

**APPROVED**  
BY THE CITY COUNCIL

**MAY 11 1999**

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CITY CLERK



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DEPARTMENT OF  
FINANCE

PROCUREMENT SERVICES DIVISION

CITY OF SACRAMENTO  
CALIFORNIA

May 11, 1999

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City Council  
Sacramento, California

Honorable Members In session:

**SUBJECT: EXTENSION OF CONTRACT FOR OEM PARTS FOR FORD VEHICLES,  
BID NO. 1688**

**LOCATION AND COUNCIL DISTRICT:** City-wide; All districts

**STAFF RECOMMENDATION:**

Staff recommends that City Council authorize an extension of the contract resulting from Bid No. 1688 for Original Equipment Manufactured (OEM) Parts for Ford Vehicles, through September 30, 1999.

**CONTACT PERSON:** Robert Summersett, Fleet Management Superintendent, 433-6309  
Dennis Kerhulas, Senior Buyer, 433-6240

**FOR COUNCIL MEETING OF:** May 11, 1999

**SUMMARY:**

Staff recommends that the City Council authorize an extension of the contract resulting from Bid No. 1688 for OEM Parts for Ford Vehicles. The authorization will allow for the purchase of such parts while specifications are developed for formal competitive bidding. The contract, which was awarded by Council to Suburban Ford, expired on January 3, 1999. However, the vendor has agreed to extend the contract through September 30, 1999 and to continue to sell Ford OEM parts under the same terms and conditions as originally bid.

**BACKGROUND:**

This contract is used by the Maintenance Services Division of the Public Works Department, Fleet Operations, for the purchase of Ford OEM parts as may be required. Such parts can only be purchased from Ford Motor Company authorized dealers. Following formal competitive bidding of Bid No. 1688, the City Council awarded a contract to Suburban Ford on January 4, 1996 for a period of three years.

Due to workload constraints in the Maintenance Services Division, Fleet Operations Group, the development of specifications for competitive bidding to establish a new contract has been delayed. In order to maintain necessary fleet repair operations, staff recommends that the Council authorize extension of the contract with Suburban Ford through September 30, 1999. This will allow time for completion of specifications and solicitation of formal competitive bids to establish a new contract. Suburban Ford has agreed to continue to supply OEM Ford parts to the City under the terms, conditions, and pricing of Bid No. 1688 through September 30, 1999.

**FINANCIAL CONSIDERATIONS:**

These purchases are initially charged to the Maintenance Services Division, Fleet Operations' general inventory account whereby the items are debited to the Division's operating budget for maintenance and repair as the items are disbursed. Expenditures for the nine-month contract extension period are expected to total less than \$105,000.00.

**ENVIRONMENTAL CONSIDERATIONS:**

Ongoing administrative and maintenance activities, such as purchases of supplies, equipment or materials which are not made for purposes of a public works construction project, do not constitute a "project" and are exempt from the California Environmental Quality Act (CEQA). CEQA Guidelines, Sections 15061(b)(1), 15378(b)(3).

**POLICY CONSIDERATIONS:**

This recommendation is consistent with the requirements for competitive bidding as detailed in Title 57 of the Sacramento City Code.

**ESBD CONSIDERATIONS:**

Bid No. 1688 was sent to eight (8) vendors, none of which were identified as M/WBE firms. No response was received from a minority-owned or woman-owned enterprise. When bids are solicited for the new contract, participation of emerging and small business enterprise firms will be encouraged.

Respectfully Submitted,



Robert B. Holbrook  
Procurement Services Manager

**RECOMMENDATION APPROVED:**



ROBERT P. THOMAS  
City Manager