



Agenda Report

October 17, 2022

TO: Honorable Mayor and City Council

FROM: Department of Public Works

SUBJECT: CONTRACT AWARD TO SIERRA MONROVIA CHEVROLET LLC DBA SIERRA CHEVROLET OF MONROVIA FOR GENERAL MOTORS VEHICLE OFFSITE SERVICES AND REPAIRS FOR AN AMOUNT NOT-TO-EXCEED \$825,000 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 19, 2022 submitted by Sierra Monrovia Chevrolet LLC dba Sierra Chevrolet of Monrovia (Sierra Chevrolet) in response to the specifications for General Motors Vehicle Offsite Services and Repairs; reject all other bids; and authorize the City Manager to enter into a contract for an amount not-to-exceed \$495,000 (which includes a \$45,000 contingency) for the first three years, with the option for two additional one-year extensions, in the annual amount of \$165,000 (which includes a \$15,000 contingency) at the discretion of the City Manager, for a maximum total contract length of five years and a grand total contract amount of \$825,000.

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, of which approximately 270 are manufactured by General Motors. The City's General Motors vehicle fleet includes service trucks, police cruisers, and many other vehicles that perform vital and diverse tasks in the field.

While City employees continue to perform a range of maintenance and repairs on City-owned vehicles, BSFMD outsources specialized and highly technical work to General Motors authorized vendors on an as-needed basis to ensure timeliness of repairs and to

provide availability of the vehicles with minimal downtime for these safety vehicles and service trucks used to provide essential services to the community.

On September 6, 2022, a Notice Inviting Bids for General Motors Vehicle Offsite Services 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 six vendors downloaded the Specifications of which one were local. A total of two bids were received by the bid opening date, one from local firm. 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. One vendor was identified who downloaded and submitted a bid for consideration.

BID RESULT:

Two bids were received by the September 19, 2022 bid opening date. The bid results are as follows:

Bidder		Amount (\$)
1. Sierra Chevrolet	Monrovia, CA	\$158,188
2. Thorson Motor Center	Pasadena, CA	\$230,000

The City has previously purchased items from Sierra Chevrolet totaling \$2,080 since Fiscal Year 2018 for General Motors parts and related services. Based on prior years' actual expenditures for these services, staff estimates an annual need of \$150,000.

Sierra Chevrolet 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 Sierra Chevrolet 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	\$450,000	\$150,000	\$150,000
Contingency Allowance	<u>\$ 45,000</u>	<u>\$ 15,000</u>	<u>\$ 15,000</u>
	\$495,000	\$165,000	\$165,000
		TOTAL	\$825,000

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 \$495,000 and the total cost of this action is \$825,000. Funding for this project will be addressed by utilization of existing budgeted appropriations in the Fleet Maintenance Fund account 51122058-823600. There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,



TONY OLMOS, P.E.
Director of Public Works

Prepared by:



Mark McCullough
Public Works Administrator BSFMD

Approved by:



MIGUEL MÁRQUEZ
City Manager