



TO THE HONORABLE MAYOR AND COUNCIL:

DATE: June 24, 2014

SUBJECT: AWARD OF CONTRACT TO SONSREY MACHINERY IN THE AMOUNT OF \$89,988.00 FOR RFB #2291, ONE 2015 BACKHOE

Report in Brief

Bids were opened on Tuesday, June 3, 2014, at 10:30 am for Request for Bid (RFB) #2291 to purchase one new 2015 Backhoe. Sonsrey Machinery, having satisfactory references, was selected by staff as the lowest responsible bidder.

Staff recommends that City Council select Sonsrey Machinery as the lowest responsive bidder and award the purchase of one new 2015 Backhoe (RFB #2291) in the amount of \$89,988.00.

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 bid opening for RFB # 2291 was held at 10:30 am on Tuesday, June 3, 2014. Two bids were received as described on the Review Memo (Attachment A). One of the bids was for RFB#2290 so not valid.

Discussion

On May 9, 2014, eleven potential bidders were directly solicited and the Notice to Bid was published on the City's website. The bid was made available to hundreds more potential vendors through the Public Purchase System (<http://www.publicpurchase.com>). It was posted in the Finance building lobby and sent to the Concord Chamber of Commerce. In response to questions received from potential bidders, one addendum was issued to RFB #2291. This addendum was issued on May 23.

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At 10:30 am on Tuesday, June 3, 2014, two submittals, neither from a local vendor, were opened by the City Clerk's office. The bid tabulation is attached (Attachment B). One of the bidders, Wondries Fleet Group of Alhambra, CA submitted a bid for the wrong solicitation. They submitted a copy of their bid for *RFB#2290-2015 Ford Utility Police Interceptor Unmarked*. The other bidder, Sonsrey Machinery of Stockton, CA submitted a bid for the correct solicitation.

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 Sonsrey Machinery:

- The engineer's estimate was \$120,000 (see *Attachment B – Bid Sheet*).
- The City received two bids but one bid was incorrectly submitted, therefore was rejected. (See *attached Bid Opening Sheet-RFB#2291*)
- The one Bid received was \$89,988 which is substantially less than the engineer's estimate.
- This was a formal, competitive bid. As the Review Memo states (see *attached Review Memo-RFB#2291*), 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 within a reasonable time frame, therefore there was definitely 'adequate competition'.

Sonsrey Machinery has successfully met the City's expectations and their agreed commitments as measured through past performance. Staff recommends that Sonsrey Machinery be selected as the lowest bidder.

Fiscal Impact

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

Public Contact

The Notice to Bid was sent directly to eleven potential vendors on May 9, 2014. Hundreds of additional potential vendors were solicited to submit their bids through the Public Purchase System. The Notice to Bid was published on the City's website, posted in the Finance building lobby and sent to the Concord Chamber of Commerce.

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Recommendation for Action

Staff recommends that City Council select Sonsrey Machinery as the lowest responsive bidder and award the purchase of one new 2015 Backhoe (RFB #2291) in the amount of \$89,988.00.

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Attachment A - RFB#2291 – 2015 Backhoe Review Memo

Attachment B - RFB#2291 – 2015 Backhoe 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)#2291 – 2015 Backhoe
Date: June 3, 2014

 This correspondence is to advise you that I have completed the administrative review for the above RFB and the apparent lowest, responsive, and responsible bidder is **Sonsrey Machinery, Stockton, CA.**

The City issued a 'Request For Bid' notice in accordance with the COC Procurement Policy on May 9, 2014. Eleven (11) 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. Two (2) companies submitted a bid by the deadline of 10:30 AM on **June 3, 2014**, however, one of the companies, Wondries Fleet Group of Alhambra, CA submitted the wrong bid. They submitted a copy of the bid for RFB#2290-2015 Ford Utility Police Interceptor Unmarked which is not for this bid solicitation.

The following table is the results from the bid opening:

	Company, Location	Bid Amount	Local Preference (5%)
1	Sonsrey Machinery (Stockton, CA)	\$89,988 each	No

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).

The bid tabulation and a copy of each submittal are attached for your review. The bid submittals are subject to your technical evaluation. Upon your review and decision on the selected bid 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.

**City of Concord
Bid Sheet**

PROJECT RFB #2291
2015 Backhoe

Bid Opening:

**Tuesday,
June 3, 2014
10:30 AM**

City Manager's Conference Room

Engineer's Estimate: \$120K each

To be awarded:

COMPANY	TOTAL BID
Wondries Fleet Group 1247 West Main Street Alhambra, CA 91801	INCORRECT BID INFORMATION RECEIVED
Sonsrey Machinery 1041 Pershing Ave. Stockton, CA 95206	\$89,988 each