

RESOLUTION NO. 2017-65

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING PURCHASE OF A 2017 LEKTRO MODEL AP8750CX-AL AIRCRAFT TUG FROM ADVANTAGE GSE, INC. OF TUSTIN, CALIFORNIA, WAVING CITY'S FORMAL BID PROCESS FINDING THAT COMPETITIVE BIDDING WOULD BE UNAVAILING, WOULD NOT PRODUCE AN ADVANTAGE, WOULD NOT BE IN THE PUBLIC INTEREST AND THAT THE COMMODITY OR PRODUCT CAN ONLY BE OBTAINED FROM ONE VENDOR, AUTHORIZING FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES AND AUTHORIZING CITY MANAGER TO EXECUTE PURCHASE AGREEMENT ON BEHALF OF CITY SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY

WHEREAS, at the regular meeting of June 21, 2016, City Council adopted Resolution No. 2016-98, approving the FY 2016-17 Budget; and

WHEREAS, at the special meeting of June 13, 2017, City Council adopted Resolution No. 2017-58, authorizing amendment of the FY 2016-17 Budget for certain funds, including the Airport Enterprise Fund 555; and

WHEREAS, at the regular meeting of June 20, 2017, City Council adopted Resolution No. 2017-63, approving the FY2017-18 Budget; and

WHEREAS, with approximately 60 based aircraft and increasing number of transient aircraft utilizing the Airport, the need for aviation specific ground support equipment is increasing; and

WHEREAS, the most common ground support equipment is an aircraft tug. In the aviation industry, Lektro is widely considered as the industry leading manufacturer of aircraft tugs. Lektro aircraft tugs are electrically/battery powered, do not require aircraft specific tow-bars, can be equipped with battery powered GPU and are virtually maintenance free other than to service bi-annually and/or replace the batteries about every five to seven years; and

WHEREAS, Lektro aircraft tugs have a long service life with many units in service with over 4,000 hours of operation. Due to their many advantages, Lektro aircraft tugs are in demand and retain an excellent resale value. Advantage GSE, Inc. of Tustin, California is the Lektro vendor for the south-western region of North America; and

WHEREAS, the Airport is in need of an aircraft tug with the capacity to move aircraft weighing up to 85,000 lbs. The Lektro 87 series aircraft tug would service aircraft in this weight range. There are two based mid size business jets in the 30,000 lbs. to 85,000 lbs. weight range that rent hangar space at the airport. On occasion, there are transient (visiting) aircraft in this weight range that utilize the Airport; and

WHEREAS, Marina Municipal Code 3.16.040 "Purchasing System; Bidding Required-Exceptions," allows for an exception to the City's formal bidding process when the commodity or product can be obtained from only one vendor or when the city council has found by resolution that competitive bidding would be unavailing, would not produce an advantage and would not be in the public interest; and

WHEREAS, aviation ground support equipment is not available through the State of California, Department of General Services (DGS); and

WHEREAS, the Airport contacted Advantage GSE, Inc., to solicit a quote for an 87 series aircraft tug. Staff received the quote for a 2017 AP8750CX-AL Aircraft Tug delivered for \$70,572 (“**EXHIBIT A**”); and

WHEREAS, further finding that due to the unique design features and capabilities of the Lektro aircraft tug, initiating a competitive bidding process would be unavailing, would not produce an advantage or be in the public interest and that Advantage GSE, Inc. is the Lektro vendor for the south-western region of North America; and

WHEREAS, funding is available in the FY 2017-18 Budget, Airport Enterprise Fund 555 for the purchase of the Lektro aircraft tug in the amount of \$70,572; and

WHEREAS, the aircraft tug purchase was contemplated in the FY 2016-17 Budget Airport Enterprise Fund 555, therefore it is necessary to amend the FY 2017-18 Budget, Airport Enterprise Fund 555, Capital Outlay Equipment, Account No. 555.000.000.00-6700.110 increasing the appropriation amount by \$53,000 in the Capital Outlay Equipment Account; and

WHEREAS, the cost of purchase will be recorded in the FY 2017-18 Budget, Airport Enterprise Fund 555, Capital Outlay Equipment, Account No. 555.000.000.00-6700.110.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Marina does hereby:

1. Approve purchase of a 2017 LEKTRO Model AP8750CX-AL Aircraft Tug from Advantage GSE, Inc. of Tustin, California; and
2. Waive the City’s formal bid process finding that competitive bidding would be unavailing, would not produce an advantage, would not be in the public interest and that the commodity or product can only be obtained from one vendor; and
3. Authorize Finance Director to make necessary accounting and budgetary entries, and
4. Authorize City Manager to execute purchase agreement on behalf of the City subject to final review and approval by the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 5th day of July 2017 by the following vote:

AYES: COUNCIL MEMBERS: Amadeo, Morton, O’Connell, Brown, Delgado

NOES: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

David W. Brown, Mayor Pro-Temp

ATTEST:

Anita Sharp, Deputy City Clerk

Print Name: _____ Address: _____

June 29, 2017

Item No. **8f(2)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of July 5, 2017

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2017-,
APPROVING PURCHASE OF A 2017 LEKTRO MODEL AP8750CX-AL
AIRCRAFT TUG FROM ADVANTAGE GSE, INC. OF TUSTIN,
CALIFORNIA, WAVING CITY'S FORMAL BID PROCESS FINDING
THAT COMPETITIVE BIDDING WOULD BE UNAVAILING, WOULD
NOT PRODUCE AN ADVANTAGE, WOULD NOT BE IN THE PUBLIC
INTEREST AND THAT THE COMMODITY OR PRODUCT CAN ONLY
BE OBTAINED FROM ONE VENDOR, AUTHORIZING FINANCE
DIRECTOR TO MAKE NECESSARY ACCOUNTING AND
BUDGETARY ENTRIES AND AUTHORIZING CITY MANAGER TO
EXECUTE PURCHASE AGREEMENT ON BEHALF OF CITY SUBJECT
TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2017-, approving purchase of a 2017 LEKTRO Model AP8750CX-AL Aircraft Tug from Advantage GSE, Inc. of Tustin, California; and
2. Waiving City's formal bid process finding that competitive bidding would be unavailing, would not produce an advantage, would not be in the public interest and that the commodity or product can only be obtained from one vendor; and
3. Authorizing Finance Director to make necessary accounting and budgetary entries; and
4. Authorizing City Manager to execute purchase agreement on behalf of the City subject to final review and approval by the City Attorney.

BACKGROUND:

At the regular meeting of June 21, 2016, City Council adopted Resolution No. 2016-98, approving the FY 2016-17 Budget.

At the special meeting of June 13, 2017, City Council adopted Resolution No. 2017-58, authorizing amendment of the FY 2016-17 Budget for certain funds, including the Airport Enterprise Fund 555.

At the regular meeting of June 20, 2017, City Council adopted Resolution No. 2017-63, approving the FY2017-18 Budget.

With approximately 60 based aircraft and increasing number of transient aircraft utilizing the Airport, the need for aviation specific ground support equipment is increasing. Aviation ground support equipment includes aircraft tugs, ground power units (GPU), AC power carts, fuel trucks, lavatory service carts, oxygen supply units, etc. Aviation ground support equipment plays a critical role in supporting business and private aviation.

The most common ground support equipment is an aircraft tug. In the aviation industry, Lektro is widely considered as the industry leading manufacturer of aircraft tugs. Lektro aircraft tugs are electrically/battery powered, do not require aircraft specific tow-bars, can be equipped with battery powered GPU and are virtually maintenance free other than to service bi-annually and/or replace the batteries about every five to seven years.

Lektro aircraft tugs have a long service life with many units in service with over 4,000 hours of operation. Due to their many advantages, Lektro aircraft tugs are in demand and retain an excellent resale value. Advantage GSE, Inc. of Tustin, California is the Lektro vendor for the south-western region of North America.

ANALYSIS:

The Airport is in need of an aircraft tug with the capacity to move aircraft weighing up to 85,000 lbs. The Lektro 87 series aircraft tug would service aircraft in this weight range. There are two based mid size business jets in the 30,000 lbs. to 85,000 lbs. weight range that rent hangar space at the airport. On occasion, there are transient (visiting) aircraft in this weight range that utilize the Airport.

This all electric aircraft tug will serve the airport and aviation public well in moving aircraft in and out of the various hangars or to tie-down positions and/or to the fuel farm for fueling, moving disabled aircraft from the runway, taxiways and tarmac areas and providing GPU service for starting aircraft with turbine engines and/or jump starting aircraft with piston engines.

The Amended FY 2016-17 and Adopted FY 2017-18 budgets for the Airport Enterprise Fund contains appropriation for capital equipment purchases and contemplated the purchase of aviation ground support equipment such as an aircraft tug.

Marina Municipal Code 3.16.040 "Purchasing System; Bidding Required-Exceptions," allows for an exception to the City's formal bidding process when the commodity or product can be obtained from only one vendor or when the city council has found by resolution that competitive bidding would be unavailing, would not produce an advantage and would not be in the public interest.

Pursuant to City of Marina Resolution No. 95-75, the City of Marina is authorized to use the State of California Cooperative Purchasing System to obtain equipment from the State of California Department of General Services (DGS). Aviation ground support equipment is not available through the State of California, Department of General Services (DGS).

The Airport contacted Advantage GSE, Inc., to solicit a quote for an 87 series aircraft tug. Staff received the quote for a 2017 AP8750CX-AL Aircraft Tug delivered for \$70,572 ("EXHIBIT A").

Further finding that due to the unique design features and capabilities of the Lektro aircraft tug, initiating a competitive bidding process would be unavailing, would not produce an advantage or be in the public interest and that Advantage GSE, Inc. is the Lektro vendor for the south-western region of North America.

FISCAL IMPACT:

Should the City Council approve this request, funding is available in the FY 2017-18 Budget, Airport Enterprise Fund 555 for the purchase of the Lektro aircraft tug in the amount of \$70,572.

The aircraft tug purchase was contemplated in the FY 2016-17 Budget Airport Enterprise Fund 555, therefore it is necessary to amend the FY 2017-18 Budget, Airport Enterprise Fund 555, Capital Outlay Equipment, Account No. 555.000.000.00-6700.110 increasing the appropriation amount by \$53,000 in the Capital Outlay Equipment Account.

The cost of purchase will be recorded in the FY 2017-18 Budget, Airport Enterprise Fund 555, Capital Outlay Equipment, Account No. 555.000.000.00-6700.110.

CONCLUSION:

This request is submitted for City Council consideration and possible action.

Respectfully submitted,

Jeff Crechriou
Airport Services Manager
City of Marina

REVIEWED/CONCUR:

Layne Long
City Manager
City of Marina