

4. 24-55122 Recommendation to adopt Specification UD-24-175 for the construction and delivery of forty F-350 truck service bodies, award a contract to SouthWest Structures Inc., and authorize the General Manager to enter into a contract, including any necessary amendments, with SouthWest Structures, Inc., in an amount not to exceed \$1,552,900.

Suggested Action: Approve recommendation.



BOARD OF UTILITIES COMMISSIONERS

1800 E. Wardlow Road, Long Beach, CA 90807
562.570.2300 | LBUtilities.org

October 3, 2024

Recommendation

Adopt Specification UD-24-175 for the construction and delivery of forty F-350 truck service bodies, award a contract to SouthWest Structures Inc., and authorize the General Manager to enter into a contract, including any necessary amendments, with SouthWest Structures, Inc., in an amount not to exceed \$1,552,900.

Executive Summary

Over the past three years, the automotive industry has faced significant delays in vehicle production due to ongoing supply chain constraints, particularly in the medium-duty truck market. The Long Beach Utilities Department (LBUD) currently operates a fleet of 54 medium-duty trucks for Water and Sewer Utilities. Of these, 30 are more than 10 years old, with an additional 12 trucks approaching the 10-year mark.

In response to projected supply chain challenges, on November 9, 2023, the Board of Utilities Commissioners (Board) authorized staff to expedite fleet replacement by purchasing 42 medium-duty trucks. This proactive approach aims to ensure operational continuity over the next five years while allowing time for the medium-duty vehicle market to stabilize.

Of the 42 trucks acquired, 40 required service body modifications tailored to specific operational needs, resulting in 12 distinct service body designs. Bid Solicitation UD-24-175 was published on Long Beach Buys on July 3, 2024 and closed on July 24, 2024. Four bids were received; however, one was disqualified due to non-conformance with the bid specifications. Of the three conforming bids, SouthWest Structures, Inc., was identified as the lowest bidder.

Fiscal Impact

The unbudgeted cost to the Water and Sewer funds will be incurred in FY 25, with the total contract amount not to exceed \$1,552,900. After reviewing the FY 25 financial projections, staff has reprioritized non-critical CIP projects to ensure that funding is available for this essential expense. The purchase can be absorbed within the FY 25 Water and Sewer funds without negatively impacting overall financial stability.



Tai Tseng
Assistant General Manager



Christopher J. Garner
General Manager

Attachment

Build and Deliver Forty (40) F-350 Truck Builds UD-24-175

Rank	Vendor	Identification/ Certification	*Weighted Cost
1	SouthWest Structures Inc.	MBE	\$1,552,970.96
2	BP Ford of Long Beach	Disclosed: None	\$3,729,097.42
3	Transwest Truck Center	Disclosed: None	\$3,956,658.32
DQ	Commercial Truck Equipment Company (CTEC)	OSB, SBE, WBE	--
		Average Bid	\$3,079,575.56

DBE: Disadvantaged Business Enterprise	LBSBE: Long Beach Small Business Enterprise
DOBE: Disability-Owned Business Enterprise	SBE: Small Business Enterprise
MBE: Minority Business Enterprise	VSBE: Veteran-owned Small Business Enterprise
MIC: Microbusiness	WBE: Women-owned Business Enterprise
OSB: California Office of Small Business	DQ: Disqualified

The Invitation to Bid (ITB) document was made available from the Purchasing Division website at Long Beach Buys (<https://longbeachbuys.buyspeed.com/bso/>).

- 26 potential vendors were notified of this opportunity
- 5 prospective bidders downloaded the bid document

A Notice Inviting Bids (NIB) announcement was also included in the City's Purchasing Division's weekly update of Open Bid Opportunities, which is sent to local, minority-owned, and women-owned business groups.

- 4 bids were received on July 24, 2024 (see above matrix)