



City of Culver City

Mike Balkman Council
Chambers
9770 Culver Blvd.
Culver City, CA 90232

Staff Report

File #: 18-0425, **Version:** 1

Item #: C-2.

CC - (1) Approval of a Purchase Order to Setco Tire Company for the Purchase of Four (4) Special Tire and Wheel Assemblies for the City's Transfer Station Wheel Loader Vehicle in an Amount Not-To-Exceed \$42,000; and (2) Approval of a Related Budget Amendment (Requires a Four-Fifths Vote)

Meeting Date: November 13, 2017

Contact Person/Dept: Paul Condran/Transportation Department

Phone Number: (310) 253-6520

Fiscal Impact: Yes ☒ No ☐

General Fund: Yes ☐ No ☒

Public Hearing: ☐ **Action Item:** ☐ **Attachments:** ☐

Commission Action Required: Yes ☐ No ☒ **Date:**

Public Notification: (E-Mail) Meetings and Agendas - City Council (11/09/17);

Department Approval: Art Ida (10/23/17)

RECOMMENDATION

Staff recommends the City Council (1) approve a purchase order to Setco for the purchase of replacement of four (4) special tire and wheel assemblies for the City's Transfer Station Loader vehicle, unit #4516; and (2) approve a related budget amendment (**requires a four-fifths vote**). These tire and wheel assemblies are amortized on the City's Asset Replacement Fund replacement schedule, and budgeted for in the respective budget. However, because the replacement of these tire and wheel assemblies are now required, staff is requesting to amend the FY17/18 Asset Replacement Fund budget appropriations for this purchase.

BACKGROUND/DISCUSSION

The Sanitation Division of the Public Works Department owns and operates two industrial, large off-road wheel loaders to process the City's trash and recycling materials inside the City's Transfer Station. These machines are equipped with special purpose built tires to uniquely handle the rigorous operation of the Division. These are specifically designed tires and wheels that are not typical pneumatic construction, rather, they are built as solid one piece (tire and wheel) assemblies. These

tire and wheel assemblies enable the vehicle to sustain operation moving through and over trash and materials without concern for the composition and the harsh materials damaging the tires and wheels.

These tires and wheels are budgeted for in the Asset Replacement Fund and have been amortized for replacement by the Sanitation Division. The tires are budgeted separately from the vehicles they are installed on because of the cost and time it requires to fabricate and install them.

There are two manufacturers for these special purpose built tires. One manufacturer is Setco Tire Company and the second is TY Tires. The City has previously purchased TY Tires for the wheel loader vehicles, but the tires had considerable problems in the manufacturing and rubber compound, and required replacement prior to the typical lifecycle of such equipment. The City has used Setco tires on these vehicles in previous years with no problems.

Culver City Municipal Code Section 3.07.045.G provides that the formal competitive bidding process is not required for the purchase of equipment where competitive bid procedures have already been utilized by another public agency. Snohomish County, Washington recently solicited bids and awarded a contract to Setco for the exact tires and wheels needed for the City's vehicle. Staff has received the purchasing documentation and reviewed the specifications, and has been offered the same prices and terms.

FISCAL ANALYSIS

The Asset Replacement Fund has ample funding for the acquisition of these tire and wheel assemblies from account 30770500. Once these are purchased, the Equipment Maintenance & Fleet Services Division will ensure they are placed on the amortization schedule for life cycle replacement.

ATTACHMENTS

None

MOTION

That the City Council:

1. Approve a budget amendment appropriating \$42,000 to the Asset Replacement Fund; and,

A Budget Amendment Requires a 4/5ths Vote.

2. Approve a purchase order to Setco Tire Company for the purchase of four (4) tire and wheel assemblies in an amount not-to-exceed \$42,000; and,
3. Authorize the Purchasing Officer to Issue the Purchase Order.