

Agenda Report

October 17, 2022

TO: Honorable Mayor and City Council

FROM: Department of Public Works

SUBJECT: CONTRACT AWARD TO BODYWORKS EQUIPMENT, INC. FOR HEIL REFUSE TRUCK OEM PARTS AND SUPPLIES WITH ON-SITE/OFF-SITE SERVICES AND REPAIRS FOR AN AMOUNT NOT-TO-EXCEED \$1,625,000 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. Accept the bid dated September 8, 2022, submitted by Bodyworks Equipment, Inc. (Bodyworks) in response to the specifications for Heil Refuse Truck OEM Parts and Supplies with On-Site/Off-Site Service and Repairs; and authorize the City Manager to enter into a contract for an amount not-to-exceed \$975,000 (which includes a \$75,000 contingency), for the first three years, with the option for two additional one-year extensions, in the annual amount of \$325,000 (which includes a \$25,000 contingency) at the discretion of the City Manager, for a maximum total contract length of five years and a grand total contract amount of \$1,625,000.

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. While City employees continue to perform these services, BSFMD also outsources some of the repairs to an outside vendor on an as-needed basis to ensure timeliness of repairs and to provide availability of the vehicles with minimal downtime especially for service trucks used to provide essential services to the community.

The City operates and maintains a fleet of refuse collection vehicles, 17 of which are equipped with a Heil brand body. As such, it is necessary to stock original equipment manufacturer (OEM) replacement parts and supplies for use in repair and maintenance

of refuse collection vehicles. Given the uniqueness of these specialized refuse trucks, the City also needs to enlist authorized Heil vendors to provide highly technical repair and warranty work.

On August 25, 2022, a Notice Inviting Bids for Heil Refuse Truck OEM Parts and Supplies with On-Site/Off-Site Service and Repairs was posted on PlanetBids. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. A total of seven vendors downloaded the specifications of which none were local. 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. Vendors were identified and contacted regarding the bid opportunity. None of the local companies contacted are authorized Heil vendors nor did they submit a bid.

BID RESULT:

One non-local bid was received by the September 21, 2022 bid opening date. The bid result is as follows:

Bidder	Amount (\$)
1. Bodyworks Equipment, Inc. Monrovia, CA	\$400,000

The City has previously done business with Bodyworks, issuing purchase orders totaling approximately \$1.44 million since Fiscal Year 2016 for Heil parts and related services. Based on prior years' actual expenditures for these services, staff estimates an annual need of \$300,000.

Bodyworks is the sole 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 Bodyworks fully complies with the Competitive Bidding and Living Wage Ordinances.

The contract will be set out as follows:

	Year 1 to 3	Year 4 Optional 1 st Extension	Year 5 Optional 2 nd Extension
Base Bid	\$900,000	\$300,000	\$300,000
Contingency Allowance	<u>\$ 75,000</u>	<u>\$ 25,000</u>	<u>\$ 25,000</u>
	\$975,000	\$325,000	\$325,000
		TOTAL	\$1,625,000

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

COUNCIL POLICY CONSIDERATION:

By providing the departments with the proper equipment to perform their 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 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 total cost of this contract is \$975,000 and the total cost of this action is \$1,625,000. Funding for this project will be addressed by utilization of existing budgeted appropriations in the Fleet Maintenance Fund accounts 51122058-823600 and 51122058-810100. There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,



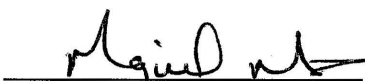
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MIGUEL MARQUEZ
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