



**THE PORT
OF LOS ANGELES**
Executive Director's
Report to the
Board of Harbor Commissioners

DATE: MARCH 8, 2023

FROM: CONSTRUCTION AND MAINTENANCE

**SUBJECT: RESOLUTION NO. _____ - AWARD OF CONTRACT
NO. 39987 TO QUINN COMPANY FOR PURCHASE OF HEAVY
CONSTRUCTION EQUIPMENT**

SUMMARY:

Staff requests approval of a one-year contract, Contract No. 39987, with Quinn Company (Quinn) of City of Industry, California for the purchase and delivery of heavy-duty construction equipment as identified in the City of Los Angeles Harbor Department (Harbor Department) capital equipment budget approved as part of the annual budget process. The total amount of the Contract shall not exceed \$1,500,000. Payment of expenditures incurred under the proposed Contract are the financial responsibility of the Harbor Department.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Find that in accordance with City of Los Angeles Administrative Code Division 10, Chapter 1, Article 2, Section 10.15(a)(8), the Harbor Department may enter into an agreement with Quinn Company utilizing a current agreement for such services with Sourcewell through their Contract No. 032119-CAT, a cooperative purchase agreement;
3. Approve Contract No. 39987 with Quinn Company in the amount of \$1,500,000 for a period of one year;
4. Authorize the Executive Director to execute and Board Secretary to attest to Contract No. 39987 for and on behalf of the Board; and
5. Adopt Resolution No. _____

DATE: MARCH 1, 2023

PAGE 2 OF 4

SUBJECT: AWARD OF CONTRACT NO. 39987 TO QUINN COMPANY

DISCUSSION:

Background/Context – The Harbor Department's Construction and Maintenance Division (C&M) is responsible for the maintenance of the majority of the department's rolling and floating equipment. As such, C&M has been assigned responsibility for developing an annual budget for the replacement of equipment it is responsible for maintaining and has served as the procurer of a majority of additions to the vehicular and floating equipment fleet for the department. When making determinations about vehicle or equipment replacement, several factors are taken into consideration. These factors include, but are not limited to, age, mileage or hours, maintenance history, anticipated usage needs, and overall condition/reliability. C&M also follows the guidelines that the Environmental Management Division developed to include best practices and ensure the cleanest equipment is purchased.

Each year as a part of the annual budget process, C&M compiles a list of equipment that meets the replacement criteria depending on the class of equipment involved. At its simplest, for light duty equipment, which includes passenger vehicles, light and medium duty pickup trucks, and trailers, replacement is considered after ten years of service and/or having reached 100,000 miles of use. For heavy vehicles, which include heavy trucks, tractors, and construction equipment, replacement is considered after 15 years of service. The replacement list is reviewed and prioritized for submittal as a part of the annual capital equipment budget request. The list is typically pared down and those pieces which make the final list are replaced after research is undertaken as to what constitutes the most economical, environmentally friendly replacement. The development of specifications and submittal of a requisition for procurement through the bid process can take from a few days to several weeks. Depending on what is ordered, the lead time for delivery is usually not sooner than two months. Sometimes, however, it can take several months for an item to be delivered, pushing delivery and payment into the following fiscal year. In these instances, funds need to be reallocated to the budget for the next fiscal year to pay for purchases under contracts issued in the previous fiscal year.

The subject contract represents an opportunity to shorten the procurement process by taking advantage of pre-negotiated prices for a wide array of heavy, construction type equipment available through Sourcewell, a cooperative of more than 50,000 member agencies that has developed competitively bid purchasing contracts for various materials and services. It is estimated that this contract will reduce the procurement process by up to four months for those items that are available through the contract and significantly reduce instances where funds need to be carried over from one fiscal year to the next for the payment of prior year purchases. Whereas submittal of requisitions for equipment will normally take place over the course of six months once the fiscal year

DATE: MARCH 1, 2023

PAGE 3 OF 4

SUBJECT: AWARD OF CONTRACT NO. 39987 TO QUINN COMPANY

has begun, it is anticipated the contract will allow ordering to take place within the first month of the fiscal year.

Selection Process – The City of Los Angeles Charter Article III, Section 371(e)(8) and Los Angeles Administrative Code Division 10, Chapter 1, Article 2, Section 10.15(a)(8) allow for “contracts for cooperative arrangement with other governmental agencies for the utilization of the purchasing contracts and professional, scientific, expert or technical services contracts of those agencies and any implementing agreements, even though the contracts and implementing agreements were not entered into through a competitive bid process.”

It is recommended that the Harbor Department enter into the proposed Contract No. 39987 with Quinn. As previously stated, the contract will speed the procurement process and allow C&M to be more responsive to its internal customers by being able to supply replacement equipment more readily. Likewise, the sooner new equipment is provided, the sooner older, more maintenance prone equipment can be salvaged.

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of the contract with the Quinn company for the purchase and delivery of heavy duty construction equipment, which is an administrative action. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed Contract would authorize up to \$1,500,000 for a total of one year for the purchase of heavy-duty construction equipment. The proposed Contract is to be used for one year and the not-to-exceed amount will be \$1,500,000. Spending under the proposed Contract is anticipated to occur as follows:

Budget Source	FY 23/24	Total
Account No. 13150 Org. No. 0510 Prog. No. 000	\$1,500,000	\$1,500,000

DATE: MARCH 1, 2023

PAGE 4 OF 4

SUBJECT: AWARD OF CONTRACT NO. 39987 TO QUINN COMPANY

Funding in the amount of \$1,500,000 has been requested to be included within the Fiscal Year (FY) 2024 budget within Center 0510, Program 000, Account 13150 (Capital Equipment over \$5k), subject to Board approval. Actual Contract expenditures may be less than the Contract amount.

Equipment replaced as a result of the purchase of new equipment will be salvaged through the Los Angeles City Department of General Services, and the proceeds will be returned to the Harbor Revenue Fund. The Harbor Department will be financially responsible for payment of expenses incurred under the proposed Contract as well as all operational and maintenance costs associated with newly acquired equipment.

CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved the subject contract as to form and legality.

TRANSMITTALS:

1. Contract No. 39987

FIS Approval: MB

CA Approval: SO



TIM CLARK
Director of Port Construction & Maintenance



ANTONIO V. GIOIELLO, P.E.
Deputy Executive Director

APPROVED:

Marla Bleavins For

EUGENE D. SEROKA
Executive Director