



Legislation Text

File #: 2023-0855, Version: 1

Report to Mayor and City Council

Tuesday, March 19, 2024

Consent

SUBJECT:

CONSIDER APPROVING THE PURCHASE OF THREE (3) NEW 2024 FORD TRUCKS - ONE (1) FORD F-150 LIGHTNING, ONE (1) FORD F-350, ONE (1) AND FORD F-550 - FOR THE COMMUNITY SERVICES DEPARTMENT (CITY COUNCIL)

I. SUMMARY

The Department of Community Services/Recreation/Park Maintenance is requesting approval to purchase three (3) 2024 Ford trucks: An all-electric Ford F-150 Lightning Pro; a Ford Super Duty F-350; and a Ford Super Duty F-550. These vehicles will be used to support services and programming at the City's twelve (12) full-service parks, four (4) 4 mini-parks, and the Carson Event Center. Specifically, they will transport equipment and supplies between these facilities. Funds for the electric Ford F-150 Lightning are provided through AQMD (Exhibit No. 4), and funds for the F-350 and F-550 are included in Community Services' Adopted FY 2023 - 2024 General Fund Budget. The current price for all three (3) vehicles is \$239,873.41 but may be subject to increase (necessitating a 5% contingency) due to market fluctuations and demand.

This purchase is proposed to be made using the cooperative purchasing exception to the competitive bidding requirements of the purchasing ordinance as set forth in Carson Municipal Code Section 2611(g) (Exhibit No. 8).

II. RECOMMENDATION

1. REJECT all bids received in response to IFB No. 23-20 and IFB No. 24-01;
2. WAIVE the formal bidding procedures set forth in Carson Municipal Code Section 2610 and authorize use of cooperative purchasing for the proposed procurement pursuant to Carson Municipal Code Section 2611(g) (cooperative purchasing) and Sourcewell Contract No. 091521-NAF;
3. APPROVE the proposed Purchase Agreement with 72 HOUR LLC, a California limited liability company, dba National Auto Fleet Group for the purchase of three (3) new/unused 2024 Ford trucks, including one F-150 Lightning, one F-350 Super Duty, and one F-550 Super Duty, as specified in the Purchase Agreement, for the Purchase Price of 239,873.41 (Exhibit No. 9; the "Purchase Agreement");
4. APPROVE a contingency in the amount of 5% of the Purchase Price set forth in the

Purchase Agreement (\$11,993.67) to cover any increase that may occur due to market fluctuations and demand, provided the Purchasing Manager determines such increase conforms to the terms of the Cooperative Purchasing arrangement (in which event the Purchase Price in the Purchase Agreement shall be modified by the Purchasing Manager or City Attorney accordingly); and

5. AUTHORIZE the Mayor to execute the Purchase Agreement following approval as to form by the City Attorney.

III. ALTERNATIVES

TAKE another action the City Council deems appropriate, consistent with the requirements of the law.

IV. BACKGROUND

The City of Carson's Department of Community Services/Recreation/Park Maintenance Department provides services and programming at various City facilities, including twelve (12) full-service parks, four (4) mini-parks, and the Carson Event Center. This responsibility requires regular use of trucks to transport equipment, materials, and supplies between all these facilities. There is a current vehicle shortage that has impacted staff's ability to provide these services to the community in the safest and most efficient manner. Therefore, staff deemed it necessary to purchase three (3) new trucks that will ensure continuity of services, and possibly be used as emergency response vehicles, if necessary, for future hazard mitigation. All 3 trucks are new 2024 Ford models.

One model, the 2024 Ford F-150 Lightning Pro W1B 8550 GVWR ("F-150 Lightning") is an all-electric truck. It meets the both the California Air Resources Board (CARB) Advanced Clean Fleets (ACF) requirement (Exhibit No. 5), and the CARB regulation that 50% of fleet vehicle purchases must be zero-emission vehicles. The other two models are both gasoline-powered. They are the 2024 Ford Super Duty F-350 DRW (W3D) XLT ("Ford F-350") and the 2024 Ford Super Duty F-550 DRW (F5H) XLT ("Ford F-550").

Prior to this proposed procurement, staff issued two (2) IFBs to purchase similar trucks: IFB No. 23-20 and IFB No. 24-01 in 2023 and 2024, respectively, which did not fulfill their intended purpose and which now need to be closed out by rejecting all bids per CMC 2610 (k)(1). Staff would like to reject all bids for IFB No. 23-20 because the trucks could not be delivered in time and were unable to be quoted as 2024 models (Exhibit No. 1). Staff would like to reject all bids for IFB No. 24-01 because the requested vehicle model did not meet the ACF requirement as described above (Exhibit No. 2). Instead of issuing another IFB, staff would like to use a Sourcewell cooperative purchasing agreement for the proposed procurement.

Section 2611(g) of the Carson Municipal Code ("CMC"), as an exception to the competitive bidding requirements set forth in CMC 2610, allows the City's Purchasing Manager to purchase materials, supplies, equipment, or services by utilizing a cooperative purchasing program engaged in by any local, county, State, or Federal public entity or entities. This action can be taken even if the contracts and implementing agreements entered into by the participating entity or association under those cooperative purchasing programs were not entered into pursuant to a process that resulted in the contract being awarded to the lowest

responsible and responsive bidder under CMC 2610(i), provided that, for materials, supplies, equipment or services:

- (1) a copy of the solicitation has been obtained from the originating entity and reviewed by the Purchasing Manager;
- (2) the selected bidder was selected in compliance with the competitive bidding or proposal process requirements of any participating entity or association; and
- (3) the participating entity or association's contract is current, the solicitation is within three years of City's approval of the City contract entered into with the selected bidder via cooperative purchasing, or written justification is provided justifying use of an older solicitation.

The price of the materials, supplies, equipment or services may either be lower or higher than it would be if solicited directly by the City utilizing the lowest responsible and responsive bidder standard under CMC 2610(i), as the City Council has made a determination that the benefits to the City of utilizing cooperative purchasing outweigh any incremental higher price that may be paid by City in certain instances as a result of not soliciting directly utilizing the lowest responsible and responsive bidder standard under CMC 2610(i).

Sourcewell is a cooperative purchasing agency established to allow participating municipal agencies to reduce the cost of procurement by leveraging the benefits of contract purchasing. Through solicitations, Sourcewell contracts bring considerable value and efficiencies to members through nationally leveraged contracted suppliers with access to the highest quality products and brands. Each solicitation and RFP contain language that includes all qualified customers in all fifty states. Sourcewell contract purchasing solutions are reviewed by the Sourcewell Board of Directors and awarded on the members' behalf. The City of Carson (ID# 38521) is a member of Sourcewell and the selected vendor, 72 Hour LLC dba: National Auto Fleet Group, is also member of Sourcewell.

The City's Purchasing Manager has waived the formal bidding process for purchase of the three vehicles as permitted under Section 2611(g) of the CMC (Exhibit No. 7) and approved use of Sourcewell contract no. 091521-NAF, which provides a percentage off MSRP for the vehicles, for purposes of obtaining the proposed pricing and availability of the vehicles. The contract between the City and the vendor (72 Hour LLC) for the City's purchase of the vehicles would be the proposed Purchase Agreement, which reflects same (Exhibit No. 9).

The cost of the F-150 Lightning was approved to be fully funded by the South Coast Air Quality Management District (AQMD) because it meets the ACF requirements (Exhibit No. 5), so its cost of \$77,858.21 requires no City funding (Exhibit No. 3 and Exhibit No. 4). The F-350 costs \$71,315.46 and the F-550 costs \$90,699.74 (Exhibit No. 6 and Exhibit No. 7). The current total price for all three (3) vehicles is \$239,873.41.

Staff is also asking for City Council to grant the Purchasing Manager approval authority for a 5% price contingency increase for the purchase of these three (3) vehicles. This is due to a possible price fluctuation due to market demand and its effect on pricing for these vehicles. This approval authority would allow for the Purchasing Manager to approve up to a 5% increase of the current total cost in addition to approving the current total cost.

The funding for these vehicles, including the 5% contingency increase, were included in

the AQMD fund account and the Community Services' Adopted FY 2023 - 2024 General Fund budget accounts.

V. FISCAL IMPACT

Funding for the \$77,858.21 Ford F-150 Lightning purchase is provided through AQMD in Account No. 225-90-940-276-8003.

Funding for the \$71,315.46 Ford F-350 and \$90,699.74 Ford F-550 purchase is included in the Adopted FY 2023 - 2024 Budget in Account No. 101-90-950-620-8003 and Account No. 101-90-980-227-6001. The combined cost for these two trucks is \$162,015.20. \$155,221.93 will come from Account No. 101-90-950-620-8003 and the remaining \$6,793.27 will come from Account No. 101-90-980-227-6001.

VI. EXHIBITS

1. IFB No. 23-20 Bid Register (p. 5)
2. IFB No. 24-01 Bid Register (p. 6)
3. Ford F-150 Lightning Quote (pgs. 7 - 13)
4. AQMD Approval for Ford F-150 Lightning (pgs. 14 - 15)
5. ACF Requirements (pgs. 16 - 53)
6. Ford F-350 Quote (pgs. 54 - 62)
7. Ford F-550 Quote (pgs. 63 - 72)
8. Purchasing Waiver (p. 73)
9. Purchase Agreement (pgs. 74 - 84)

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