

City of Sacramento

Legislation Text

File #: 2018-01576, **Version:** 1

Title:

Contract Supplement No. 3: Original Equipment Manufacturer (OEM) Chevrolet and GMC Parts and Services

File ID: 2018-01576

Location: Citywide

Recommendation:

Pass a Motion authorizing the City Manager or City Manager's designee to execute Contract Supplement No. 3 to Contract No. 2016-0184 with Maita Chevrolet for the purchase of Original Equipment Manufacturer (OEM) parts and repairs for Chevrolet and GMC vehicles, increasing the contract amount by \$125,000 for a revised total contract not to exceed amount of \$375,000.

Contact: Alison Crandall, Program Specialist, (916) 808-1163; Mark Stevens, Fleet Manager, (916) 808-5869, Department of Public Works

Presenter: None

Attachments:

1-Description/Analysis

2-Contract Supplement No. 3

Description/Analysis

Issue Detail: The Department of Public Works, Fleet Management Division, has an ongoing requirement to purchase Chevrolet and GMC Original Equipment Manufacturer (OEM) parts and repair services for city vehicles.

Policy Considerations: City Code 3.56.290(A)(3) requires City Council approval for a contract supplement when the original contract is \$250,000 or more, and the supplement increases the contract amount by more than 10%.

Economic Impacts: None

Environmental Considerations: No environmental review is necessary because the recommendations in this report involve the purchase of parts and repair services for City vehicles and are not considered to be a project in accordance with Section 15378(b)(2) of the California Environmental Quality Act guidelines.

Sustainability: Not Applicable

Commission/Committee Action: None

Rationale for Recommendation: On February 9, 2016, City Council adopted Resolution No. 2016-0038 (Contract 2016-0184), awarding a five-year contract to Maita Chevrolet for the purchase of Chevrolet and GMC OEM parts and repair services. Since the contract was awarded, the annual maintenance and repair work on both brands of vehicles has been higher than originally anticipated due to heavy use and increased age. Fleet Management has determined that the current contract authority of \$250,000 will be exhausted prior to the end of the contract term and recommends approval of Contract Supplement No. 3 to increase the not to exceed amount to \$375,000 and avoid any disruption in service.

Financial Considerations: Sufficient funds are available in the Department of Public Works Fiscal Year (FY) 2018/19 operating budget (Fleet Fund, Fund 6501) to execute Contract Supplement No. 3 with Maita Chevrolet increasing the not to exceed amount by \$125,000 over the term of the contract.

Local Business Enterprise (LBE): Maita Chevrolet is not an LBE. The minimum LBE participation requirement was waived for Bid No. B16153311001 by the Director of Public Works. Staff conducted an extensive search within the local area and was unable to locate vendors that were authorized distributors and repair facilities for every manufacturer on the bid solicitation.