



REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

CONSENT

December 12, 2006

Honorable Mayor and
Members of the City Council

Title: Purchase: Fuel, Rental Cars, Various Automotive and Equipment Parts and Repair Services Using Cooperative Purchasing Contracts

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) Authorizing the City Manager or his designee, where advantageous to the city, to use State of California, Sacramento County, and Placer County contracts to procure fuel, rental cars, Voyager credit card services and various automotive and equipment parts and repair services from, Arata Equipment Company, Betts Trucks Parts, Capitol Clutch & Brake, Cell Energy, Cummins West Inc., Enterprise Rent-A-Car, Fleet Pride, Harrold Ford, Holt of California, Hunt & Sons, K&T Truck Repair, Lehr Auto Electric, Municipal Maintenance & Equipment Company, Pleasanton Truck and Equipment Company, Napa Auto Parts, Pape Machinery, Amrep Inc., Western Truck Parts, Voyager Fleet Systems, and Sacramento Truck Center; and 2) authorizing purchases in a combined amount not to exceed \$10.73 million through December 31, 2007, or until each contract is no longer available for use by the City of Sacramento.

Contact: Keith Leech, Fleet Manager, 808-5869; Chris Stewart, Procurement Services Manager, 808-6202

Presenters: Not applicable.

Department: General Services

Division: Fleet Management

Organization No: 3259

Description/Analysis:

Issues: The City of Sacramento, Department of General Services, Fleet Management Division has ongoing requirements to purchase fuel, rental car services, Voyager Credit Card services and various automotive and equipment parts and repair services. In accordance with City Code 3.56.240 the Mayor and City Council may authorize the use of cooperative government contracts. The use of cooperative contracts is an alternative to City competitive bidding, which

results in lower operating costs through volume purchasing and combining resources with other governmental agencies.

Policy Considerations: The recommendations in this report are in accordance with the provisions of the City Code Section 3.56.240, which allows for the use of legal contracts from other jurisdictions or public agencies without separate competitive bidding by the City upon approval of the City Council.

Environmental Considerations: The current project has been determined to be exempt from the requirements of the California Environmental Quality Act (CEQA), under Section 15061(b)(3), which states that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The current proposal involves only the purchasing of automotive repair services and supplies. Therefore, it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment.

Rationale for Recommendation: In an ongoing effort to maximize cost savings and staff resources, many government agencies share contracting efforts through cooperative purchasing or piggybacking. These procurement approaches increase pricing competitiveness and lower operating costs through volume buying. When comparing the administrative costs of procurement, staff considers product research, source selection, specifications, advertising, staff reports, awarding, protest, and administration of the contract. It is often more cost-effective to eliminate the cost and time spent on these administrative processes and purchase items and services through a cooperative purchasing program.


The City has used both regional and national cooperative purchasing agreements to complement its own contracting initiatives. Cooperative purchasing enables City departments and the Procurement Services Division to evaluate a broader range of contracting opportunities and to share resources with other jurisdictions. Cooperative purchasing also leverages internal and external resources to maximize cost savings opportunities for the City.


This report recommends that the Mayor and City Council accept the bids obtained competitively by the State of California, Sacramento County, and Placer County, as the basis for awarding City contracts. Further, staff recommends that the Procurement Services Manager be authorized to use these cooperative contracts for the purchase of the aforementioned commodities and services in an amount not to exceed \$10.73 million through December 31, 2007. A list of the proposed vendors contracts and commodities are listed in exhibit A.


Financial Considerations: The use of cooperative contracts is an alternative to City competitive bidding, which results in lower operating costs through volume purchasing and combining resources with other governmental agencies. The cost of the cooperative contracts is budgeted in the Fleet Management organization annually as well as in the operating budgets of the City departments that utilize fleet resources.

Staff will verify adequate budget resources prior to authorizing purchases against these cooperative contracts.

Emerging Small Business Development (ESBD): Cooperative Purchasing Agreements are created, evaluated and awarded by other government agencies that may or may not have similar emerging and small business programs. However, the Department of General Services, Fleet Management Division and the Finance Department, Procurement Services Division will consider other alternatives if it is determined that using cooperative contracts may have a negative impact on small businesses.

Respectfully Submitted: 
Chris Stewart
Procurement Services Manager

Respectfully Submitted: 
Keith Leech
Fleet Manager

Approved by: 
Reina J. Schwartz
Director, Department of General Services

Recommendation Approved:

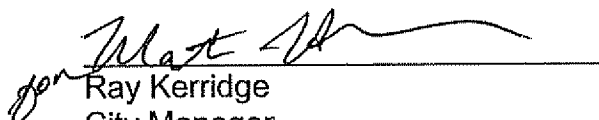

Ray Kerridge
City Manager

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RESOLUTION NO. 2006-XXXX

Adopted by the Sacramento City Council

December 12, 2006

AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO USE STATE OF CALIFORNIA, SACRAMENTO COUNTY, AND PLACER COUNTY CONTRACTS TO PROCURE FUEL, RENTAL CARS, VOYAGER CREDIT CARD SERVICES AND VARIOUS AUTOMOTIVE AND EQUIPMENT PARTS AND REPAIR SERVICES FROM, ARATA EQUIPMENT COMPANY, BETTS TRUCKS PARTS, CAPITOL CLUTCH & BRAKE, CELL ENERGY, CUMMINS WEST INC., ENTERPRISE RENT-A-CAR, FLEET PRIDE, HARROLD FORD, HOLT OF CALIFORNIA, HUNT & SONS, K&T TRUCK REPAIR, LEHR AUTO ELECTRIC, MUNICIPAL MAINTENANCE & EQUIPMENT COMPANY, PLEASANTON TRUCK AND EQUIPMENT COMPANY, NAPA AUTO PARTS, PAPE MACHINERY, AMREP INC., WESTERN TRUCK PARTS, VOYAGER FLEET SYSTEMS, AND SACRAMENTO TRUCK CENTER; AND AUTHORIZING PURCHASES IN A COMBINED AMOUNT NOT TO EXCEED \$10.73 MILLION THROUGH DECEMBER 31,2007, OR UNTIL THE CONTRACT IS NO LONGER AVAILABLE FOR USE BY THE CITY OF SACRAMENTO.

BACKGROUND

- A. Department of General Services, Fleet Management Division has ongoing requirements to purchase fuel, rental car services, Voyager credit card services, and various automotive and equipment parts and repair services through the use of cooperative purchasing contracts with the State of California, Sacramento County, and Placer County contracts. The City has an opportunity to obtain lower pricing for these items through volume purchasing.
- B. Staff requests that the Mayor and City Council accept the bids obtained competitively by the State of California, Sacramento County, and Placer County as the basis for awarding City contracts in accordance with City Code Section 3.56.240, which allows for use of cooperative contracts through other governmental jurisdictions or public agencies without separate bidding.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The results of the Sacramento County contract numbers WA00018313, WA00018910, WA00018862, WA00019401, WA00018866, WA00018885, WA00019231, WA00018892, WA00019302, WA00018894, WA00020419, WA00018875, WA00019700, WA00018901, WA00018891, WA00018908, WA00018873; and Placer County contract number BP013848; and State of California contract numbers DGSOFAOENT, and D95-OFA-03-FC-1

listed in Exhibit A are hereby accepted for the purchase of fuel, rental car services, Voyager credit card services, various automotive and equipment parts and repair services.

Section 2. The City Manager or his designee, where advantageous to the city, is hereby authorized to execute the necessary purchases on: Sacramento County contract numbers WA00018313 with AMREP, Inc. for a total amount not to exceed \$325,000, WA00018910 with Arata Equipment Co. for a total amount not to exceed \$400,000, WA00018862 with Betts Truck Parts for a total amount not to exceed \$150,000, WA00019401 with Cummins West Inc. for a total amount not to exceed \$300,000, WA00018866 with Fleet Pride for a total amount not to exceed \$125,000, WA00018885 with Harrold Ford for a total amount not to exceed \$125,000, WA00019231 with Harrold Ford for a total amount not to exceed \$125,000, WA00018892 with Holt of California for a total amount not to exceed \$300,000, WA00019302 with Hunt & Sons for a total amount not to exceed \$6,000,000, WA00018894 with K & T Truck Repair for a total amount not to exceed \$400,000, WA00020419 with Lehr Auto Electric, Inc. for a total amount not to exceed \$130,000, WA00018875 with Municipal Maintenance Equipment for a total amount not to exceed \$200,000, WA00019700 with Napa Auto Parts for a total amount not to exceed \$200,000, WA00018901 with Pape Machinery for a total amount not to exceed \$400,000, WA00018891 with Pleasanton Truck & Equipment for a total amount not to exceed \$400,000, WA00018908 with Sacramento Truck Center for a total amount not to exceed \$250,000, WA00018873 with Western Truck Parts for a total amount not to exceed \$350,000; and Placer County contract number BP013848 with Capitol Clutch & Brake for a total amount not to exceed \$175,000; and State of California contract numbers DGSOFAOENT with Enterprise Rent-A-Car for a total amount not to exceed \$125,000, and D95-OFA-03-FC-1 with Voyager Fleet System, Inc. for a total amount not to exceed for \$250,000, in a combined amount not to exceed \$10.73 million through December 31, 2007, or until such date as they are no longer available for use by the use the City of Sacramento. A list of the proposed vendors contracts and commodities are listed in Exhibit A.

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Fleet Management Vendors and Commodities List

Vendor	Contract #	Gov't. Agency	Item / Service	Total
AMREP, Inc.	WA00018313	County of Sacramento	Parts & Services for AMREP Refuse Truck Bodies	\$325,000
Arata Equipment Co.	WA00018910	County of Sacramento	Parts for Leach Refuse Trucks	\$400,000
Betts Truck Parts	WA00018862	County of Sacramento	HD Equipment Parts, Clutches, Suspension and Front End Parts & Repairs	\$150,000
Cummins West Inc.	WA00019401	County of Sacramento	O.E.M. Replacement Parts & Services	\$300,000
Fleet Pride	WA00018866	County of Sacramento	Misc. Chemicals & AC Parts	\$125,000
Harrold Ford	WA00018885	County of Sacramento	Ford Parts & Service	\$125,000
Harrold Ford	WA00019231	County of Sacramento	Body & Collision Repair	\$125,000
Holt of California	WA00018892	County of Sacramento	Caterpillar Parts & Repairs	\$300,000
Hunt & Sons	WA00019302	County of Sacramento	Motor Fuel Purchase	\$6,000,000
K & T Truck Repair	WA00018894	County of Sacramento	Equipment Parts & Services	\$400,000
Lehr Auto Electric Inc.	WA00020419	County of Sacramento	Accessories for Emergency Vehicles	\$130,000
Municipal Maintenance Equip.	WA00018875	County of Sacramento	Equipment Parts, Vicon, Schwarze, Tiger, Sreco Parts/Repairs	\$200,000
Napa Auto Parts	WA00019700	County of Sacramento	Various Light Fleet Parts	\$200,000
Pape Machinery	WA00018901	County of Sacramento	Parts and Service for John Deere Equipment	\$400,000
Pleasanton Truck & Equip	WA00018891	County of Sacramento	HD Equipment Parts Heil Parts & Services	\$400,000
Sacramento Truck Center	WA00018908	County of Sacramento	Equipment Parts, Various Truck Parts	\$250,000

Vendor	Contract #	Gov't. Agency	Item / Service	Total
Western Truck Parts	WA00018873	County of Sacramento	O.E.M. Replacement Parts & Services for Peterbilt, Autocar, Volvo & GMC Trucks	\$350,000
Capitol Clutch & Brake	BP013848	Placer County	Clutch and Brake Parts	\$175,000
Enterprise Rent-A-Car	DGSOFAOENT	State of California	Car Rentals	\$125,000
Voyager Fleet Systems, Inc.	D95-OFA-03-FC-1	State of California	Automotive Fuel Credit Cards	\$250,000
			NOT TO EXCEED AMOUNT:	\$10,730,000