



Staff Report

File #: 23-0182

**REQUEST FOR CITY COUNCIL AND
CORONA UTILITY AUTHORITY ACTION**

DATE: 03/01/2023

TO: Honorable Mayor and City Council Members
Honorable President and Board Members

FROM: Utilities Department

SUBJECT:

Issuance of a Purchase Order to TEC of California, Inc. for the Replacement of a Diesel Terminal Tractor with an Electric Vehicle Terminal Tractor from Autocar Truck, LLC.

EXECUTIVE SUMMARY:

City Council consideration of the purchase of an all-electric terminal tractor manufactured by Autocar Truck, LLC, at Water Reclamation Facility No. 1 to replace the existing diesel-powered terminal tractor. The tractor will be utilized by operations staff to load trailers with biosolids and stage them for pick up by sludge-hauling contractors.

RECOMMENDED ACTION:

That the:

- a. City Council authorize the City Manager, or his designee, to issue a purchase order to TEC of California, Inc., the local authorized dealer for Autocar, LLC., in the amount of \$385,660.81.
- b. City Council make a determination under Corona Municipal Code [Section 3.08.140\(C\)](#) that competitive bidding has been satisfied based upon the reasons provided in the "Basis for Determination of Competitive Bidding" section of this report.
- c. City Council authorize an appropriation in the amount of \$424,226.89 from the Sewer Utility Fund 572 to the Utilities Department's operating budget for the purchase of one electric vehicle terminal tractor for the Utilities Department.

- d. City Council authorize the City Manager, or his designee, to negotiate and execute non-substantive extensions, change orders, and amendments up to 10% of total contract cost or \$38,566.08.

- e. Corona Utility Authority review, ratify, and to the extent necessary, direct the City Council to take the above actions.

BACKGROUND & HISTORY:

The City of Corona Utilities Department's (UD) mission is to protect public health by providing the highest quality water, electric service, as well as efficient sewage treatment. The Utilities Department takes great pride in being able to serve the community and always strives to provide our customers with the best possible service.

The UD operates three water reclamation facilities serving the community of Corona. Solids handling for all three facilities is done at Water Reclamation Facility No. 1 (WRF1) located at 2205 Railroad Street. As part of the solids handling process, operations staff loads trailers with biosolids to transport to an off-site location for composting via a third-party hauling contractor. Staff currently loads 10-12 trailers per week. Staff use a terminal tractor to load trailers, move trailers around the facility, and stage trailers for pick up. The City's current terminal tractor has reached the end of its useful life and needs to be replaced.

As of July 1, 2002, the South Coast Air Quality Management District (SCAQMD) enacted Rule 1196, which states that for public fleet operators with 15 or more heavy-duty vehicles, all new additions to an existing fleet, or formation of a new fleet, of heavy-duty vehicles shall be by purchase or lease of alternative-fuel or dual-fuel heavy-duty engines or vehicles. With the stricter environmental regulations imposed by SCAQMD, a non-diesel terminal tractor is the only option for purchase.

ANALYSIS:

Staff proposes the replacement of the current diesel terminal tractor to an all-electric terminal tractor. An electric tractor is higher in cost than a diesel tractor but complies with SCAQMD Rule 1196.

On April 16, 2020, Request for Proposals (RFP) No. 060920 (Exhibit 3) was published (Exhibit 4) by the Cooperative Purchasing Program, Sourcewell, inviting interested parties to submit proposals for Class 4-8 Chassis with Related Equipment, Accessories and Services. In response, Sourcewell received and opened 25 proposals on June 9, 2020 (Exhibit 5).

All responses were evaluated by Sourcewell staff with nine recommended for award, including Autocar Truck, LLC (Exhibit 5). On July 21, 2020, the Sourcewell Board of Directors approved a contract with Autocar Truck, LLC, valid through August 1, 2024, to provide Class 4-8 Chassis with Related Equipment, Accessories and Services (Exhibit 6).

The Purchasing Division seeks out cooperative purchasing agreements because they allow the City to

save time, reduce administrative costs, improve efficiency and maximize city budgets by securing collective competitive pricing. By utilizing cooperative purchasing, the City is leveraging a previous purchasing solicitation that another government agency performed.

Based on this previously conducted bid process by Sourcewell, UD requests approval to purchase the electric vehicle terminal tractor from Autocar, LLC through their local authorized dealer, TEC of California, Inc., in the amount of \$385,660.81 to replace the current diesel terminal tractor at WRF1.

BASIS FOR DETERMINATION OF COMPETITIVE BIDDING

Staff believes that competitive bidding has been satisfied for this purchase pursuant to Corona Municipal Code (CMC) [Section 3.08.140\(C\)](#), which states as follows:

"Competitive bidding already completed. When the purchasing agent and the authorized contracting party, with the approval of the City Manager, determines that:

- (1) A competitive bid procedure has been conducted by another public agency including, but not limited to, another local agency, the state through the California Multiple Award Schedule (CMAS), the federal government through the General Services Administration (GSA), the U.S. Communities Government Purchasing Alliance, or the Western States Contracting Alliance (WSCA); and
- (2) The price to the City is equal to or better than the price to that public agency."

The bid amount is \$385,660.81 and reflects the Sourcewell bid pricing. This equipment is expected to last 15 to 20 years. Staff recommends approval of the recommended actions as this equipment has been cooperatively bid via Sourcewell.

FINANCIAL IMPACT:

Approval of the recommended actions will result in an appropriation in the amount of \$424,226.89 from the Sewer Utility Fund (572) to the Utilities Department operating budget. There is sufficient working capital to support this appropriation.

	Amount
Bid Amount	\$385,660.81
Change Order Authority	\$38,566.08
Total	\$424,226.89

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the common sense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is

no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action involves the replacement of a vehicle, and there is no possibility that this purchase will have a significant effect on the environment. Therefore, no environmental analysis is required.

PREPARED BY: MAURO CASAS, DEPUTY CHIEF WATER RECLAMATIONS OPERATOR

REVIEWED BY: TOM MOODY, DIRECTOR OF UTILITIES

Attachments:

1. Exhibit 1 - Autocar Truck Quote
2. Exhibit 2 - TEC of California (Authorized Autocar Dealer) Quote
3. Exhibit 3 - Sourcewell RFP
4. Exhibit 4 - Sourcewell Proof of Publication
5. Exhibit 5 - Sourcewell RFP Opening
6. Exhibit 6 - Sourcewell/Autocar Truck Contract
7. Exhibit 7 - Sourcewell Board Resolution