no adverse impact on the environment. Conversely, by providing vehicles with better fuel efficiency than the City's current vehicles 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 \$340,158.42. Funding for this action will be addressed by the utilization of existing budgeted appropriations in Water Capital Project Fund (412) Automotive Equipment account numbers 49506732-850510-01500-53417-49506732-850513 for \$315,702.70 and 49006732-850510-01500-53417-49006732-850513 for \$24,455.72.

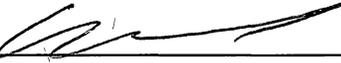
It is anticipated that \$340,158.42 will be expended in the current fiscal year. Indirect and support costs such as maintenance, repair, and fuel costs are anticipated to be approximately \$60,000 over the life span of each vehicle. Sufficient funds will be requested annually in the annual operating budget account to pay the cost of operating and maintaining these vehicles.

Respectfully submitted,



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