



APPROVED
BY THE CITY COUNCIL

JUN 9 1998

OFFICE OF THE
CITY CLERK

1.18

DEPARTMENT OF
FINANCE

PROCUREMENT SERVICES DIVISION

CITY OF SACRAMENTO
CALIFORNIA

June 9, 1998

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City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: PURCHASE OF DEALER ONLY AND ORIGINAL EQUIPMENT
MANUFACTURER PARTS FOR VEHICLES AND EQUIPMENT IN A TOTAL
AMOUNT NOT TO EXCEED \$240,000.00**

LOCATION AND COUNCIL DISTRICT: City-wide; All districts

STAFF RECOMMENDATION:

Staff recommends that the City Council authorize the suspension of formal competitive bidding for the purchase of dealer only and original equipment manufacturer vehicle and equipment parts, and adopt the attached Resolution which authorizes the City Manager to execute the necessary purchase orders through June 30, 1999, to the following vendors in a total amount not to exceed \$240,000.00.

G.C.S. Western Power & Equipment
1751 Bell Avenue
Sacramento, CA 95838

F.B. Hart Company
1441 Richards Blvd.
Sacramento, CA 95814

CONTACT PERSONS: Robert Summersett, Fleet Management Superintendent, 433-6309
Steve Alstrom, Senior Buyer, 433-6343

FOR COUNCIL MEETING OF: June 9, 1998

SUMMARY:

The Maintenance Services Division (Fleet Operations) has a requirement for the purchase of dealer only and original equipment manufacturer vehicle and equipment parts. This report recommends that the City Council authorize the suspension of formal competitive bidding and the issuance of purchase orders to local dealers and/or manufacturers' representatives for these parts.

BACKGROUND:

The Maintenance Services Division (Fleet Operations) has a requirement for dealer only and/or manufacturer replacement vehicle and equipment parts for use in making repairs to City vehicles and equipment. A great majority of replacement parts are available only from the original manufacturers or their authorized dealers, and after-market replacement parts are not available.

Some manufacturers have only one dealer in this area. The purchase of these parts, where competitive bidding is not possible without going outside of the Sacramento area, is desired from the closest authorized dealer to reduce vehicle downtime and associated expense. The vendors and types of parts to be purchased are as follows:

<u>Vendor</u>	<u>Items</u>	<u>Estimated Expenditures</u>
GCS Western Power & Equip. 1751 Bell Avenue Sacramento, CA	Case & TCM Loader Parts	\$110,000.00
F. B. Hart Company 1441 Richards Blvd. Sacramento, CA	GMC/Volvo Truck Parts	\$130,000.00
TOTAL		\$240,000.00

These vendors have demonstrated the ability to make deliveries in a timely manner and at a competitive price. Authorization is requested to make purchases for required replacement parts in an amount not to exceed a total of \$240,000.00 with the two vendors. These purchases will be made during the 1998/1999 fiscal year.

FINANCIAL CONSIDERATIONS:

These replacement parts will be charged against Maintenance Services Division (Fleet Operations) automotive accessory line 420-310-3259-4481. Sufficient funds are included in the proposed budget for fiscal year 98/99.

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).

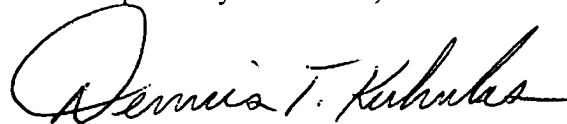
POLICY CONSIDERATIONS:

This recommendation is in accordance with the provisions of the City Code Chapter 57.04.401 (c), which authorizes suspension of formal competitive bidding upon a two-thirds vote of the City Council.

MBE/WBE EFFORTS:

Neither of the two vendors proposed for award of the subject purchases is a certified MBE/WBE firm. Staff contacted manufacturers of the parts to be purchased in order to obtain a list of authorized dealers in California. Each of those dealers was then contacted to ascertain whether any of them are certified MBE/WBE firms. Of the ten (10) authorized Volvo Truck dealers in California, none of the companies claimed to be MBE/WBE firms. Of the twenty-one (21) Case dealers in California, one claimed to be a woman-owned firm but that firm is not certified by the State of California or any other public agency, and that firm is located in Hanford, California.

Respectfully Submitted,



for Robert B. Holbrook
Procurement Services Manager

RECOMMENDATION APPROVED:



WILLIAM H. EDGAR
City Manager

1 Attachment

APPROVED
BY THE CITY COUNCIL

RESOLUTION NO. 98-249

JUN 9 1998

ADOPTED BY THE SACRAMENTO CITY COUNCIL

OFFICE OF THE
CITY CLERK

ON DATE OF _____

**A RESOLUTION SUSPENDING FORMAL COMPETITIVE BIDDING FOR THE
PURCHASE OF DEALER ONLY AND ORIGINAL EQUIPMENT MANUFACTURER
PARTS FOR VEHICLES AND EQUIPMENT IN A TOTAL AMOUNT NOT TO
EXCEED \$240,000.00**

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

1. In the best interest of the City of Sacramento, formal competitive bidding is hereby suspended for the purchase of Dealer Only and Original Equipment Manufacturer Parts for the Maintenance Services Division (Fleet Operations), and;
2. The City Manager is hereby authorized to execute the purchase orders with F.B. Hart Company, 1441 Richards Blvd., Sacramento, CA 95814 and GCS Western Power & Equipment, 1751 Bell Avenue, Sacramento, CA 95838, in a total amount not to exceed \$240,000.00.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____