



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

CONSENT
June 12, 2007

Honorable Mayor and
Members of the City Council

Title: Contract for Auto Parts—Two Thirds Vote Required

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** (1) suspending competitive bidding; (2) awarding a contract for automotive parts to Parts Plus through January 31, 2008, in an amount not to exceed \$200,000.

Contact: Chris Stewart, Procurement Services Manager, 808-6202

Marc Robles, Program Analyst, Procurement Services, 808-6343

Presenters: None

Department: Finance

Division: Procurement Services

Organization No: 3259

Description/Analysis

Issue: The Department of General Services, Fleet Management Division has an ongoing need for automotive parts to ensure the reliability of the City's fleet of vehicles. In past years, separate bids were conducted to obtain these parts and the City had awarded five bids, the terms of which will expire at different times throughout this calendar year. A recent City audit recommendation and procurement best practices have concluded that a single bid for the various parts should be prepared. However, additional time is needed to develop the complex requirements to meet the City's future auto parts needs. Therefore, this report recommends that competitive bidding be suspended and that the City award a single contract for auto parts through January 31, 2008 in an amount not to exceed \$200,000 to allow for the purchase of auto parts while staff develops the requirements and specifications of a new bid.

Policy Considerations: This recommendation is consistent with the requirements for competitive bidding as detailed in Sacramento City Code 3.56. The Equal Benefits Ordinance (EBO) is applicable to this agreement and the vendor has affirmed its intent to comply. As award of this contract will exceed the City Manager's contracting authority of \$100,000, City Council approval is required.

Environmental Considerations: None

Rationale for Recommendation: Fleet Management is responsible for maintaining an inventory of commonly used auto parts, in addition to procuring "just-in-time" deliveries of auto parts to repair and maintain the City's fleet of vehicles. In past years, small, informal bids were conducted for specific automotive items such as brake parts, belts and hoses. The resulting contracts from these bids will expire at different times during this calendar year. However, as a result of consolidation in the auto parts industry and implementation of best practices in Procurement, staff believes that conducting one comprehensive bid for auto parts is the most practical and efficient method, and allows the City to obtain the best pricing.

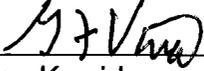
Financial Considerations: Sufficient funds are available in the General Services operating budgets for these supplies, which are expended on an as needed basis.

Emerging Small Business Development (ESBD): Parts Plus is not certified as a small business enterprise.

Respectfully submitted by: Craig B. Stewart for
Chris Stewart
Procurement Services Manager

Approved by: Russell Fehr
Russell Fehr
Director of Finance

Recommendation Approved:

for 

Ray Kerridge
City Manager

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RESOLUTION NO. 2007-XXXX

Adopted by the Sacramento City Council

June 12, 2007

SUSPENDING COMPETITIVE BIDDING IN THE BEST INTEREST OF THE CITY AND AWARDING A CONTRACT FOR AUTOMOTIVE PARTS THROUGH JANUARY 31, 2008

BACKGROUND

- A. The Department of General Services, Fleet Management Division has an ongoing need for automotive parts to ensure the continued reliability of the City's fleet of vehicles. In past years, separate bids were conducted to obtain these parts and the City had awarded multiple bids to Parts Plus, the terms of which expire at different times throughout this calendar year.
- B. To ensure a reliable supply of automotive parts, staff recommends that the City Council award a single contract to Parts Plus under the pricing and terms currently used in Bid nos. I-3965-R for Automotive Belts, Hoses and Related Items; I-4015-R for Front End Suspension Parts; I-4048-R for Hydraulic Hoses, Couplers and Fittings; I-4058-R for Automotive and Industrial Filters; and B061181035 for Brake Parts. The vendor has agreed to honor the contract pricing through January 31, 2008.
- C. In the best interest of the City, and to allow time to develop a comprehensive auto parts bid, staff recommends suspension of competitive bidding and award a contract for automotive parts to Parts Plus in an amount not to exceed \$200,000 through January 31, 2008, under the same pricing and terms resulting from the above bids.

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

- Section 1. In the best interest of the City, competitive bidding is suspended for the purchase of automotive parts, including belts, hoses, suspension parts, hydraulic hoses, couplers, fittings, filters, brake parts, and related items.
- Section 2. The contract for automotive parts is awarded to Parts Plus, 6545 Caballero Blvd., Buena Park, CA, in an amount not to exceed \$200,000 through January 31, 2008, under the same contract pricing and terms resulting from Bid nos. I-3965-R for Automotive Belts, Hoses and Related Items; I-4015-R for Front End Suspension Parts; I-4048-R for Hydraulic Hoses, Couplers and Fittings; I-4058-R for Automotive and Industrial Filters and B061181035 for Brake Parts.