Legislation Details (With Text)

File #:	20-0701	**Version:**	1	**Name:**	FM - Purchase of two CNG-fueled 2021 Freightliner M2112 trucks
Type:	Resolution			**Status:**	Adopted
File created:	7/14/2020			**In control:**	City Council
On agenda:	8/4/2020			**Final action:**	8/4/2020
Title:	Recommendation to adopt resolution authorizing City Manager, or designee, to execute a contract, and any necessary amendments, with Los Angeles Truck Centers, LLC, dba Velocity Truck Centers, of Whittier, CA, for purchase of two CNG-fueled 2021 Freightliner M2112 pothole patch trucks, for a total contract amount not to exceed $539,331, inclusive of taxes and fees. (Citywide)				
Sponsors:	Financial Management				
Indexes:					
Code sections:					
Attachments:	1. 080420-C-11sr&att.pdf, 2. RES-20-0090.pdf				

Date	Ver.	Action By	Action	Result
8/4/2020	1	City Council	approve recommendation and adopt	Pass

Recommendation to adopt resolution authorizing City Manager, or designee, to execute a contract, and any necessary amendments, with Los Angeles Truck Centers, LLC, dba Velocity Truck Centers, of Whittier, CA, for purchase of two CNG-fueled 2021 Freightliner M2112 pothole patch trucks, for a total contract amount not to exceed $539,331, inclusive of taxes and fees. (Citywide)

City Council approval is requested to enter into a contract with Los Angeles Truck Centers, LLC, dba Velocity Vehicle Group, for the purchase of two 2021 Freightliner M2112 pothole patch trucks for a total contract amount not to exceed $539,331, inclusive of taxes and fees. The new units will be used by the Street Maintenance Division in the Public Works Department to repair potholes throughout the city. The existing units have over 100,000 miles each and exceeded their useful life. Delay in replacement of the existing units would require extensive monthly service to ensure safety and operability. Purchase of these vehicles were approved by the City Manager in the FY 20 Fleet Replacement Plan.

Los Angeles Truck Centers, in conjunction with PB Loader Corporation, is the sole source provider of CNG-fueled pothole patch trucks, with PB Loader Corporation acting as the only authorized dealer in the Southern California, Nevada, and Arizona region. The City solicited a Request for Proposals (RFP) in FY 17 for a design/build of CNG-fueled pothole patch trucks. As such, trucks were specifically designed and built for the City. The recommended contract will allow for a continuity of maintenance, parts, and service, minimizing costs. Additionally, if the contract is approved, the City will receive a negotiated price hold directly from the manufacturer. If rebid, the City would be forced to pay current pricing, causing significant

price increases.

City Charter Section 1801 requires that contracts for City purchases be awarded to the lowest responsible bidder after a competitive bid process, but allows for awards without a competitive bid process if accompanied by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Monica J. Kilaita on July 20, 2020, Deputy Finance Director Sandy Tsang-Palmer on July 2, 2020, and by Budget Management Officer Rhutu Amin Gharib on July 17, 2020.

SUSTAINABILITY

The new pothole patch trucks are compliant with the State of California and local district air quality regulations and use clean burning renewable natural gas fuel to reduce air toxic and criteria pollutant emissions.

City Council action to adopt a Resolution and execute a contract is requested on August 4, 2020, to ensure a contract is in place expeditiously.

The contract amount will not exceed $539,331, inclusive of taxes and fees. Sufficient funding for the contract is budgeted in the Fleet Service Fund Group in the Financial Management Department. Starting when the assets are delivered and in use, ongoing maintenance expenses are estimated at $68,108 annually and capital replacement charges based on an asset life of approximately ten years is estimated at $72,000 annually, which will be charged to the General Fund Group in the Public Works Department through the regular Fleet Services Memorandum of Understanding (MOU) monthly billing process. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

[Enter Body Here]

JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

THOMAS B. MODICA
CITY MANAGER