

# CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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July 21, 2009

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

#### RECOMMENDATION:

Adopt Specifications No. PA-01309 and award a contract to Tom's Truck Center, Inc., for four line construction crew trucks in the contract amount of \$613,170 including tax, with the option of adding expenditures up to 10 percent (or \$61,317) above the annual contract amount, if necessary and if funds are available. (Citywide)

# DISCUSSION

City Council approval is requested to enter into a contract with Tom's Truck Center, Inc., for the purchase of four line construction crew trucks with custom beds. The Department of Gas & Oil, Engineering and Construction Bureau, will use these trucks for the installation of new main gas lines and the repair of existing gas lines within the City of Long Beach.

The Engineering and Construction Bureau has an immediate need to purchase four line construction crew trucks as part of the FY 09 replacement plan. The Engineering and Construction Bureau currently utilizes four line construction trucks that are 27 years old with a scheduled life cycle of 15 years. These trucks proposed for purchase meet the South Coast Air Quality Management District (SCAQMD) requirements.

On February 19, 2008, City Council approved to award a contract from Specifications No. PA-02807, for the purchase of two units with the option to purchase two additional units. The Department of Public Works, Fleet Services Bureau applied with the SCAQMD for an exception request for the use of diesel fuel. After review of the City of Long Beach's submittal, the SCAQMD did not approve the exception request. Based on this action, the Fleet Services Bureau initiated Specifications PA-01309 to re-bid for gasoline units that would meet the SCAQMD requirements.

The bid was advertised on March 11, 2009, and 26 potential bidders specializing in crew trucks were notified; none are Woman-owned Business Enterprises (WBEs), three are Minority-owned Business Enterprises (MBEs), three are certified Small Business Enterprises (SBEs) and one is a Long Beach business. 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 on Open Bid Opportunities, which is sent to 30 local, minority and women's business groups. Two bids were received and a public bid opening occurred on March 26, 2009. Tom's Truck Center, Inc., of Santa Ana, CA (not an MBE, WBE, SBE or local) was the lowest responsible bidder.

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This matter was reviewed by Deputy City Attorney Amy R. Burton on May 4, 2009 and Budget and Performance Management Bureau Manager David Wodynski on May 12, 2009.

# TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-01309 and award a contract concurrently is requested on July 21, 2009 to ensure the purchase of in-stock units that are subject to prior sale. These size trucks will no longer be built by the manufacturer and are the last available in-stock units.

## FISCAL IMPACT

The cost of this contract is \$613,170 including tax and is budgeted in the Fleet Services Fund (IS 386) in the Department of Public Works (PW). The City will have the option of adding expenditures up to 10 percent (or \$61,317) above the contract amount, if necessary and if funds are available.

#### SUGGESTED ACTION:

Approve recommendation.

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Respectfully submitted,

LORI ANN FARRELL

DIRECTOR OF FINANCIAL MANAGEMENT/CFO

MICHAEL P. CONWAY

DIRECTOR OF PUBLIC WORKS

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APPROVED:

CITY MANAGER