

Agenda Report

November 25, 2024

TO: Honorable Mayor and City Council
FROM: Department of Public Works
SUBJECT: AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH FORD OF MONTEBELLO FOR FORD ORIGINAL EQUIPMENT MANUFACTURED SERVICE AND REPAIR OF SAFETY AND NON-SAFETY VEHICLES FOR AN AMOUNT NOT-TO-EXCEED \$2,012,500

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the action proposed herein is covered by the "Common Sense" exemption set forth in State CEQA Guidelines Section 15061(b)(3) as CEQA only applies to projects that may have a significant effect on the environment;
2. Award contract to lowest and best bid dated May 30, 2024, submitted by Ford of Montebello, Inc. in response to specifications for Ford Original Equipment Manufactured (OEM) Service & Repair and authorize the City Manager to enter into a contract for a total amount not-to-exceed \$2,012,500 which includes a base contract amount of \$1,750,000 and a contingency of \$262,500 for up to five years; and
3. Authorize the City Manager to approve no-cost amendments to the subject contract including durational extensions.

BACKGROUND:

The Department of Public Works, Building Systems and Fleet Management Division (BSFMD) is responsible for the repair and maintenance of the City's fleet of over 1,100 vehicles, approximately 315 of which are manufactured by Ford. The City's fleet of Ford vehicles include service trucks and police cruisers 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 authorized vendors on an as-needed basis to ensure timeliness of repairs and to provide

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

A Notice Inviting Bids for Ford Original Equipment Manufactured Service and Repair was posted on OpenGov Procurement and published in the local newspaper on June 6, 2024. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. A total of 10 vendors downloaded the specifications, none of which were local. Two bids were received electronically by the bid opening date.

Bid Results:

Per the bid specification, bidders were asked to provide hourly labor rates for repair and maintenance of the City's fleet of Ford vehicles, with the understanding that the City may issue two separate service contracts; one for public-safety and one for non-public safety vehicles to reach potential service providers that can repair one or the other. Bidders were also asked to provide a universal discount from Manufacturer's Stated List Price for all parts used in work orders. The basis of award is contingent on the lowest bid amount for estimated annual services.

The bid results are as follows:

<u>Bidder - Public Safety Vehicles</u>	<u>Annual Amount (\$)</u>
1. Ford of Montebello, Montebello, CA	\$175,000
2. Rush Truck Centers of California, Inc., Whittier, CA	Non-Responsive
<u>Bidder - Non-Public Safety Vehicles</u>	<u>Annual Amount (\$)</u>
1. Ford of Montebello, Montebello, CA	\$175,000
2. Rush Truck Centers of California, Inc., Whittier, CA	Non-Responsive

Based on current average expenditures, staff estimates an annual need of \$360,000 for Ford OEM service repairs which factors in higher hourly labor rate consistent with the industry pricing due to inflation.

The bid from Rush Truck Centers of California, Inc. was deemed non-responsive because of incomplete submission. Ford of Montebello is the lowest and best bidder for both safety and non-safety vehicles. Staff recommends Ford of Montebello be awarded a contract for a total not-to-exceed amount of \$2,012,500 for service repairs of the City's fleet of Ford vehicles for the full five-year term inclusive of two one-year options for extension at the discretion of the City Manager.

The proposed contract with Ford of Montebello, Inc. fully complies with the Competitive Bidding process as specified by Pasadena Municipal Code Section 4.08.045. The City has previously done business with Ford of Montebello, issuing purchase orders totaling \$174,970 for vehicles, parts, and service since Fiscal Year 2019.

The proposed contract will be set as follows:

<u>Five-Year Contract</u>	
Base Bid	\$ 1,750,000
Contingency Allowance	<u>\$ 262,500</u>
Total	\$ 2,012,500

A 15% contingency is allocated to this contract to provide for unforeseen parts and service needs during the life of the contract.

COUNCIL POLICY CONSIDERATION:

This authorization furthers the City Council's Strategic Plan goals to ensure public safety and maintain fiscal responsibility and stability.

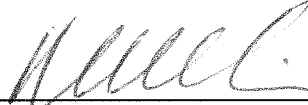
ENVIRONMENTAL IMPACT:

The proposed action has been determined to be exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b)(3), the "Common Sense" exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The proposed contract would make supplementary labor available for automotive repairs and therefore have no adverse impact on the environment.

FISCAL IMPACT:

The total cost of the recommended actions is \$2,012,500 over five years. The Department will utilize existing budgeted appropriations in the Fleet Maintenance Fund (Fund 511) to support the first year of contract costs. Future contract costs will be budgeted as part of the Department's annual operating budget. There is no impact to the General Fund.

Respectfully submitted,



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Prepared by:



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Approved by:



MIGUEL MARQUEZ
City Manager