

November 5, 2019

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2019-2020 FISCAL YEAR BUDGET TO TRANSFER FUNDS AND AUTHORIZING THE CITY MANAGER TO ISSUE A PURCHASE ORDER FOR CRAFTCO INC TO PURCHASE A KM8000 TEDD ASPHALT HOTBOX TRAILER (\$47,290.99).**

SUMMARY

Adoption of this resolution will authorize amending the 2019-2020 Fiscal Year budget to transfer Forty Seven Thousand Two Hundred Ninety Dollars and Ninety-Nine Cents (\$47,290.99) in funds between accounts will authorize the City Manager to accept the bid of Crafcoc Inc. and establish a purchase order for purchase of KM8000 TEDD Asphalt Hotbox Trailer.

BACKGROUND

In 2017, the City of Compton performed an update to the Pavement Management System, which identified approximately 125 miles of Fair to Very Poor condition categories of streets.

The Pavement Management System findings indicate that proper preventative maintenance is significantly overdue and presents safety and liability concerns for the City.

The City's Public Works Department ("Department") has been working actively to provide pothole repairs in order to increase the physical condition of the streets. It is imperative that the Department has the proper tools and machinery to do so and therefore it necessary to purchase an Asphalt Hotbox Trailer.

STATEMENT OF ISSUE

Staff solicited bids for the subject project. The following bids were received:

<u>CONTRACTOR</u>	<u>BID AMOUNT</u>
Crafcoc Inc.	\$47,290.99
K M International	\$46,815.00 (No CA Sales Tax Included)
NorMont Equipment Co.	\$47,275.00 (No CA Sales Tax Included)

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Crafco Inc. / KM8000 TEDD Asphalt Hotbox Trailer
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Staff has reviewed the bids and has determined that Crafco Inc. is the lowest responsible bidder in the amount of \$47,290.99, and recommends that the Council authorize a purchase order with this vendor. The other quotes received did not include California Sales Tax that would have to be paid to the State when registering the trailer at an estimated amount of 10% of purchase price, therefore, making Crafco Inc. the lowest bidder as their price already includes sales tax.

ALTERNATIVE

None proposed.

FISCAL IMPACT

The total amount of purchase order is \$47,290.99. To cover cost, the 2019-2020 Fiscal Year budget must be amended to transfer funds between accounts as follows:

<u>From</u>	<u>To</u>	<u>Object Code</u>	<u>Amount</u>
6000-720-000-4236	6000-720-000-4334	Machine & Equip	\$47,290.99

Funds for this expenditure will be available in the 2019-2020 Fiscal Year budget of the Public Works Department in Account No. 6000-720-000-4334 after the budget transfer is made.

RECOMMENDATION

It is staff's recommendation that the City Council adopt the attached Resolution.

**CRAIG J. CORNWELL
CITY MANAGER**