



Agenda Report

July 11, 2022

TO: Honorable Mayor and City Council
FROM: Department of Public Works
SUBJECT: CONTRACT AWARD TO PRECISION AERIAL SERVICES, INC. TO FURNISH AND DELIVER INSPECTION, SERVICE, REPAIR, AND MAINTENANCE OF BOOM, CRANE, AND AERIAL PLATFORM TRUCKS IN AN AMOUNT NOT-TO-EXCEED \$797,500 FOR UP TO FIVE YEARS

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. i) Accept the bid dated June 6, 2022, submitted by Precision Aerial Services, Inc. (Precision) to furnish and deliver inspection, service, repair, and maintenance of boom, crane, and aerial platform trucks; and ii) authorize a contract with Precision for an amount not-to-exceed \$478,500 (which includes a \$43,500 contingency) over a three-year period, with the option for two additional one-year extensions, in the annual amount of \$159,500 (which includes a \$14,500 contingency), at the discretion of the City Manager, for a maximum total contract length of five years and a grand total contract amount of \$797,500

BACKGROUND:

The Department of Public Works, Building Systems and Fleet Management Division (BSFMD) repairs and maintains the City's fleet of over 1,100 vehicles and equipment, including heavy duty construction equipment such as large cranes and aerial lifts. This equipment must undergo routine safety inspections as recommended by the American National Standards Institute (ANSI) as well as receive routine repair and maintenance from an experienced and qualified service provider. As such, it is necessary for BSFMD to contract with a vendor to provide these crucial services to the City's vehicle and equipment fleet.

On May 18, 2022, a Notice Inviting Bids to Furnish and Deliver Inspection, Service, Repair, and Maintenance of Boom, Crane, and Aerial Platform Trucks was posted on Planet Bids and published in the local paper on May 26, 2022. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. Staff referenced a list of local vendors in the City's business license database as well as online web searches in an attempt to reach potential local vendors that can provide the scope of work detailed in the solicitation; no such local vendors were located.

A total of 10 vendors downloaded the specifications of which none were local. One non-local bid was received by the June 7, 2022, bid opening date.

BID RESULT:

Per bid specification, bidders were asked to provide per service rates, hourly rate, and identify any discounts or mark-ups from the manufacturer's stated retail price (MSRP). For bid comparison purposes, vendors were provided with an estimated amount of inspection and labor hours and were also provided an estimated parts cost of \$100,000 from which they were to apply any discounts or mark-ups.

One vendor submitted a bid by the bid closing date of June 7, 2022. The bid result is as follows:

Bidder		Amount (\$)
1. Precision Aerial Services, Inc.	Rialto, CA	\$136,800

Precision is located in Rialto, CA and has been in business for over 10 years. The City has previously done business with Precision, issuing purchase orders totaling approximately \$423,833 since Fiscal Year 2017. Based on prior years' actual expenditures and increasing service parts and repair needs for these types of vehicles and equipment, staff estimates an annual expenditure of \$159,500.

As the only bidder, Precision is the lowest responsive and responsible bidder. Staff therefore recommends that this vendor be awarded a three-year contract term with an option for two one-year extension periods, renewable at the discretion of the City Manager. This proposed contract with Precision fully complies with the Competitive Bidding and Living Wage Ordinances.

The contract amount will be set as follows:

	Year 1 to 3	Year 4 Optional 1 st Extension	Year 5 Optional 2 nd Extension
Base Bid	\$435,000	\$145,000	\$145,000
Contingency Allowance	<u>\$ 43,500</u>	<u>\$ 14,500</u>	<u>\$ 14,500</u>
	\$478,500	\$159,500	\$159,500
		TOTAL	\$797,500

The contingency allowance is to address any price fluctuation during the life of the contract.

COUNCIL POLICY CONSIDERATION:

This contract supports the City Council's goals to maintain fiscal responsibility and stability; to increase conservation and sustainability; and to ensure public safety.

ENVIRONMENTAL IMPACT:

This action is exempt from CEQA pursuant to State CEQA Guidelines Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have an effect on the environment.

FISCAL IMPACT:

The cost of the contract is \$478,500 and the total cost of this action is \$797,500. Funding will be addressed by the utilization of existing budgeted appropriations from the Fleet Maintenance and Repair Fund budget account (51122058-823600). There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,



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Director of Public Works

Prepared by:



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Approved by:



CYNTHIA J. KURTZ
Interim City Manager