

City of Sacramento

Legislation Text

File #: 2019-00108, **Version:** 1

Title:

Contract: Allison Transmission Original Equipment Manufacturer (OEM) Parts and Repairs

File ID: 2019-00108

Location: Citywide

Recommendation:

Pass a Motion: 1) awarding an initial one-year contract with four one-year renewal options to Valley Power Systems North, Inc for the purchase of Allison Transmission Original Equipment Manufacturer (OEM) parts and repairs in an amount not to exceed \$950,000 for the potential five-year term; and 2) authorizing the City Manager or the City Manager's designee to execute the contract and renewal options specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year.

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

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Agreement

Description/Analysis

Issue Detail: The Department of Public Works, Fleet Management Division, has an ongoing need to purchase parts and repair services for Allison Transmissions in support of various City departments.

Policy Considerations: The recommendations in this report are in accordance with City Code Chapter 3.56.

Economic Impacts: None

Environmental Considerations: No environmental review is necessary because the recommendations in this report involve the purchase of parts and services 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 January 11, 2019, the Department of Public Works, Fleet Management Division, in accordance with City Code Chapter 3.56, issued Invitation for Bid No. B19153311003 for Allison Transmission Original Equipment Manufacturer (OEM) parts and repairs and two bids were received. Valley Power Systems North, Inc. was deemed the lowest responsive and responsible bidder.

A summary of the bid results is provided below:

	Valley Power Systems North	NorCal Kenworth
Parts and Repair	\$162,500	\$169,200
5% LBE Preference	-	-
1% City Limit Preference	-	-
Prompt Pay Discount	-	-
8.25% Sales Tax	\$10,313	\$9,900
Total Bid Evaluation	\$172,813	\$179,100

Financial Considerations: The recommended contract amount of \$950,000 reflects the amount anticipated to be expended over the potential contract period maximum of five years. The bid amount of \$172,813, for a one-year period, represents the total for the quantities selected for bid evaluation purposes only.

Sufficient funding exists in the Department of Public Works, Fleet Management Division, Fiscal Year (FY) 2018/19 operating budget (Fleet Fund, Fund 6501) to purchase Allison Transmission parts and repair services through June 30, 2019. Purchases made after June 30, 2019, are subject to funding availability in the adopted budget of the applicable fiscal year.

Local Business Enterprise (LBE): Valley Power Systems North, Inc is not an LBE vendor. The minimum LBE participation requirement was waived for Bid No. B19153311003 by the Director of Public Works. Staff conducted an extensive search within the local area and found only two vendors that would meet the specifications for the bid.