



Agenda Report

August 19, 2019

TO: Honorable Mayor and City Council
FROM: Water and Power Department
SUBJECT: AUTHORIZATION TO ENTER INTO PURCHASE ORDER CONTRACTS WITH PLUMBERS DEPOT, INC. AND NATIONAL AUTO FLEET GROUP TO FURNISH AND DELIVER TWO WATER VEHICLES FOR AMOUNTS NOT TO EXCEED \$559,000 AND \$86,000, RESPECTIVELY

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 may have an effect on the environment; and
2. Authorize the City Manager to enter into a purchase order contract with Plumbers Depot, Inc. to furnish and deliver one (1) Hydro-Excavator Truck for PWP in an amount not to exceed \$559,000. Competitive bidding is not required pursuant to City Charter 1002 (H), contracts with other governmental entities or their contractors for labor, materials, supplies or services; and
3. Authorize the City Manager to enter into a purchase order contract with National Auto Fleet Group to furnish and deliver one (1) Water Truck for PWP in an amount not to exceed \$86,000. Competitive bidding is not required pursuant to City Charter 1002 (H), contracts with other governmental entities or their contractors for labor, materials, supplies or services; and
4. Grant the proposed purchase order contracts exemption from the Competitive Selection process pursuant to Pasadena Municipal Code Section 4.08.049(B), contracts for which the City's best interests are served.

BACKGROUND:

The PWP Water Division performs routine and emergency operations, maintenance, and construction for the City's water production, the treatment system, and the transmission and distribution system. A hydro-excavator and water truck are essential tools in the timely and effective completion of water projects.

Hydro-Excavator: The adopted Fiscal Year ("FY") 2020 budget includes funds to purchase a compressed natural gas hydro-excavator. This truck provides the necessary construction support for the Water Distribution team that safely tackles major excavations while also managing smaller jobs with precision. This equipment provides the flexibility to excavate smaller areas or around buried hazards and significantly supports the Department's focus on efficiency and safety.

Sourcewell (formerly the National Joint Powers Alliance) is a national service cooperative that combines the purchasing power of more than 50,000 member agencies and streamlines the purchasing process. It awards contracts at the manufacturing level, but local area distributors sell the equipment. Sourcewell issued a Request for Proposals for "Sewer Vacuum, Hydro-Excavation, and Street Sweeper Equipment, with Related Accessories and Supplies" on December 21, 2017. Of the 28 proposals evaluated, 13 manufacturers contracted with Sourcewell. Amongst the hydro-excavator manufacturers, GapVax, Inc. ranked an overall second, including pricing. Plumbers Depot, Inc. dealership, through GapVax, Inc. (contract #122017-GPV) quote provided the lowest price for this specific equipment when compared to the other two distributors selected by Sourcewell for this specific type of equipment.

Water Truck:

A water truck is a versatile construction tool used extensively to manage mandated dust control and soil compaction in addition to cleaning up construction debris or managing runoff. PWP's current water truck #1878 is diesel-fueled and over fifteen years old with cumulative maintenance, repair and fuel costs of approximately \$120,000. The California Air Resources Board's Clean Air Truck regulation seeks to reduce exhaust emission from diesel trucks and buses and has mandated that the current water truck be off the road by January 2020.

PWP plans to utilize existing FY 2020 budget appropriations originally assigned to the hydro-excavator. The budgeted amount for the hydro-excavator is sufficient to purchase both vehicles this year.

Sourcewell issued a Request for Proposals for "Vehicles, Cars, Vans, SUVs, and Light Trucks with Related Equipment, Accessories, and Services" on December 8, 2016. Of the four proposals evaluated, two manufacturers contracted with Sourcewell. National Auto Fleet Group (contract #120716-NAF) is the only vendor selected in the Sourcewell contracts that provides the required chassis with a 1200-gallon water tank.

Quote Summary:

As summarized below, PWP obtained quotes from the Sourcewell distributors. Plumbers Depot, Inc. dealership through GapVax, Inc. and National Auto Fleet Group offered quotes with the Sourcewell discounted rate from Manufacturer's Suggested Retail Price of 2% and 17%, respectively. The Sourcewell contracts #122017-GPV and #120716-NAF are valid through February 20, 2022 and January 17, 2021, respectively.

Type	Bidder	Unit Price	Quote Amount (includes 10.25% sales tax + tire fee + delivery)
Hydro- Excavator	Plumbers Depot Inc., Hawthorne, CA	\$500,087.51	\$558,512.73
	Haaker Equipment Company, La Verne, CA	\$512,239.00	\$564,743.50
	Hi-Vac Corporation, Marietta, OH	\$527,871.70	\$581,978.55
Water Truck	National Auto Fleet Group, Watsonville, CA	\$77,263.00	\$85,192.96

It is recommended that the City Council authorize the purchase order contracts with Plumbers Depot, Inc. and National Auto Fleet Group, so that the City is able to take advantage of reduced pricing offered through a competitive process. The Sourcewell contracts offer equipment that meets PWP's requirements, and are in the City's best interest as they ensure cost competitiveness of the purchase. There are no vendors in the City that can provide this equipment.

The City previously awarded two purchase order contracts to National Auto Fleet Group totaling approximately \$95,000 since 2016 using the Competitive Selection exemption.

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. These purchases also comply with SCAQMD rule 1196, requiring all government agencies to purchase clean heavy-duty dedicated gasoline or alternative-fueled vehicles to reduce air toxins and pollutant emissions. 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 cost of this action will be \$645,000. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the Water Capital Project Fund (412) Automotive Equipment accounts 49506732-850510-01500-53417-49506732-850500.

Indirect and support costs such as maintenance, repair, and fuel costs are anticipated to be approximately \$100,000 over the life span of each vehicle. Funding for the operation and maintenance will be addressed annually in the Water Operating Fund budget.

Respectfully submitted,



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