

Agenda Report

July 12, 2021

TO: Honorable Mayor and City Council
FROM: Department of Public Works
SUBJECT: **AUTHORIZE PURCHASE ORDER CONTRACT WITH 72 HOUR LLC FOR PURCHASE OF EIGHT SPORT UTILITY VEHICLES, SEVEN 3/4-TON TRUCKS AND TWO 1/2-TON TRUCKS FOR A TOTAL OF \$672,512**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that this action is exempt under 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. Authorize the issuance of a purchase order contract to 72 Hour LLC (72 Hour) for the purchase of eight sport utility vehicles (SUV), seven 3/4 ton trucks and two 1/2 ton trucks, in an amount not to exceed \$672,512. Neither Competitive Bidding nor Competitive Selection are required pursuant to City Charter Section 1002(H) and Pasadena Municipal Code Section 4.08.049(A)(3), contracts with other governmental entities;

BACKGROUND:

The Department of Public Works, Building Systems and Fleet Management Division (BSFMD) is tasked with providing vehicle replacement for various City departments based on a scoring system including factors such as the vehicle's age, mileage, condition, usage, maintenance and repair history. As part of the approved FY 2022 Operating Budget, a 3-Year Fleet Replacement Plan is being implemented to comprehensively address the City's aging fleet. This three-year plan prioritizes the City's vehicle replacement needs in support of each department's operations, ensuring safe modes of transportation and vehicle equipment for staff to perform their duties and services, decreasing fleet maintenance and repair costs, and simultaneously allowing a consolidated effort to group similar vehicle types for economies of scale and efficient purchasing process.

As part of year one of the Fleet Replacement Plan, 17 vehicles currently assigned to the departments of Parks, Recreation, & Community Services, Police, and Public Works have been identified for replacement. Considerations and research for zero emission alternatives to replace these particular vehicles have been conducted, and at this time

there are no available or feasible alternatives, including electric or hybrid models, currently in the market that will meet department needs and specific vehicle duties there-in associated.

The proposed purchases will provide the departments with reliable vehicles and reduce maintenance costs associated with older high mileage vehicles. (See Attachment A - Vehicle Condition Reports for the vehicles being replaced). These vehicles are currently utilized daily for fulfillment of departmental obligations such as performing diverse fieldwork, maintenance in public right of way, landscaping and irrigation activities, 24/7 response to critical incidents and investigations associated with public safety, that can span multiple jurisdictions.

Sourcwell, formerly known as the National Joint Powers Alliance, is a national municipal contracting agency which establishes and provides nationally leveraged and competitively solicited purchasing contracts that can be utilized by member agencies such as the City of Pasadena. In December 2016, Sourcwell issued a Request for Proposals for Vehicles, Cars, Vans, SUVs, and Light Trucks with Related Equipment, Accessories, and Services. Three submissions were received and evaluated by the Sourcwell selection committee. Submissions were scored on a weighted scale of eight different criteria, with pricing being the most heavily weighted. The process undergone by Sourcwell has resulted in competitive pricing. 72 Hour earned the highest score out of the three respondents with 862 points out of a possible 1,000, and was awarded a contract through January 2022.

The vendor, 72 Hour, has agreed to extend the contract prices, terms, and conditions under Sourcwell contract #120716-NAF to the City for the proposed purchase of eight new Ford Edge SUVs for \$290,804 (unit price of \$36,350), seven Ford F250 trucks for \$303,694 (unit price ranging between \$39,271 to \$40,606 depending on build option needs), and two Ford F150 trucks for \$78,014 (unit price of \$39,007) with a grand total purchase amount of \$672,512. These vehicles are expected to be delivered within 120 days after receipt of the purchase order. Outfitting for necessary accessories will be installed after delivery and will be consistent with the unique needs of the respective department's intended usage of each vehicle.

72 Hour is located in Watsonville, CA. The City of Pasadena has done business with 72 Hour including issuance payment for vehicle purchase orders totaling approximately \$2,033,217 since fiscal year 2016. It is in the best interest of the City to purchase the requested vehicles with 72 Hour utilizing the Sourcwell contract; this eliminates the need to solicit for items that are already competitively priced and expedites the time required to take delivery of new vehicles.

Comparative pricing from nearby dealerships was conducted to verify price savings. These were obtained from dealerships outside of the city limits since none of the Pasadena-based vendors carry or sell these types of vehicles. Out of the five dealerships who responded, only three have these vehicles in stock and provided pricing that was an average of 15% higher than the discounted pricing extended by 72 Hour LLC through the Sourcwell contract.

COUNCIL POLICY CONSIDERATION:

By providing the departments with the proper equipment to perform its function, the proposed purchase furthers the City Council's Strategic Plan goals to ensure public safety, increase conservation and sustainability, and maintain fiscal responsibility and stability.

ENVIRONMENTAL IMPACT:

This purchase complies with all South Coast Air Quality Management District rules and regulations for engine emissions and clean air standards in the South Coast basin.

Purchase of (8) Sport Utility Vehicles, (7) 3/4 Ton Trucks, and (2) 1/2 Ton Trucks
July 12, 2021
Page 4 of 4

FISCAL IMPACT:

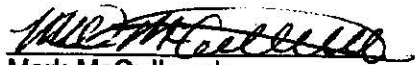
The total cost of this action is \$672,512. Funding for this action will be addressed by the utilization of existing budgeted appropriations in the Fleet Replacement Fund, budget account 50322060-850500. Indirect and support costs such as maintenance and repair are anticipated to be \$350,000 over the ten-year average lifecycle of the seventeen vehicles and will be addressed annually by utilization of existing budgeted appropriations in the respective department's operating budget, Parks & Recreation Community Services Department under 10118070-861600, Public Works Department under 10122090-861600 and 30122009-861600, and Police Department under 10132024-861600.

Respectfully submitted,


KRIS MARKARIAN, P.E.

Acting Director of Public Works

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Approved by:


STEVE MERMELL
City Manager

Attachment A – Vehicle Condition Report