

Agenda Report

May 15, 2017

TO: Honorable Mayor and City Council

FROM: Department of Public Works

SUBJECT: AUTHORIZE ISSUANCE OF A PURCHASE ORDER CONTRACT WITH GENUINE PARTS COMPANY FOR THE PURCHASE OF AUTO AND TRUCK PARTS WITH RELATED AUTO AND TRUCK EQUIPMENT, ACCESSORIES, SUPPLIES, AND SERVICES IN AN AMOUNT NOT TO EXCEED \$915,000 FOR THREE YEARS

RECOMMENDATION:

It is recommended that the City Council:

1. Find that this action is exempt under the California Environmental Quality Act (CEQA) in accordance with Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have an effect on the environment;
2. Authorize a purchase order contract with Genuine Parts Company for auto and truck parts with related auto and truck equipment, accessories, supplies and services in an amount not to exceed \$915,000 for three years. Competitive Bidding is not required pursuant to City Charter Section 1002(H) contracts with other governmental entities or their contractors for labor, materials, supplies or services; and
3. Grant the proposed purchase order contract an exemption from the Competitive Selection process pursuant to Pasadena Municipal Code Section 4.08.049(B) contracts for which the City's best interests are served.

BACKGROUND:

The Building Systems and Fleet Management Division (BSFMD) maintains over 1,150 vehicles and pieces of equipment. BSFMD purchases and stocks a wide variety of automotive parts, supplies, and accessories on an ongoing basis to ensure that the City's fleet and equipment is maintained effectively.

The National Joint Powers Alliance (NJPA) is a municipal national contracting agency which establishes and provides national leveraged and competitively solicited purchasing contracts that can be utilized by member agencies such as the City of

Pasadena. In June of 2016, NJPA issued a Request for Proposals (RFP) for auto and truck parts with related auto and truck equipment, accessories, supplies, and services. Eleven submissions were received and evaluated by the NJPA selection committee. Submissions were scored on criteria such as pricing, warranty coverage, selection and variety of products offered. NAPA Auto Parts, doing business as Genuine Parts Company (GPC), scored the highest with 808 points out of a possible 1,000, and was awarded a contract through August of 2020. Genuine Parts Company has agreed to extend the contract prices, terms, and conditions of this contract to the City of Pasadena.

The City of Pasadena entered into a similar agreement with GPC through NJPA in FY 17 on a one-year basis, which will expire on June 30, 2017. The new contract compares favorably to the previous, as GPC submitted deeper price discounts in 23 of the 31 auto part categories listed in the RFP. Staff recommends an increase over the previous purchase order contract due to addition of items that can be purchased at a discount. The issuance of a purchase order through the NJPA price agreement will consolidate the purchase of automotive parts and supplies. The City will benefit from nationally leveraged volume purchasing discounts, as well as achieve efficiency through expanded service and decreased shipping time. Through this agreement, Building Systems and Fleet Management Division (BSFMD) will receive shipments from the local NAPA Auto Parts store in Pasadena and the point of sale for all purchases will be Pasadena. Genuine Parts Company provides a wide range of light, medium, and heavy duty parts and accessories that meet the needs of the City's fleet. Additionally, GPC offers a manufacturer's warranty on all NAPA brand parts.

Staff has evaluated the list of parts, supplies, and accessories offered as part of the contract and determined that approximately \$305,000 will cover the purchases needed annually. The Department of Public Works recommends that the City Council authorize the City Manager to issue a purchase order contract with GPC for the purchase of auto and truck parts, supplies, and accessories for a three year period in an amount not-to-exceed \$915,000 beginning in FY 2018.

COUNCIL POLICY CONSIDERATION:

This purchase supports the City Council's strategic goal to maintain fiscal responsibility and stability.

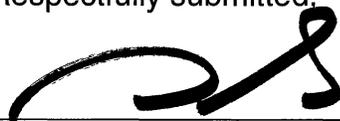
ENVIRONMENTAL IMPACT:

This action is exempt from CEQA pursuant to State CEQA Guidelines Section 15061 (b) (3), the General Rule that CEQA only applies to projects that may have an effect on the environment.

FISCAL IMPACT:

The cost of this action is \$915,000. Funding will be addressed by the utilization of existing budgeted appropriations in the Public Works Department, BSFMD operating budget (account 810100-50322058). There is no anticipated impact to other operational programs or capital projects as a result of this action.

Respectfully submitted,



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Approved by:



STEVE MERMELL
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