



# Agenda Report

June 16, 2025

**TO:** Honorable Mayor and City Council  
**FROM:** Department of Public Works  
**SUBJECT:** **AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH RAY GASKIN SERVICE INC. FOR AUTHORIZED NEW WAY REFUSE PACKER PARTS, SERVICE, AND REPAIR FOR AN AMOUNT NOT-TO-EXCEED \$1,080,000 FOR UP TO FIVE YEARS**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act (CEQA) pursuant to Section 21065 of CEQA and Sections 15060(c)(2), 15060(c)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required;
2. Award contract to lowest and best bid dated April 21, 2025, submitted by Ray Gaskin Service Inc. in response to specifications for New Way Refuse Truck OEM Parts and Supplies with On-Site/Off-Site Services and Repairs, authorize the City Manager to enter into a five-year contract for an amount not-to-exceed \$1,080,000, which includes the base contract amount of \$900,000 and a contingency of \$180,000 to provide for any necessary change orders; and
3. Authorize the City Manager to approve no-cost amendments to the subject contract including durational extensions.

## **BACKGROUND:**

The Building Systems and Fleet Management Division (BSFMD) repairs and maintains the City's fleet of over 1,100 vehicles and equipment, including heavy duty vehicles such as refuse trucks. While City employees continue to perform a range of maintenance and repairs on City-owned vehicles and equipment, BSFMD outsources specialized and highly technical labor to outside vendors on an as-needed basis to ensure timeliness of repairs and to provide availability of the vehicles with minimal downtime.

The Department of Public Works Resource Recycling and Recovery (RRR) Division operates sideloading refuse packers as part of the residential refuse collection program. Some of the residential collection vehicles are equipped with refuse packing bodies manufactured by New Way. Examples of routine maintenance of New Way refuse packing bodies handled by a third-party vendor would be repairs to the hydraulic system, body, floor, arm, packer, or electrical components.

A Notice Inviting Bids for New Way Refuse Truck OEM Parts and Supplies with On-Site/Off-Site Services and Repairs was posted on OpenGov Procurement and published in local newspapers on April 1, 2025. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. A total of 11 vendors downloaded the specifications, none of which were local. One bid was received electronically by the bid opening date.

**Bid Results:**

Per the bid specification, bidders were asked to provide pricing for replacement parts to be delivered to the City for use in repairs performed by City staff. Bidders were also asked to provide hourly rates for labor performed by the vendor on an as-needed basis.

The bid results are as follows:

<b>Bidder</b>		<b>Amount(\$)</b>
1. Ray Gaskin Service Inc.	Whittier, CA	\$178,400

The lowest and best bidder is Ray Gaskin Service Inc. The proposed contract with Ray Gaskin Service Inc. fully complies with the Competitive Bidding and Living Wage Ordinances. Staff recommends this vendor be awarded a five-year contract term. The City has previously done business with this vendor, paying invoices totaling over \$322,000 since Fiscal Year 2016 for purchases of replacement parts and repair services for New Way refuse packers. Staff estimates an annual need of \$180,000.

The proposed contract will be established as follows:

Annual Amount x 5 years	\$ 900,000
Contingency Allowance	<u>\$ 180,000</u>
<b>Total:</b>	<b>\$1,080,000</b>

The 20% contingency allowance is to allow 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 action proposed herein is not a project subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060(c)(2), 15060(c)(3), and 15378. The authorization of a contract for supplementary parts and labor to be available for routine maintenance is a continuing administrative and maintenance activity. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

**FISCAL IMPACT:**

The cost of the recommended actions is \$1,080,000 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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Approved by:



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