



AGENDA REPORT


TO: Jestin D. Johnson
City Administrator

FROM: G. Harold Duffey
Director, Oakland Public
Works

SUBJECT: Fleetworks Inc. Contract for Heavy
Equipment Service and Repairs

DATE: March 26, 2024

City Administrator Approval


Jestin Johnson (Mar 14, 2024 22:38 PDT)

Date: Mar 14, 2024

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator To Award A Contract To Fleetworks Inc., The Lowest Responsive And Responsible Bidder, A Local Business Enterprise, In An Amount Not-To-Exceed Six Hundred Thousand Dollars (\$600,000) Per Year To Provide Heavy Equipment Maintenance Service and Repairs For A Three (3) Year Term, April 1, 2024 To March 31, 2027, And Authorizing Two (2) Additional One (1) Year Agreement Extensions In An Amount Of Six Hundred Thousand Dollars (\$600,000) Per Year For A Total Not-To-Exceed Contract Amount Of Three Million Dollars (\$3,000,000) For A Term Of Five (5) Years.

EXECUTIVE SUMMARY

Staff recommends that the City Council adopt a resolution authorizing the City Administrator to award a contract to Fleetworks Inc. (Fleetworks) to provide a wide range of services for the City of Oakland (City) heavy equipment fleet, including routine maintenance, repairs, and diagnostics for through activities such as conducting thorough inspections, performing preventive maintenance tasks, addressing any issues identified, and ensuring compliance with safety regulations. The proposed contract would be for \$600,000 per year and would not exceed a five (5) year term.

The OPW Equipment Services Division is unable to complete the entirety of heavy equipment repairs due to facility size limitations, the required specialized equipment and components necessary for specific jobs, and/or lack of personnel resources with specific expertise consistent with various repair requirements. The proposed contract will help address these gaps and ensure operational safety of the City's heavy equipment fleet.

BACKGROUND / LEGISLATIVE HISTORY

The City utilizes the services of an authorized repair facility to complete repairs to heavy vehicles and equipment that cannot be completed by the City's own repair facility due lack of personnel, urgency of repair, or specialized tools and equipment need to complete the repair.

The incumbent for these services is American Diesel, now known as Fleetworks, under Contract Purchase Order 2020017829 with a contract amount of \$1,500,000 from June 25, 2020, through October 31, 2023 created through a cooperative agreement with the City of San Francisco. Contract Purchase Order 2020017829 is expired and contracting capacity is no longer available.

ANALYSIS AND POLICY ALTERNATIVES

Staff recommends that the City Council adopt the proposed resolution authorizing the City Administrator to award a contract to Fleetworks, the lowest responsive and responsible bidder and a local business enterprise, for heavy equipment service and repairs.

On October 11, 2023, Specification No. 24-928-00/Request for Quotes (RFQ) 271245 for Heavy Equipment Services and Repairs was sent to five (5) local business and four (4) non-local business enterprises, posted on the City's web page and advertised in the City's official newspaper, in accordance with Oakland Municipal Code (OMC) 2.04.050.

On November 13, 2023, the City received two bids – one (1) from a non-local business and one (1) from a local business. After evaluating both responses to RFQ 271245, Fleetworks was deemed as the lowest responsible bidder.

Awarding this contract to Fleetworks would support the Citywide priorities of **Holistic Community Safety** and **Responsive, Trustworthy Government**. Timely repairs of the City's fleet and equipment ensures that City staff have adequate, safe equipment to fulfill responsibilities and maintain services to the residents and visitors of the City.

Failure to award this contract would create a backlog of equipment that is out of service and could possibly leave first responders and other crucial personnel without tools to complete City services. If equipment and/or vehicles become unsafe due to a lack of maintenance, the Equipment Services Manager can be held liable for negligent entrustment. As defined, liability is premised upon providing an employee with a dangerous tool or instrument, such as a vehicle, while knowing, or having reason to know, that use of the equipment or vehicle creates unreasonable risk or harm to the operator or others. OPW Equipment Services Division will utilize this contract to complete work on damaged vehicles and equipment to ensure their operational safety for City staff and public.

FISCAL IMPACT

All proposed contract expenditure allocations shall be expensed to the OPW, Bureau of Maintenance and Internal Services, Equipment Services Fund (4100), Project (1000010), Equipment Services Administration Organization (30541). **Table 1** outlines the total contract

amount for the three-year term and the two, one-year options to renew for a total contract amount of \$3,000,000. There is no minimum commitment to this contract and funds will not be committed beforehand unless funding is identified.

Project Year	Contract Amount
April 1, 2024 - March 31, 2025	600,000
April 1, 2025 - March 31, 2026	600,000
April 1, 2026 - March 31, 2027	600,000
April 1, 2027 - March 31, 2028*	600,000
April 1, 2028 - March 31, 2029*	600,000
Total Contract Amount:	\$ 3,000,000
*Optional Extensions	

PUBLIC OUTREACH / INTEREST

On October 11, 2023, Specification No. 24-928-00/Request for Quotes (RFQ) 271245 for Heavy Equipment Services and Repairs was sent to five (5) local business and four (4) non-local business enterprises, posted on the City’s web page and advertised in the City’s official newspaper, in accordance with Oakland Municipal Code (OMC) 2.04.050.

On November 13, 2023, the City received two bids – one (1) from a non-local business and one (1) from a local business.

COORDINATION

OPW Equipment Services Division staff coordinated with the City Administrator's Office, the Purchasing Department, the Budget Office and the Office of the City Attorney in preparation of this report and resolution.

SUSTAINABLE OPPORTUNITIES

Economic: Maintenance of the City's fleet and equipment ensures the long-term efficiency and extended lifecycle of these items, while simultaneously reducing financial impacts in comparison to full replacement costs.

Environmental: There are no environmental impacts concerns associated with this report.

Race and Equity: There are no race and equity impacts associated with this report.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)


The project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) (No significant effect on the environment) and 15268 (ministerial projects);

ACTION REQUESTED OF THE CITY COUNCIL

Resolution Authorizing The City Administrator To Award A Contract To Fleetworks Inc., The Lowest Responsive And Responsible Bidder, A Local Business Enterprise, In An Amount Not-To-Exceed Six Hundred Thousand Dollars (\$600,000) Per Year To Provide Heavy Equipment Service and Repairs For A Three (3) Year Term, April 1, 2024 To March 31, 2027, And Authorize Two (2) Additional One (1) Year Agreement Extensions For An Amount Of Six Hundred Thousand Dollars (\$600,000) Per Year For A Total Not-To-Exceed Contract Amount Of Three Million Dollars (\$3,000,000) For A Term Of Five (5) Years Without Returning To Council.

For questions regarding this report, please contact Joseph Williams, Equipment Services Manager, at (510) 615-5489.

Respectfully submitted,


G. Harold Duffey (Mar 14, 2024 12:52 PDT)

G. HAROLD DUFFEY
Director, Oakland Public Works

Reviewed by:
Richard Battersby, Assistant Director
Oakland Public Works

Prepared by:
Joseph Williams, Manager
Equipment Services Division