



# REPORT TO COUNCIL

## City of Sacramento

915 I Street, Sacramento, CA 95814-2604  
www.CityofSacramento.org

Consent  
November 16, 2010

Honorable Mayor and  
Members of the City Council

**Title:** Agreements: Trucking Services

**Location/Council District:** Citywide

**Recommendation:** Adopt a **Resolution: 1)** suspending competitive bidding for the purchase of trucking services in the best interest of the City (**2/3 vote required**); **2)** awarding a one-year non-professional services agreements for trucking services, with options to extend the agreements for up to two additional one-year periods to: Destination Anywhere, Inc. and JTL Trucking, LLC.; and **3)** authorizing the City Manager to execute the agreements for a combined first year amount not to exceed \$175,000, with the total amount of the agreements, including the two optional one-year extensions, not to exceed \$525,000.

**Contacts:** Juan Montanez, Street Services Manager, (916) 808-2254; Ramon Gibbons, Operations General Supervisor (916) 808-5871

**Presenters:** None

**Department:** Transportation

**Division:** Street Services

**Organization No:** 15001631

### Description/Analysis

**Issue:** There is a continuing need for trucking services to haul waste and deliver asphaltic materials in support of minor street repairs throughout the City. The City has need for at least two trucking services providers to address busy times and occasional unavailability. It is in the best interest of the City to suspend competitive bidding to allow agreements to be awarded to the two lowest responsible bidders, as otherwise the City Code allows award only to the lowest responsible bidder.

**Policy Considerations:** The recommendations in this report are consistent with the City's Strategic Plan goals to improve and expand public safety, and achieve sustainability and livability. Suspension of competitive bidding on a 2/3 vote is authorized by City Code Section 3.56.230(c).

In accordance with Sacramento City Council Resolution No. 2010-346, Both Destination Anywhere, Inc. and JTL Trucking, LLC. are headquartered in the State of California. The proposed contract award is consistent with Resolution 2010-346 prohibiting the City from entering into any contract to purchase goods or services from any business or entity headquartered in Arizona.

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** This project has been determined to be exempt from the California Environmental Quality Act (CEQA) under section 15301 (c) of the CEQA Guidelines, which states that repair and maintenance of existing highways and streets involving negligible or no expansion of existing use is exempt from CEQA review.

**Sustainability Considerations:** The trucking services will be used to maintain the safety and efficiency of the City's transportation corridors, optimizing and improving the Transportation Infrastructure. These services are also necessary to maintain Street Service's ability to respond to catastrophic flooding, supporting the City's long-term plan to achieve 200 year flood protection for the greater Sacramento area.

**Commission/Committee Action:** None

**Rationale for Recommendation:** Formal bids were opened September 8, 2010. The table in Background, Attachment 1, lists the bid results. Staff recommends suspending competitive bidding so that agreements can be awarded to the two lowest responsive, responsible bidders: Destination Anywhere, Inc. and JTL Trucking, LLC.

**Financial Considerations:** Sufficient funds for the purchase of trucking services are available in Capital Improvement Projects (CIP's) and the Street Services operating budget; no additional funding is requested with this action.

**Emerging Small Business Development (ESBD):** Both Destination Anywhere, Inc. and JTL Trucking, LLC. are certified small business enterprises (SBE) with the City of Sacramento.

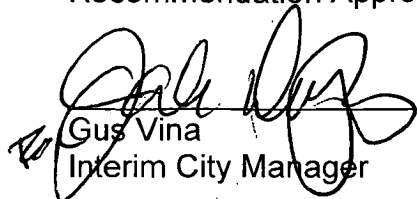
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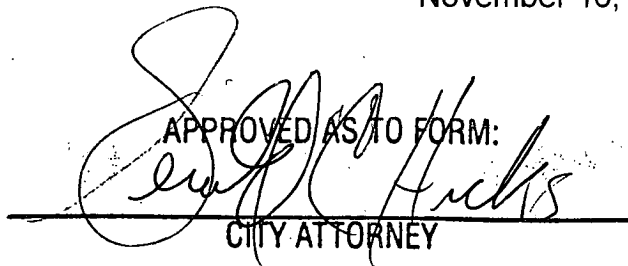
  
\_\_\_\_\_  
Juan Montañez  
Street Services Manager

Approved by:

  
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Jerry Way  
Director of Transportation

Recommendation Approved:

  
Gus Vina  
Interim City Manager

APPROVED AS TO FORM:  
  
CITY ATTORNEY

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**Attachment 1**

**Background**

The Street Services Division of the Department of Transportation has an ongoing need for trucking services in support of minor street repairs. To cover busy times and occasional contractor unavailability, at least two contractors are required.

Formal bids for trucking services were opened by the City Clerk's office on September 8, 2010. Bids were weighted 80% for weekday/Saturday hourly rates, and 20% for Sunday/holiday hourly rates, for both 3-axle dump and 5-axle transfer or semi-end dump trucks. The following chart shows the weighted bid totals and E/BSE participation:

<b>Company Name</b>	<b>Weighted Bid Total</b> <small>(sum of 80%/20% weighted hourly rates, minus all discounts)</small>	<b>E/SBE 5% Discount</b>
Destination Anywhere, Inc.	\$345.60	Yes
JTL Trucking, LLC.	\$348.00	Yes
Blue Jay Trucking, LLC.	\$380.76	Yes
Chavez Trucking	\$450.30	Yes
Tim A. Manley Trucking, Inc.	\$453.15	Yes
Dillard Trucking, Inc.	\$523.20	No
PATCO Trucking, Inc.	\$513.81	No

Competitive bidding under the City Code allows award to the lowest bidder. Due to the need for multiple contractors, it is in the City's best interest to suspend competitive bidding, to permit agreements to be awarded to the two lowest responsive, responsible bidders: Destination Anywhere, Inc. and JTL Trucking, LLC. Contractors will be paid their hourly bid prices with work priority given to the lowest responsible bidder. The total annual not-to-exceed amount for the two agreements is \$175,000. The total amount of the agreements, including the two optional one-year extensions, will not to exceed \$525,000.

These agreements have an initial term of one year, with the option to extend this term for up to two additional one-year extensions. Should either of the contractors be unable to perform or if additional contractors are needed during the term of the agreements, staff may return to the City Council requesting award of an agreement to the next lowest bidder(s) on the bid evaluation list.

**RESOLUTION NO.**

Adopted by the Sacramento City Council

**AGREEMENTS: TRUCKING SERVICES**

**BACKGROUND**

- A. The Street Services Division of the Department of Transportation has an ongoing need for trucking services on many street repair jobs. This requires at least two contractors to cover busy times and occasional unavailability.
- B. Formal bids for trucking services were opened by the City Clerk's office on September 8, 2010. Bids were weighted 80% for weekday/Saturday hourly rates, and 20% for Sunday/holiday hourly rates for both 3-axle dump and 5-axle transfer or semi-end dump trucks.
- C. Competitive bidding under the City Code allows award only to the lowest bidder. Due to the need for multiple contractors, it is in the City's best interest to suspend competitive bidding, to permit agreements to be awarded to the two lowest responsive, responsible bidders: Destination Anywhere, Inc., and JTL Trucking, LLC. Contractors will be paid their hourly bid prices with work priority given to the lowest bidder(s). The combined annual not to exceed amount for the two agreements is \$175,000, and the total for a maximum contract term of three years will not to exceed \$525,000.
- D. During the term of the agreements, should either of the contractors be unable to perform or if additional contractors are needed during the term of the agreements, City staff may request City Council approval for award of an agreement to the next lowest bidder(s) on the bid evaluation list.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. It is in the best interest of the City to suspend competitive bidding for the purchase of trucking services and competitive bidding is hereby suspended.
- Section 2. Agreements for trucking services are awarded to: Destination Anywhere, Inc., and JTL Trucking, LLC.
- Section 3. The City Manager is authorized to execute the agreements on behalf of the City in an amount not to exceed a total annual amount of \$175,000 for the two agreements. The City Manager may approve extensions of the

term(s) of the agreements(s) for up to two additional one-year extensions (for a maximum contract term of three years). The total amount of the agreements, including the two optional one-year extensions, will not exceed \$525,000.

Section 4. Exhibit A is incorporated into and made part of this Resolution.

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Exhibit A – Nonprofessional Services Agreements