



CITY OF CARSON

Legislation Text

File #: 2021-912, Version: 1

Report to Mayor and City Council

Tuesday, December 07, 2021

Consent

SUBJECT:

CONSIDER APPROVAL OF A PURCHASE ORDER TO PB LOADER CORPORATION, FRESNO, CA, FOR THE PURCHASE OF ONE NEW 2023 FREIGHTLINER 114SD ISX12G ENGINE, DUAL SADDLE CNG FUEL, AND TUB-STYLE DUMP BODY IN THE AMOUNT OF \$289,663.73 AND CONSIDER RESOLUTION NO. 21-174 AMENDING THE FISCAL YEAR 2021-2022 BUDGET IN THE GENERAL FUND

I. SUMMARY

Staff recommends that the City Council approve a Purchase Order through Sourcewell, formerly known as National Joint Powers Alliance (NJPA) to PB Loader Corporation of Fresno, CA in the amount of \$289,663.73 for the purchase of a new 2023 Freightliner 114SD ISX12G Engine, Dual Saddle CNG Fuel, and Tub-Style Dump Body. The chassis for this vehicle is being purchased by PB Loader from a local vendor in Carson, Velocity Truck Center.

Competitive bidding was not required under the City's Municipal Code as City was able to utilize the competitive bidding exception under 2611(g) for cooperative purchasing.

II. RECOMMENDATION

TAKE the following actions:

1. WAIVE the bidding requirements of the Carson Municipal Code (CMC) pursuant to Carson Municipal Code Section 2611(e) (sole source purchasing);
2. AUTHORIZE the Purchasing Manager to utilize Cooperative Purchasing as allowed by Section 2611 (g) and issue a purchase order in the amount of \$289,663.73 for one new 2023 Freightliner 114SD ISX12G Engine, Dual Saddle CNG Fuel, and Tub-Style Dump Body;
3. ADOPT Resolution No. 21-174 "A RESOLUTION OF THE CITY OF CARSON CITY COUNCIL AMENDING THE FISCAL YEAR 2021-22 BUDGET IN THE GENERAL FUND."

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III. ALTERNATIVES

1. TAKE another action the City Council deems appropriate, consistent with the requirements of the law.
2. DECLINE action at this time. However, the balance of the insurance recovery will be paid upon purchase of the new Dump Truck and if the City declined to purchase a new truck it would only receive the much lower Actual Cash Value (ACV).

IV. BACKGROUND

The Public Works Department utilizes a fleet of vehicles that are used for the provision of daily maintenance and operations services in support of the city.

On April 7, 2021 Dump Truck #1392 was stolen from a jobsite which resulted in a traffic collision in the City of El Segundo. The City's insurance company has rendered Dump Truck #1392 a total loss and will reimburse the City for the cost of the replacement truck plus hazmat clean up and storage fees incurred as a result of the incident, minus the deductible of \$100,000. Staff is recommending a purchase of a new 2023 Freightliner 114SD ISX12G Engine, Dual Saddle CNG Fuel, and Tub-Style Dump Body as a replacement for Dump Truck #1392.

City Manager has waived the contract requirement under CMC 2605(b)(ii). (Exhibit No. 3)

Sourcewell is a contracting 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 which 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 (#38521) is a member of Sourcewell.

Sourcewell published an RFP for Roadway Maintenance Equipment through the New York State Contract Reporter on June 17, 2021, for a 4-year contract award with a potential one-year extension. Thirty (30) companies responded and PB Loader Corporation was selected as the lowest responsive bidder after a thorough evaluation process. (Exhibit No. 4, 5)

A Sourcewell quote for this equipment was prepared on August 19, 2021 for the City of Carson by PB Loader (Sourcewell Contract is #052417). The price for a new 2023 Freightliner 114SD ISX12G Engine, Dual Saddle CNG Fuel, and Tub-Style Dump Body is \$289,663.73.

Section 2611(g) of the CMC allows City, through its Purchasing Manager, to dispense with competitive bidding processes 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, provided that: (1) the selected bidder was selected in compliance with the competitive bidding or proposal process requirements of any participating entity or association; (2) the Purchasing Manager determines that the competitive bidding or proposal process utilized is at least the same as that contained in the City's Purchasing Ordinance ("Purchasing Ordinance"); and (3) the Purchasing Manager determines that, as a result of cooperative purchasing, the price of the materials, supplies, equipment, or services is likely to be lower than it would be if purchased directly by the City pursuant to the Purchasing Ordinance.

The City's Purchasing Manager (City Manager) has determined that the competitive bidding or proposal process utilized by Sourcewell is at least the same as that contained in the City's Purchasing Ordinance and has further determined that the pricing obtained by Sourcewell for the items proposed to be purchased is likely to be lower than it would be if purchased directly by the City pursuant to the Purchasing Ordinance. Accordingly, the City is permitted to utilize and benefit from the competitive process engaged in by Sourcewell.

Staff recognizes the importance of greening the fleet, and this vehicle will be a low emissions alternate fueled vehicle powered by CNG.

If the City does not purchase a replacement truck, the insurance carrier will pay for the Actual Cash Value (ACV) of the damaged truck (appraised at \$119,548) reducing the insurance recovery by \$170,115.73.

V. FISCAL IMPACT

The City's insurance covers the replacement cost of the damaged truck, hazardous material cleanup and storage fees, subject to a deductible of \$100,000. The City has received a partial reimbursement from the insurance company totaling \$37,250.05 for the ACV of the damaged truck, hazardous material cleanup and storage fees. The General Fund will be impacted for the \$100,000. The \$170,115.73 balance of the insurance recovery will be paid upon purchase of the new Dump Truck.

VI. EXHIBITS

1. Quotation/Vehicle Specifications from National Auto Fleet Group. (pgs. 4-16)
2. Resolution No. 21-174 (pgs. 17-18)
3. Vehicle Purchase Contract Waiver/Cooperative Purchasing (pg. 19)
4. Sourcewell Proposal Opening Record - Dated August 5, 2021 (pgs. 20 - 21)
5. Sourcewell Proposal Evaluation - RFP #080521 (pg. 22)

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Prepared by: Veronica Rodriguez, Public Works Right of Way Superintendent