



Legislation Text

File #: 21-0910, **Version:** 1

Recommendation to adopt Specifications No. ITB FS21-077 and award contracts to Cummins, Inc., of Downey, CA, Los Angeles Truck Centers, LLC, of Whittier, CA, and Performance Truck Repair, Inc., of Azusa, CA, for the purchase of parts and repair services for Cummins and Detroit vehicle engines, in an annual aggregate amount of \$325,000, with a 15 percent contingency of \$48,750, for a total annual aggregate amount not to exceed \$373,750, for a period of two years, with the option to renew for three additional one-year periods, at the discretion of the City Manager; and authorize City Manager, or designee, to execute all documents necessary to enter into the contracts, including any necessary amendments. (Citywide)

City Council approval is requested to enter into contracts with Cummins, Inc., Los Angeles Truck Centers, LLC, and Performance Truck Repair, Inc., to purchase parts and repair service for Cummins and Detroit vehicle engines, in an annual aggregate amount not to exceed \$373,750. Expenditure estimates are based on previous annual expenditures for these engines.

The City has over 200 units in its heavy-duty fleet with Cummins or Detroit model engines. The vehicles are widely used throughout the city for refuse pickup and disposal, tractors, including for beach maintenance, fire pumpers and ladder trucks, ambulances, and other medium and large trucks. Engine part replacements are needed due to wear and the manufacturer's recommendations for regular maintenance. While the Fleet Services Bureau within the Department of Financial Management (Fleet Services) does perform service work on these engines, the proposed contract is for specific work that requires specialized training, equipment and tools.

The bid was advertised in the Long Beach Press-Telegram on June 24, 2021, and 52 potential bidders specializing in engine parts and service were notified of the bid opportunity. Of those bidders, 13 downloaded the bid via the City's electronic bid system. The bid document was made available from the Purchasing Division, located on the sixth 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 35 local, minority-owned, and women-owned business groups. Four bids were received on July 21, 2021. Of those bidders, none were Minority-Owned Business Enterprises (MBEs), one was a Women-Owned Business Enterprise (WBE) and a certified Small Business Enterprise (SBE), and none were Long Beach businesses (Local). Cummins, Inc. (not a MBE, WBE, SBE, or Local), Los Angeles Truck Centers, LLC (not a MBE, WBE, SBE, or Local), and Performance Truck Repair, Inc. (not a MBE, WBE, SBE or Local), were the lowest responsible bidders.

Local Business Outreach

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, six Long Beach vendors were notified to submit bids, of which none downloaded or 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 Taylor M. Anderson on August 16, 2021, Business Services Bureau Manager Tara Mortensen on August 11, 2021, and by Revenue Management Officer Geraldine Alejo on August 13, 2021.

SUSTAINABILITY

Many of the Cummins engines use natural gas for fuel and have the lowest particulate engine emissions. The other engines are compliant with air quality emission regulations for non-emergency response vehicles.

City Council action is requested on September 7, 2021, to ensure these contracts are in place expeditiously.

The total annual aggregate contract amount will not exceed \$373,750, inclusive of a 15 percent contingency. The annual amount is currently appropriated in the Fleet Services Fund Group in the Financial Services Department. Funding for Cummins and Detroit engine parts and repair services is collected through regular monthly Memorandum of Understanding (MOU) billing charges to multiple funds and departments. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. The award of these contracts will provide continued support to our local economy by assisting in the preservation of employment for 33 employees residing in Long Beach.

Approve recommendation.

KEVIN RIPER
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

THOMAS B. MODICA
CITY MANAGER