



**TO THE HONORABLE MAYOR AND COUNCIL:**

DATE: July 22, 2014

**SUBJECT: AWARD OF CONTRACT TO TEC OAKLAND IN THE AMOUNT OF \$57,105.55 FOR RFB #2294, ONE 2015 CHASSIS CAB (ANNUAL VEHICLE REPLACEMENT FUND)**

**Report in Brief**

Bids were opened on Tuesday, June 24, 2014, at 10:00 am for Request for Bid (RFB) #2294 to purchase one new 2015 Chassis Cab. TEC Oakland, having satisfactory references, was selected by staff as the lowest responsible bidder.

Staff recommends that City Council select TEC Oakland as the lowest responsive bidder and award the purchase of one new 2015 Chassis Cab (RFB #2294) in the amount of \$57,105.55.

**Background**

Replacement of worn-out vehicles is an on-going effort to sustain fleet reliability and maintainability. Replacing vehicles at the end of their useful life saves the City money, reduces vehicle out-of-commission time, and helps ensure safety. Vehicles being replaced are no longer economically maintainable.

Each vehicle is budgeted to be replaced after 6-10 years of use depending on the type of vehicle and how the vehicle is employed. The City's adopted budget assumes the purchase of 42 vehicles in the Fiscal Year 2013/14 annual vehicle replacement program. The 2015 Chassis Cab will be outfitted with an after-market utility bed and will be used in the City's weed abatement program.

The bid opening for RFB # 2294 was held at 10:00 am on Tuesday, June 24, 2014. One bid was received as described on the Review Memo (Attachment A).

**Discussion**

The City issued a 'Request For Bid' notice in accordance with the COC Procurement Policy on May 9, 2014. Eleven (11) potential bidders were directly solicited. The Notice to Bid was published on the City's website, advertised on the Public Purchase System (<http://www.publicpurchase.com>) which includes over hundreds of registered vendors, posted in the Finance Office lobby, and sent to the Concord Chamber of Commerce. No bids were received by the deadline of 10:00 AM on June 3, 2014.

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The City issued a second 'Request For Bid' notice on June 6, 2014. Thirteen (13) potential bidders were directly solicited. The Notice to Bid was published on the City's website and on the Public Purchase System, posted in the Finance Office lobby, and sent to the Concord Chamber of Commerce. Staff also called and visited potential vendors to encourage them to bid. No questions were received from potential bidders. No addenda were issued to RFB #2294. At 10:00 am on Tuesday, June 24, 2014, one submittal was opened by the City Clerk's office. The bid tabulation is attached (Attachment B).

Concord's Municipal Code and Administrative Directives do not address receipt of 'one bid' for equipment. These policy documents only address "no responsive bids." Section 3.10.070 of the City's Municipal Code states that "If no responsive bids are received, the services performed or the supplies or equipment furnished may be obtained without further competitive bidding. The purchase must be made within thirty (30) days of the bid due date and time."

The general rule of thumb that staff uses for justifying the acceptance of one bid received is primarily that the submitted bid cost is in a reasonable range of the Engineer's Cost Estimate and that there was adequate competition. The following presents the justification to award the contract to TEC Oakland:

- The engineer's estimate for this bid was \$57K (See Attachment B Bid Opening Sheet-RFB#2294)
- The single bid received was \$57,105.55 (within 0.2% of the engineer's estimate)
- This was a formal, competitive bid. As the Review Memo states (see Attachment A Review Memo-RFB#2294), thirteen (13) potential bidders were solicited directly, the bid notice was posted on the website (which includes over hundreds of registered vendors), posted at City Hall, and sent to the Concord Chamber of Commerce, therefore there was definitely 'adequate competition'.
- No bids were received from the initial request. Staff personally called and visited potential bidders to encourage responses to the second request.

TEC Oakland has successfully met the City's expectations and their agreed commitments as measured through past performance. Staff recommends that TEC Oakland be selected as the lowest bidder. Additionally, although only one bid was received, staff is confident this is a reasonable price for this vehicle because the bid was only 0.2% greater than the engineers estimate.

**Fiscal Impact**

The replacement of these vehicles is included in the City Council approved Fiscal Year 2013/14 Annual Vehicle Replacement Program.

**Public Contact**

On June 6, 2014. Thirteen (13) potential bidders were solicited directly, the Notice to Bid was published on the City's website and Public Purchase System, posted in the Finance Office lobby, and sent to the Concord Chamber of Commerce

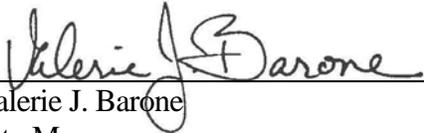
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**Recommendation for Action**

Staff recommends that City Council select TEC Oakland as the lowest responsive bidder and award the purchase of one new 2015 Chassis Cab (RFB #2294) in the amount of \$57,105.55.



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City Manager

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[Justin.Ezell@CityofConcord.org](mailto:Justin.Ezell@CityofConcord.org)

Attachment A - RFB#2294 – 2015 Chassis Cab Review Memo

Attachment B - RFB#2294 – 2015 Chassis Cab BIDSHEET



**PURCHASING DEPARTMENT – FINANCE \* CITY OF CONCORD (COC)**  
1950 Parkside Drive, MS/07 \* (925)671-3178 / (925)676-2290 FAX

**INTEROFFICE MEMORANDUM**

**To:** Jeff Roubal, Fleet Manager  
**From:** Debbie Wellnitz, Purchasing Manager  
**Subject:** Review Memo for Request For Bid (RFB)#2294 – 2015 Chassis Cab  
**Date:** June 24, 2014

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This correspondence is to advise you that I have completed the administrative review for the above RFB and the only bidder (responsive and responsible) is **TEC Oakland**.

The City issued a ‘Request For Bid’ notice in accordance with the COC Procurement Policy on June 6, 2014. Thirteen (13) potential bidders were solicited and the Notice to Bid was published on the City’s website, Public Purchase System (which includes over hundreds of registered vendors), posted in the Finance Office lobby, and sent to the Concord Chamber of Commerce. One (1) company submitted a bid by the deadline of 10:00 AM on **June 24, 2014**.

The following table is the results from the bid opening:

| <b>Company, Location</b>       | <b>Bid Amount</b> | <b>Local Preference (5%)</b> |
|--------------------------------|-------------------|------------------------------|
| <b>TEC Oakland, Oakland CA</b> | \$57,105.55       | n/a                          |

The bid tabulation is typically posted on the website shortly after the bid opening. I have reviewed each bid submittal for completeness and correct amount calculations. Minor informalities shall be rectified with the bidder(s).

Upon your review and decision on the selected vendor based on ‘best value’ for the City, the awarded contractor will be notified for any additional, applicable requirements and documentation including but not limited to a signed contract, current business license, insurance requirements, and bonds. A purchase order shall be issued once all required documents are submitted and council approval awarded (if applicable) and you may inform the awarded contractor with a ‘Notice to Proceed’ for commencement of work.

Please contact me for any questions and status of your review progress at 671-3219. Thank you.

Attachment B

**City of Concord  
Bid Sheet**

**PROJECT RFB #2294**

**2015 Chassis Cab**

**Bid Opening:**

**Tuesday,  
June 24, 2014  
10:00 a.m.**

**City Manager's Conference Room**

Engineer's Estimate: \$57,000

To be awarded:

| COMPANY  | TOTAL BID   |
|--|-------------|
| TEC Oakland<br>8099 S. Coliseum Way<br>Oakland, CA 94621 | \$57,105.55 |
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**Contact: Jeff Roubal, ext. 3147**