



City Council Report

City Council Meeting: April 25, 2023
Agenda Item: 5.B

To: Mayor and City Council
From: Rick Valte, Public Works Director, Public Works, Fleet Services
Subject: Authorization of Purchase Orders with National Auto Fleet Group and Los Angeles Truck Centers for Vehicle Replacement Purchases for Various Divisions

Recommended Action

Staff recommends that the City Council:

1. Adopt a finding of Categorical Exemption pursuant to Section 15302 (Replacement or Reconstruction) of the California Environmental Quality Act (CEQA) guidelines.
2. Authorize the Procurement Manager to issue a purchase order with National Auto Fleet Group for the purchase of forty-one Ford sedans, sports utility vehicles, vans, and trucks for the Police, Fire, Public Works, and Library Departments. This recommended award is made as an exception to the competitive bidding process pursuant to Section 2.24.250 (c) and is for a total amount not to exceed \$3,181,078.
3. Authorize the Procurement Manager to issue a purchase order with Los Angeles Truck Centers for the purchase of twelve side loader trucks, one rear loader and three front loader trucks for the Public Works Department. This recommended award is made as an exception to the competitive bidding process pursuant to Section 2.24.250 (c) and is for a total amount not to exceed \$7,837,992.

Summary

Various City of Santa Monica departments and divisions provide essential services that maintain clean and safe neighborhoods and open spaces for Santa Monica's residents, visitors, and City staff. These operations rely on vehicles and equipment managed and maintained by the City's Fleet Management Division. Many of these vehicles are aging past their cost-effective useful lives. To ensure reliable operations, provide uninterrupted service to the community, and reduce downtime and

maintenance costs, staff recommends purchasing fifty-seven vehicles and equipment based on competitive contract pricing available to government agencies.

Discussion

The Fleet Management Division is responsible for ensuring the City's diverse fleet of over 700 vehicles are available, dependable, meet the highest environmental standards for a sustainable fleet, and are safe to operate from acquisition through disposal. The division routinely replaces vehicles that have reached the end of their cost-effective useful lives through the Vehicle Replacement Fund.

In response to the budgetary impacts of the COVID-19 pandemic, contributions to the Vehicle Replacement Fund were suspended for the General and Beach Funds, and vehicle replacements were temporarily suspended unless they were necessary for public safety or for the operation of essential City services. The Fleet Management Division has worked together with various City divisions to extend the useful lives of their vehicles as much as possible.

Fifty-seven vehicles have been identified for replacement. These vehicles are vital to essential operations but have reached or exceeded their cost-effective useful life, incurring maintenance costs of approximately 50% of the original purchase cost over the last two years. Due to their age and use, these vehicles require significant ongoing maintenance and repair costs to remain reliable, safe, and operational.

Staff is recommending the purchase of fifty-seven vehicles and equipment for a total amount not to exceed \$11,019,070, of which \$2,428,023 is from the General Fund, including a 10% or 30% contingency as itemized in Table 1. A detailed list of each vehicle is included to provide additional context. (Attachment A). Funding for the replacement of these vehicles is available and was collected over each asset's useful life.

Due to high demand and limited vehicle availability, the Ford vehicles may not be readily available to the City. This may create a significant escalation in vehicle cost

and, as a result, the purchase order for the Ford vehicles would include a higher contingency amount. However, purchasing in higher numbers would put the City in a more competitive position when the manufacturer begins to accept orders for the year and would ensure the timeline for replacement is not extended any further past the cost-effective useful life of the vehicles. Given the long lead times for these vehicles, and an average delivery time of up to two years, it is essential to be proactive and start the process for replacement. These essential vehicles are key to public safety, maintaining our open spaces, and supporting the City Council’s priority of a Clean and Safe Santa Monica.

Table 1. Vehicle Replacement Program: Vehicle and Equipment Purchases

Fund	Dept.	Vendor	Description	Qty.	Extended Price*
RRR	Public Works	LA Truck Centers	Side Loader	12	\$6,008,972
RRR	Public Works	LA Truck Centers	Front Loader	3	\$1,399,310
RRR	Public Works	LA Truck Centers	Rear Loader	1	\$429,710
RRR Fund Total				16	\$7,837,992
Wastewater	Public Works	National Auto Fleet Group	Ford Mach-E	2	\$147,038
Wastewater	Public Works	National Auto Fleet Group	Ford F-250	1	\$84,658
Wastewater Fund Total				3	\$231,695
Water	Public Works	National Auto Fleet Group	Ford F-250	3	\$521,360
Water Fund Total				3	\$521,360
General	Police	National Auto Fleet Group	Ford PIU	28	\$1,857,814
General	Library	National Auto Fleet Group	Ford E-350	1	\$90,148
General	Library	National Auto Fleet Group	Ford Escape	1	\$60,900
General	Finance	National Auto Fleet Group	Ford E-250	2	\$174,664
General	Police	National Auto Fleet Group	Ford Explorer	1	\$76,995
General	Public Works	National Auto Fleet Group	Ford F-250	2	\$167,501
General Fund Total				35	\$2,428,023
Total				57	\$11,019,070

*Extended price includes contingency

Public Works Department

Resource Recovery and Recycling (RRR)

The RRR Division relies on these vehicles to carry out day-to-day operations that directly support the City's priority of a Clean and Safe Santa Monica, including:

- Collection of recycling, organics, and waste materials;
- Distribution and replacement of two-, three-, and four-yard collection bins;
- Street sweeping along the City's ~253 curb lane miles; and
- Responding to requests for bulky and abandoned item pickup.

Water Resources Division

The City's Water Resources Division operates and maintains three water treatment facilities and four water storage reservoirs as well as over 200 miles of water distribution mains, 150 miles of sewers, and 60 miles of storm drains throughout the City. Various service trucks and construction vehicles are used by Water Resources staff to operate and maintain this water and wastewater infrastructure.

These vehicles are also used to carry out day-to-day operations to provide water and wastewater services to the community, which include the following:

- Responding to emergencies, such as water main breaks, service line leaks, and wastewater overflows;
- Excavation and installation of water services for new and existing construction;
- Transportation of personnel, equipment, and construction material to construction sites to service water and wastewater infrastructure;
- Responding to customer service requests, such as investigating water leaks on property; and
- Maintaining storm drains and catch basins.

These vehicles are used year-round and are on standby 24 hours per day to respond to water, wastewater, and stormwater emergencies.

Public Landscape

The Public Landscape Division maintains the City's parks urban forest, and oceanfront. Park Maintenance staff provide landscaping and irrigation in 28 parks and nearly 300 medians and open spaces. The oceanfront team preserves the 245-acre Santa Monica State Beach, including 3.5 miles of bike path, and the historic Santa Monica Pier. This division relies heavily on their vehicles to provide:

- Daily clean-up of Ocean Front Walk, including pick up of large and bulky items;
- Responding to 311 requests;
- Pressure wash service to 3.5 miles of beach area including, Ocean Front Walk, parking lots, restrooms, and the bike path; and
- Maintain trees and parks on public streets and citywide.

Police Department

The Police Department uses their vehicles for emergency response, patrol, pursuit, and traffic enforcement. These police vehicles consist of patrol and pursuit units with a useful life of four years. The vehicles in the Police Department are used for a variety of purposes and assignments including emergency response, routine patrol, and specialized details and assignments.

Santa Monica Public Library

The Santa Monica Public Library's Administration and Business Services Division uses their vehicles to provide program support and to transport supplies, materials, and books between their five locations. These vehicles are also used to conduct security patrols at Library facilities.

Finance Department

The Finance Department's Treasury Division is responsible for collecting revenue from parking meters throughout the City. These vehicles provide support to the division to

carry out day-to-day operations and collect coins from over six thousand street parking meters throughout the City.

Vendor Selection

Exception to Competitive Bidding
<p>Staff recommends: 1) National Auto Fleet Group, a distributor of Ford trucks, vehicle upfitting, chassis upfitting equipment, to furnish and deliver forty-one vehicles and; 2) Los Angeles Truck Centers, a distributor of Crane Carrier equipment, to furnish and deliver sixteen front, side, and rear loaders as an exception to competitive bidding under Santa Monica Municipal Code Section 2.24.250 (c): “Competitive procedures were followed by a governmental agency, federal, state, county, city, joint powers agency, special district, or cooperative purchasing agency and the goods or services are supplied to the City at the same or better price.”</p> <p>On September 15, 2021, Sourcewell issued an RFP for Cars, Trucks, Vans, SUVs, Cab Chassis, & Other Vehicles. Under the terms of the RFP, and the resulting Sourcewell Agreement with National Auto Fleet Group, similar nationally leveraged purchasing discounts are also available to other government agencies. Sourcewell Agreement #091521-NAF was established on November 4, 2021, expires November 8, 2025, and has one one-year renewal option.</p> <p>On June 9, 2020, Sourcewell issued an RFP for Class 4-8 Chassis with Related Equipment, Accessories, and Services. Under the terms of the RFP, and the resulting Sourcewell Agreement with Los Angeles Truck Center, a distributor of Crane Carrier equipment, similar nationally leveraged purchasing discounts are also available to other government agencies. The chassis is offered at an additional 20% reduced rate through preferred customer discount pricing. Sourcewell Agreement #060920-CRN was established on August 7, 2020, expires August 1, 2024, and has one one-year renewal option.</p> <p>Sourcewell is a cooperative purchasing agency that serves government, education,</p>

and nonprofit organizations. As a cooperative purchasing agency, they acquire goods or services by aggregating the demand of two or more entities in an effort to obtain more economical pricing.

Environmental Assessment

The purchase orders for replacement vehicles are categorically exempt from CEQA pursuant to Section 15302 (Replacement or Reconstruction) of the CEQA Guidelines. Section 15302 exempts Class 2 projects which “consists of replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced”. The replacement vehicles would replace existing City fleet vehicles, with essentially the same purpose and capacity. Therefore, the purchase orders qualify for a Class 2 exemption.

Financial Impacts and Budget Actions

Staff seeks authority to approve available funding from the Vehicle Replacement Fund to award a purchase order with Los Angeles Truck Centers for the purchase and delivery of sixteen rear, side, and front loader trucks in the amount of \$7,837,992; and a purchase order with National Auto Fleet Group for the purchase and delivery of forty-one Ford vehicles in the amount of \$3,181,078.

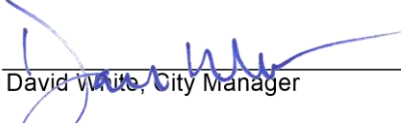
Purchase Order Requests		
Vendors	CIP Account #	Total Contract Amount
Los Angeles Truck Centers	C7000010.689000	\$7,837,992
National Auto Fleet Group	C7000010.689000	\$3,181,078
Total		\$11,019,070

Prepared By: Doris Mejia, Senior Administrative Analyst

Approved _____

Forwarded to Council _____


Rick Valte, Public Works Director 4/14/2023


David White, City Manager 4/15/2023

Attachments:

- A. Attachment A Vehicles Staff Report 4.2023
- B. NAFG Oaks
- C. LA Truck Center - Velocity Oaks

ATTACHMENT A. COMPREHENSIVE VEHICLE AND EQUIPMENT LIST

REPLACING UNITS	DEPT	FUND	VENDOR	DESCRIPTION	QTY	UNIT COST	CONTINGENCY	UNIT COST W/CONT	EXTENDED PRICE	Justification for replacement:
										- Age (50% past useful life or 2 years over its useful life) - Maint Cost (repair costs are over 50% more than replacement value of new vehicle)
20105	PW – RRR	RRR	LA Truck Centers	Rear Loader	1	\$ 390,645.87	10%	\$ 429,710.46	\$ 429,710	Age & Maint Cost
20368	PW – RRR	RRR	LA Truck Centers	Side Loader	12	\$ 455,225.10	10%	\$ 500,747.61	\$ 6,008,971	Age & Maint Cost
20406										Age & Maint Cost
20407										Age & Maint Cost
20408										Age & Maint Cost
20409										Age & Maint Cost
20410										Age & Maint Cost
20411										Age & Maint Cost
20412										Age & Maint Cost
20559										Age & Maint Cost
20560										Age & Maint Cost
20561										Age & Maint Cost
20582										Age & Maint Cost
20456	PW – RRR	RRR	LA Truck Centers	Front Loader	3	\$ 424,033.46	10%	\$ 466,436.81	\$ 1,399,310	Age & Maint Cost
20457										Age & Maint Cost
20568										Age & Maint Cost
RRR Fund C7000010.689000.90535					Fund Total	16			\$ 7,837,992	
15819	PW - Water	Wastewater	NAFG	Ford F-250	1	\$ 65,121.33	30%	\$ 84,657.73	\$ 84,658	Age, Maint Cost
15716	PW - Water	Wastewater	NAFG	Ford Mach-E	2	\$ 56,552.94	30%	\$ 73,518.82	\$ 147,038	Age, Maint Cost, Upgrading Fuel Sys.
20195										Age
Wastewater Fund C7000010.689000.90537					Fund Total	3			\$ 231,695	
15816	PW - Water	Water	NAFG	Ford F-250	2	\$ 135,489.82	30%	\$ 176,136.77	\$ 352,274	Age, Maint Cost
16094										Age, Maint Cost
15815	PW - Water	Water	NAFG	Ford F-250	1	\$ 130,066.26	30%	\$ 169,086.14	\$ 169,086	Age, Maint Cost
Water Fund C7000010.689000.90534					Fund Total	3			\$ 521,360	
15501	Finance Department	General	NAFG	Ford E-250	2	\$ 67,178.56	30%	\$87,332.13	\$174,664.26	Age, Maint Cost
15578										Age, Maint Cost
16083	Library Department	General	NAFG	Ford E-350	1	\$ 69,344.98	30%	\$ 90,148.47	\$ 90,148	Age & Maint Cost
16200	Library Department	General	NAFG	Ford Escape	1	\$ 46,846.35	30%	\$ 60,900.26	\$ 60,900	Age & Maint Cost
20180	Police Department	General	NAFG	Ford Explorer	1	\$ 59,226.56	30%	\$ 76,994.53	\$ 76,995	Age
20603	Police Department	General	NAFG	Ford PIU	25	\$ 51,239.04	30%	\$ 66,610.75	\$ 1,665,269	Age
20605										Age
20606										Age
20607										Age
20608										Age
20609										Age
20617										Age
20618										Age
20619										Age
20620										Age
20621										Age
20622										Age
20623										Age
20630										Age
20632										Age
20656										Age
20686										Age
20687										Age
20688										Age
20692										Age
20710										Age
20724										Age
20725										Age
20730										Age
20731										Age
20157	Police Department	General	NAFG	Ford PIU	1	\$ 51,239.04	30%	\$ 66,610.75	\$ 66,611	Age
20610	Police Department	General	NAFG	Ford PIU	2	\$ 48,436.50	30%	\$ 62,967.45	\$ 125,935	Age
20668										Age
20218	PW - Public Landscape	General	NAFG	Ford F-250	2	\$ 64,423.62	30%	\$ 83,750.71	\$ 167,501	Age, Maint Cost
20219										Age, Maint Cost
General Fund C7000010.689000.90532					Fund Total	35			\$ 2,428,023	
Total					57				\$ 11,019,070	

Attachment: Attachment A Vehicles Staff Report 4.2023 [Revision 10] (5519 : Replacement Vehicles for Various Departments)



CITY OF SANTA MONICA OAKS INITIATIVE NOTICE

NOTICE TO APPLICANTS, BIDDERS, PROPOSERS AND OTHERS SEEKING DISCRETIONARY PERMITS, CONTRACTS, OR OTHER BENEFITS FROM THE CITY OF SANTA MONICA

Santa Monica's voters adopted a City Charter amendment commonly known as the Oaks Initiative. The Oaks Initiative requires the City to provide this notice and information about the Initiative's requirements. You may obtain a full copy of the Initiative's text from the City Clerk.

This information is required by City Charter Article XXII—Taxpayer Protection. It prohibits a public official from receiving, and a person or entity from conferring, specified personal benefits or campaign advantages from a person or entity after the official votes, or otherwise takes official action, to award a "public benefit" to that person or entity. The prohibition applies within and outside of the geographical boundaries of Santa Monica.

All persons or entities applying or receiving public benefits from the City of Santa Monica shall provide the names of trustees, directors, partners, and officers, and names of persons with more than a 10% equity, participation or revenue interest. An exception exists for persons serving in those capacities as volunteers, without compensation, for organizations exempt from income taxes under Section 501(c)(3), (4), or (6), of the Internal Revenue Code. However, this exception does not apply if the organization is a political committee or controls political committees. Examples of a "public benefit" include public contracts to provide goods or services worth more than \$25,000 or a land use approval worth more than \$25,000 over a 12-month period.

In order to facilitate compliance with the requirements of the Oaks Initiative, the City compiles and maintains certain information. That information includes the name of any person or persons who is seeking a "public benefit." If the "public benefit" is sought by an entity, rather than an individual person, the information includes the name of every person who is: (a) trustee, (b) director, (c) partner, (d) officer, or has (e) more than a ten percent interest in the entity. Therefore, if you are seeking a "public benefit" covered by the Oaks Initiative, you must supply that information on the Oaks Initiative Disclosure Form. This information must be updated and supplied every 12 months.



CITY OF SANTA MONICA OAKS INITIATIVE DISCLOSURE FORM

In order to facilitate compliance with the requirements of the Oaks Initiative, the City compiles and maintains certain information. That information includes the name of any person or persons who is seeking a "public benefit." If the "public benefit" is sought by an entity, rather than an individual person, the information includes the name of every person who is: (a) trustee, (b) director, (c) partner, (d) officer, or has (e) more than a ten percent interest in the entity.

Public benefits include:

1. Personal services contracts in excess of \$25,000 over any 12-month period;
2. Sale of material, equipment or supplies to the City in excess of \$25,000 over a 12-month period;
3. Purchase, sale or lease of real property to or from the City in excess of \$25,000 over a 12-month period;
4. Non-competitive franchise awards with gross revenue of \$50,000 or more in any 12-month period;
5. Land use variance, special use permit, or other exception to an established land use plan, where the decision has a value in excess of \$25,000;
6. Tax "abatement, exception, or benefit" of a value in excess of \$5,000 in any 12-month period; or
7. Payment of "cash or specie" of a net value to the recipient of \$10,000 in any 12-month period.

Name(s) of persons or entities receiving public benefit:

National Auto Fleet Group

Name(s) of trustees, directors, partners, and officers:

Jesse Cooper & Melvin Cooper

Name(s) of persons with more than a 10% equity, participation, or revenue interest:

Jesse Cooper 49% & Melvin Cooper 51%

Prepared by: Neil Carroll Title: Director of Sales

Signature:  Date: 2/16/23

Email: fleet@nationalautofleetgroup.com Phone: 8552896572

FOR CITY USE ONLY:	
Bid/PO/Contract # _____	Permit # _____

Attachment: NAFG Oaks (5519 : Replacement Vehicles for Various Departments)



CITY OF SANTA MONICA OAKS INITIATIVE DISCLOSURE FORM

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7. Payment of "cash or specie" of a net value to the recipient of \$10,000 in any 12- month period.

Name(s) of persons or entities receiving public benefit:

Los Angeles Truck Centers, LLC

Name(s) of trustees, directors, partners, and officers:

Bradley C Favre – President
James A Barker - President

Name(s) of persons with more than a 10% equity, participation, or revenue interest:

Bradley C Favre – 50%
James A Barker – 50%

Prepared by: Louie Garcia Title: Regional Parts and Service Manager

Signature: Louie Garcia  Date: 8/15/2022

Email: lgarcia@vvgtruck.com Phone: 949-655-2373

FOR CITY USE ONLY:	
Bid/PO/Contract # _____	Permit # _____

Attachment: LA Truck Center - Velocity Oaks (5519 : Replacement Vehicles for Various Departments)