



Agenda Report

March 2, 2026

TO: Honorable Mayor and City Council

FROM: Department of Public Works

SUBJECT: AUTHORIZE THE CITY MANAGER TO ENTER INTO A FIVE-YEAR CONTRACT WITH FLEETCREW, INC FOR BIENNIAL INSPECTION OF TERMINALS IN AN AMOUNT NOT-TO-EXCEED \$470,580

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 January 21, 2026, submitted by Fleetcrew, Inc., in response to specifications for Biennial Inspection of Terminals, authorize the City Manager to enter into a five-year contract for an amount not-to-exceed of \$470,580, which includes the base contract amount of \$427,800 and a contingency of \$42,780 to provide for any necessary change orders; and
3. Authorize the City Manager to approve no-cost amendments to the subject contract including necessary change orders.

BACKGROUND:

The Department of Public Works Building Systems and Fleet Management Division (BSFMD) is responsible for maintaining the City's fleet in compliance with all applicable federal and state safety regulations. Certain City-owned commercial vehicles are subject to the Biennial Inspection of Terminals (BIT) program, which is administered and enforced by the California Highway Patrol (CHP).

The BIT program was established pursuant to the California Commercial Motor Vehicle Safety Act of 1988 and sets forth inspection procedures, documentation standards, and record retention requirements to ensure that commercial motor vehicles are maintained

and operated in a safe condition. Vehicles subject to the BIT program must undergo inspections on a recurring 90-day cycle, and inspection records are subject to CHP audit and enforcement. Failure to comply with BIT requirements may result in regulatory penalties, vehicles being placed out of service, and increased liability exposure for the City.

The volume of City-owned vehicles subject to BIT requirements, combined with the frequency of inspections, results in a continuous and time-sensitive workload to maintain compliance. While Fleet staff possess the technical ability to perform BIT inspections, the City does not have sufficient staffing for the required volume of inspections within mandated timeframes while also meeting ongoing fleet maintenance and repair demands. BIT inspections require detailed inspections, documentation, record retention, and availability for regulatory review, all of which place additional demands on staff. Contracting with a qualified firm that specializes in CHP recognized BIT inspection services provides the staffing capacity, scheduling flexibility, and regulatory expertise necessary to meet inspection requirements and records, reduce compliance risk, and maintain uninterrupted fleet operations.

A Notice Inviting Bids for Biennial Inspection of Terminals was posted on OpenGov Procurement on December 29, 2025. The posting generated notices to all vendors who had previously registered with the City for this commodity class. A total of 10 vendors downloaded the specifications. A total of two bids were received by the bid closing date, none of which were local. One was disqualified for not submitting all the required documents.

Following advertising, bids were electronically received on January 21, 2026, and are as follows:

<u>Bidder</u>	<u>Amount</u>	
1. Fleetcrew, Inc., Laguna Niguel, CA	\$85,560	
2. MJ Service Industries LLC, Yucaipa, CA	\$146,750	Disqualified

It is recommended that Fleetcrew, Inc., be awarded the contract as they are the lowest, most responsive and responsible bidder. The vendor is active and in good standing with the Secretary of State. Staff recommends this vendor be awarded a five-year contract term in an amount not-to-exceed \$470,580. The proposed contract with Fleetcrew, Inc., fully complies with the Pasadena Municipal Code Chapter 4.08 and Chapter 4.11 for Competitive Bidding and Living Wage Ordinances. The City has previously done business with this vendor, paying invoices totaling over \$466,283 since Fiscal Year 2019.

The contract will be set up as follows:

Base Bid	\$ 427,800
<u>Contingency</u>	<u>\$ 42,780</u>
Contract Not-to-Exceed Amount	\$ 470,580

A contingency of ten percent is allocated to this contract to allow for unforeseen service needs during the life of the contract.

COUNCIL POLICY CONSIDERATION:

This action supports the City Council's strategic planning goals to improve mobility and accessibility throughout the City of Pasadena, ensure public safety, and maintain fiscal responsibility and stability.

ENVIRONMENTAL IMPACT:

The action proposed herein is not 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 proposed action involves the award of a contract for inspection and compliance services related to the Biennial Inspection of Terminals program, which is an administrative and regulatory activity. This action would not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. 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 total cost of the recommended action is estimated to be \$470,580 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.

The following table represents the contract summary.

Base Bid	\$ 427,800
Contingency	\$ 42,780
Total Fiscal Impact	\$ 470,580

Respectfully submitted,



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Director of Public Works

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Approved by:



MIGUEL-MÁRQUEZ
City Manager