



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

C-6

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September 12, 2017

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. ITB FS17-094 and award contracts to Westrux International, Inc., of Santa Fe Springs, CA; Los Angeles Truck Centers, LLC, of Carson, CA; and, Harbor Diesel and Equipment, Inc., of Long Beach, CA, for the purchase of parts and repair services, in an annual aggregate amount not to exceed \$250,000, for a period of two years, with the option to renew for two additional one-year periods, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to enter into contracts with Westrux International, Inc., Los Angeles Truck Centers, LLC, and Harbor Diesel and Equipment, Inc., for the purchase of parts and repair services for Cummins and Detroit engine parts and repair services. These engines include both diesel and LNG/CNG fuel and are present in many of the heavy-duty vehicles in the City's fleet.

The City's fleet currently has 140 vehicles using the Cummins engine, primarily in the refuse and street sweeper units. Detroit engines are primarily found in the City's fire engines and aerial ladder trucks. Since heavy duty vehicles have a useful life of up to 15 years, it is critical to maintain the engines in accordance with the manufacturer's specifications, keeping a regular inventory of replacement parts, and obtaining additional service when needed. Annual costs are based on current expenditures for these parts.

The bid was advertised in the Long Beach Press-Telegram on May 15, 2017, and 648 potential bidders specializing in general automotive parts and services were notified of the bid opportunity. Of those bidders, 16 downloaded the bid via the City's electronic bid system. The bid document was made available from the Purchasing Division, located on the seventh floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 22 local, minority, and women-owned business groups. Four bids were received on June 21, 2017. Of those bidders, none were Minority-Owned Business Enterprises (MBEs), Women-Owned Business Enterprises (WBEs), or certified Small Business Enterprises

(SBEs), and one was a Long Beach business (Local). Westrux International, Inc. (not a MBE, DBE, WBE or SBE), of Santa Fe Springs, CA, Los Angeles Truck Centers, LLC (not a MBE, DBE, WBE or SBE), of Carson, CA, and Harbor Diesel and Equipment, Inc. (Local, not an MBE, DBE, WBE or SBE), of Long Beach, CA, were the lowest responsible bidders.

Local Business Outreach

In an effort to align with the City's outreach goal, Long Beach businesses are encouraged to submit bids for City contracts. The Purchasing Division also assists businesses with registering on the PlanetBids database to download the bid specifications. Through outreach, 111 Long Beach vendors were notified to submit bids, of which three downloaded and two submitted bids. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Monica J. Kilaita on August 15, 2017 and by Assistant Finance Director Lea Eriksen on August 9, 2017.

SUSTAINABILITY

Maintaining vehicle engines in accordance with the manufacturer's recommendations helps to keep vehicles running at top efficiency and minimizes unhealthy emissions. The City's newer Cummins engines meet or exceed the California Air Resources Board and local air district air quality emission regulations. In addition, the City purchases renewable fuel for both diesel and natural gas fueled engines to help reduce greenhouse gas emissions.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. ITB FS17-094 and award contracts concurrently is requested on September 12, 2017, to ensure that contracts are in place expeditiously.

FISCAL IMPACT

The annual aggregate contract amount will not exceed \$250,000, and is budgeted in the Fleet Services Fund (IS 386) in the Financial Management Department (FM). Costs for parts and service are billed to user departments through the monthly Fleet MOU billing process. The award of these contracts will provide continued support to our local economy by assisting in the preservation of employment for 55 full-time employees residing in Long Beach.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

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APPROVED:



PATRICK H. WEST
CITY MANAGER