



REPORT TO COUNCIL

City of Sacramento

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

Consent
February 20, 2007

Honorable Mayor and
Members of the City Council

Title: Contract: Automatic Transmission Repair Services

Location/Council District: Citywide

Recommendation: Adopt a **Resolution:** 1) Awarding a one-year contract with four one year options to extend the contract for four additional years to the lowest responsible bidder for automatic transmission repair services to House of Automatic Transmission; and 2) authorizing the City Manager or his designee to execute a contract with the House of Automatic Transmission in an amount not to exceed \$399,000.

Contacts: Keith Leech, Fleet Manager, 808-5869; Christopher Stewart, Procurement Services Manager, 808-6202

Presenters: Not applicable

Department: General Services

Division: Fleet Management

Organization No: 3259

Description / Analysis

Issue: In addition to the transmission repair services provided by Fleet staff each year, there is a need to outsource some transmission services because of workload that exceeds Fleet staff capacity. Procurement Services advertised the requirements for these services and recommends the award of Invitation for Bid (IFB) B071187055 for the replacement contract.

Policy Considerations: The recommendations in this report are in accordance with provisions of the City Code, Section 3.56.160.

Committee/Commission Action: Not applicable.

Environmental Considerations: The current project has been determined to be exempt from the requirements of the California Environmental Quality Act (CEQA), under Sections 15061(b)(3) which states that CEQA applies only to

projects which have the potential for causing a significant effect on the environment, and 15301 relating to projects for repairs and maintenance of existing City facilities. The current proposal involves the purchasing of parts and repair services for the repair and maintenance of City vehicles and equipment.

Rationale for Recommendation: In FY2005/06, the City spent \$69,917 for automatic transmission repair services. These services were competitively bid and advertised in accordance with Chapter 3.56 of the City Code and Administrative Policy Instruction 1, Procurement of Supplies and Non-Professional Services. Six prospective bidders registered with the City's Bid Center; one bid was received.

In accordance with City Code Section 3.56.020, Determination of Lowest Responsible Bidder, the City performed an analysis on the House of Automatic Transmission, and they were found to be the lowest responsible bidder.

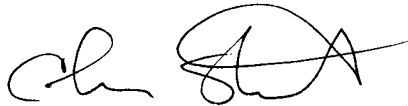
Financial Considerations: In FY2005/06, the City spent \$69,917 for automatic transmission repair services. Staff is recommending that a five year contract be entered into with House of Automatic Transmission for these services for an amount not to exceed \$399,000, which reflects the amount anticipated to be expended. The proposed contract allows the City to take advantage of firm-fixed pricing for transmission services to be performed.

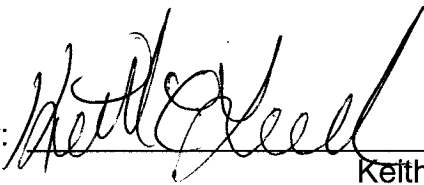
The contract will be awarded with an initial base period and four one-year option periods to be exercised at the City's discretion. The contract will not extend beyond five years and will have a not to exceed value of \$399,000. Staff is recommending that the City Manager be authorized to approve such extension(s) for the annual not to exceed amount specified below, provided that sufficient funds are available in the budget adopted for the applicable Fiscal Year(s).

- FY 2006/07 the initial Base Period has a not to exceed value of \$76,515.
- FY 2007/08 has a not to exceed value of \$78,045.
- FY 2008/09 has a not to exceed value of \$79,606.
- FY 2009/10 has a not to exceed value of \$81,198.
- FY 2010/11 has a not to exceed value of \$83,636
- The Overall Contract has a not to exceed value of \$399,000.

Sufficient funds are available in the Department of General Services, Fleet Management Division operating budget for FY 2006/07 to cover the initial period of the contract.

Emerging Small Business Development (ESBD): The House of Automatic Transmission is registered with the City of Sacramento, and is certified with the City of Sacramento as a Small Business Enterprise (SBE).

Respectfully submitted by: 
Christopher Stewart
Procurement Services Manager

Respectfully submitted by: 
Keith Leech
Fleet Manager

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

Recommendation Approved:

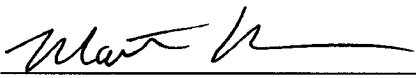

for Ray Kerridge
City Manager

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RESOLUTION NO.

Adopted by the Sacramento City Council

February 20, 2007

AWARDING A ONE-YEAR CONTRACT WITH FOUR ONE YEAR OPTIONS TO EXTEND THE CONTRACT FOR FOUR ADDITIONAL YEARS FOR AUTOMATIC TRANSMISSION REPAIR SERVICES TO HOUSE OF AUTOMATIC TRANSMISSION AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE A CONTRACT WITH THE HOUSE OF AUTOMATIC TRANSMISSION IN AN AMOUNT NOT TO EXCEED \$399,000

BACKGROUND

- A. In addition to the transmission repair services provided by Fleet staff each year, there is a need to outsource some transmission services because of workload.
- B. This acquisition was competitively bid and advertised in accordance with Chapter 3.56 of the City Code and Administrative Policy Instruction 1, Procurement of Supplies and Non-Professional Services. Pricing for the current requirements were solicited and advertised in the Invitation for Bid (IFB) B071187055. Six prospective bidders registered with the City Bid Center; one bid was received.
- C. In accordance with City Code, Chapter 3.56.020, the lowest responsible bidder was House of Automatic Transmission.

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

- Section 1. The contract is awarded to House of Automatic Transmission, the lowest responsible bidder in an amount not to exceed \$399,000.
- Section 2. The City Manager or his designee is authorized to execute a one-year contract and up to four one-year extensions with the House of Automatic Transmission for the annual not to exceed amount specified below, provided that sufficient funds are available in the budget adopted for the applicable Fiscal Year(s).
 - FY 2006/07, the initial Base Period has a not to exceed value of \$76,515.
 - FY 2007/08 has a not to exceed value of \$78,045.
 - FY 2008/09 has a not to exceed value of \$79,606.
 - FY 2009/10 has a not to exceed value of \$81,198.
 - FY 2010/11 has a not to exceed value of \$83,636
 - The Overall Contract has a not to exceed value of \$399,000.