



Agenda Report

September 13, 2021

TO: Honorable Mayor and City Council

FROM: Department of Public Works

SUBJECT: AUTHORIZE PURCHASE ORDER CONTRACT WITH GENUINE PARTS COMPANY (DBA: NAPA AUTO PARTS) FOR PURCHASE OF AUTOMOTIVE, HEAVY TRUCK AND EQUIPMENT PARTS, ACCESSORIES AND SUPPLIES IN AN AMOUNT NOT TO EXCEED \$1,875,000

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; and
2. Authorize the City Manager to enter into a purchase order contract with Genuine Parts Company dba NAPA Auto Parts (GPC) for automotive, heavy truck and equipment parts, accessories, and supplies in an amount not-to-exceed \$1,125,000 (which includes a \$105,000 contingency) over a three-year period with the option for two, one-year additional terms in the annual amount of \$375,000 (which includes a \$35,000 contingency), at the discretion of the City Manager, for a maximum total length of five years and a total amount not to exceed \$1,875,000. Neither Competitive Bidding nor Competitive Selection are required pursuant to City Charter Section 1002(h) and Pasadena Municipal Code Section 4.08.049(A)(3), contracts with other governmental entities.

BACKGROUND:

Building Systems and Fleet Management Division (BSFMD) of the Public Works Department maintains over 1,100 various unique pieces of vehicles and equipment including fire apparatus, heavy duty refuse trucks, construction equipment such as backhoes, compressors, loaders, generators and other miscellaneous distinct equipment. BSFMD purchases and stocks a wide variety of parts, supplies and accessories on an ongoing basis to ensure that the City's fleet is maintained effectively.

Staff seeks to limit downtime associated with ordering and receiving parts by ensuring certain high-volume parts are stocked and readily available to the City's fleet repair team. Staff conducted local outreach to determine if any local parts stores were able to deliver the scope of items needed for the City fleet. Due to the ongoing need to procure a vast array of automotive parts for the large and unique spectrum of vehicles and equipment the City owns, it was determined that no local parts stores were set up to provide the volume, unique parts, and pricing competitiveness to meet the vast needs of the City for this particular scope of parts. Staff has therefore sought a competitively solicited parts contract which covers many of needs of the City fleet across multiple part types and vehicle categories.

Sourcwell is a municipal national contracting agency which establishes and provides competitively solicited purchasing contracts that can be utilized by member agencies such as the City of Pasadena. In February 2021, Sourcwell issued a Request for Proposals (RFP) for Aftermarket Vehicle Parts and Supplies. Seventeen submissions were received and evaluated by the Sourcwell selection committee. Submissions were scored on criteria such as pricing, warranty coverage, selection and variety of products offered. The process undergone by Sourcwell has resulted in competitive pricing. GPC scored the highest with 848 points out of a possible 1,000, and was awarded a contract through May of 2025 under Sourcwell contract #032521-GPC.

GPC, headquartered in Atlanta GA, has over 10 stores in Los Angeles. GPC has provided automotive parts, supplies, and accessories for the City of Pasadena since Fiscal Year 2016 and has received purchase order awards in the amount of over \$1,648,000 cumulatively. Based on prior expenditures for these items offered under the Sourcwell contract, staff determined an estimated need of \$375,000 annually.

The proposed purchase order contract term will have an initial period of three years with the option for two one-year additional terms, renewable at the discretion of the City Manager, for a maximum total purchase order contract length of five years.

The purchase order amounts will be set as follows:

	Year 1 to 3	Year 4 Optional 1 st Extension	Year 5 Optional 2 nd Extension
Base Bid	\$1,020,000	\$340,000	\$340,000
Annual Price Adjustment Allowance	<u>\$ 105,000</u>	<u>\$ 35,000</u>	<u>\$ 35,000</u>
	\$1,125,000	\$375,000	\$375,000
TOTAL:			<u>\$1,875,000</u>

The contingency allowance is to cover estimated increase in purchases, especially on aging fleet and Consumer Price Index adjustments.

COUNCIL POLICY CONSIDERATION:

This purchase supports the City Council's strategic goal to maintain fiscal responsibility and stability; improve mobility and accessibility throughout the city; and ensure public safety.

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 total cost of this action is \$1,875,000. Funding will be addressed by the utilization of existing budgeted appropriations from the Fleet Maintenance & Repair Fund (budget account 51122058-810100). 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
City Manager