



CITY OF OAKLAND

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OFFICE OF THE CITY CLERK  
OAKLAND

2017 JUN 29 PM 1:12

# AGENDA REPORT

**TO:** Sabrina B. Landreth  
City Administrator

**FROM:** Katano Kasaine  
Director of Finance

**SUBJECT:** Contract Ford Parts and Service

**DATE:** June 12, 2017

City Administrator Approval

Date:

*6/28/17*

## RECOMMENDATION

**Staff Recommends That The City Council Adopt A Resolution Authorizing The City Administrator To Award A Contract To The Ford Store San Leandro, The Lowest Responsive And Responsible Bidder, A Non-Local Business Enterprise, In An Amount Not To Exceed Five Hundred Thousand Dollars (\$500,000.00) Per Year To Ford Parts And Service For A Three (3) Year Term, August 1, 2017 To July 31, 2020 And Authorize Two (2) Additional One (1) Year Agreement Extensions For An Amount Of Five Hundred Thousand Dollars (\$500,000.00) Per Year , For A Total Not-To-Exceed Contract Amount Of Two Million Five Hundred Thousand Dollars (\$2,500,000.00) For A Term Of Five (5) Years Without Returning To Council In Accordance To Its Bid Filed With The City Clerk May 8, 2017 In Response To Specification No. 17-060-00-1/RFQ 34407.**

## EXECUTIVE SUMMARY

Staff recommends that the City Council adopt a resolution authorizing the City Administrator to award a contract to The Ford Store San Leandro in an amount not to exceed \$500,000.00 per year for a three (3) year term, August 1, 2017 to July 31, 2020, and authorize two (2) additional one (1) year agreement extensions for an amount of \$500,000.00 per year for a total not-to-exceed contract amount of \$2,500,000.00 for a term of five (5) years without returning to Council.

This contract with The Ford Store San Leandro will provide original equipment manufacturer (OEM) parts and warranty repair service required to maintain compliance of the factory warranty of the engine and drivetrain in the City's Ford vehicle fleet.

## BACKGROUND / LEGISLATIVE HISTORY

The City of Oakland currently has a fleet of approximately 1800 vehicles comprised of staff and emergency response vehicles of which 1000 of these vehicles are Fords. Equipment downtime due to routine preventative maintenance or breakdown out in the field must be minimized as much as possible to ensure response readiness. It is important to utilize factory service and repair parts as much as possible to ensure critical public safety equipment is maintained to the

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manufacturer's strict standards to guard against untimely equipment failures and ensure that factory warranties remain active. Having access to a Ford authorized dealer is also crucial in ensuring that Ford fleet vehicle downtime is minimized when repairs can't be performed by Equipment Services staff. The Ford Store San Leandro dealership has special tools, trained staff, and shop capabilities to support Equipment Services in keeping the City of Oakland staff and emergency response fleet vehicles properly maintained and available for 24/7 emergency response. By utilizing a factory authorized dealer, the manufacturer's warranty is maintained which serves to reduce the City's costs associated with owning, operating and maintaining the City's fleet.

Oakland Public Works, Bureau of Infrastructure and Operations, Equipment Services Division will utilize this contract to complete work on vehicles in need of maintenance and warranty repairs to ensure their operational safety for the City's staff and public.

### **ANALYSIS AND POLICY ALTERNATIVES**

Staff recommends that the City Council adopt a resolution authorizing the City Administrator to award a contract to The Ford Store San Leandro, the lowest responsive and responsible bidder, a non-local business enterprise for Ford parts and service.

On April 21, 2017 Specification No. 17-060-00/RFQ 34407 to provide Ford parts and service was sent to ten (10) local business enterprises and fifteen (15) 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 May 8, 2017, the City Clerk received one (1) bid for Specification No. 17-060-00/RFQ 34407 to provide Ford parts and service from The Ford Store San Leandro, the lowest responsive and responsible bidder, a non-local business enterprise.

### **FISCAL IMPACT**

All proposed contract expenditure allocations shall be expensed to the Oakland Public Works Bureau of Infrastructure and Operations Equipment Services Fund Equipment Services Administration System Organization, Repair and Maintenance: Motor Vehicles, contingent upon the availability of funding. Funding for FY 17-21 will be included in the baseline budget.

**Proposed Contract Purchase Agreement  
For Ford Parts And Service**

<b>Project Year</b>	<b>Cumulative Contract Amount</b>
2016-17	\$500,000.00
2017-18	\$500,000.00
2018-19	\$500,000.00
2019-20*	\$500,000.00
2020-21*	\$500,000.00
<b>Grand Total:</b>	<b>\$2,500,000.00</b>

\*Optional Extensions

**PUBLIC OUTREACH / INTEREST**

This item does not require any further public outreach other than the required posting on the City's website.

**COORDINATION**

The Controller's Bureau, Purchasing Section worked with OPW's Bureau of Infrastructure and Operations Equipment Services Division, the City's Budget Office, and the Office of the City Attorney's office in preparation of this report.

**SUSTAINABLE OPPORTUNITIES**

**Economic:** Fleet vehicle warranty repairs and related maintenance of the City's fleet ensures the long-term efficiency and extended life-cycle of these items, while simultaneously reducing financial impacts in comparison to full replacement costs.

**Environmental:** There is no environmental impact concerns associated with this report.

**Social Equity:** Continually maintaining operational efficiencies for City of Oakland vehicles, inclusive of public safety vehicles, will aid towards ensuring that Oakland's neighborhoods are places where the citizenry can thrive in safe and healthy environments.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff recommends that the City Council adopt a resolution authorizing the City Administrator to award a contract to The Ford Store San Leandro, the lowest responsive and responsible bidder, a non-local business enterprise, in an amount not to exceed five hundred thousand dollars (\$500,000.00) per year to Ford parts and service for a three (3) year term, August 1, 2017 to July 31, 2020, and authorize two (2) additional one (1) year agreement extensions for an amount of five hundred thousand dollars (\$500,000.00) per year, for a total not-to-exceed

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contract amount of two million five hundred thousand dollars (\$2,500,000.00) for a term of five (5) years without returning to Council in accordance to its bid filed with the City Clerk May 8, 2017 in response to Specification No. 17-060-00/RFQ 34407.

For questions regarding this report, please contact Fred Haliburton, Purchasing Supervisor, at 510-238-6464.

Respectfully submitted,



KATANO KASAINÉ  
Director of Finance, Finance Department

Reviewed by:  
Kirsten LaCasse, Controller,  
Finance Department

Prepared by:  
Fred Haliburton, Purchasing Supervisor  
Purchasing Section

Attachments (#):

Attachment A: Award Recommendation Statement  
Attachment B: Bid Recap



CITY OF OAKLAND  
PURCHASING SECTION  
AWARD RECOMMENDATION STATEMENT

WALTER SILVA		PURCHASING/ACQUISITION/CONTRACT: Ford Parts And Service		
COUNCIL AGENDA DATE: July 11, 2017	<b>SPECIFICATION/PROJECT NO.:</b> Specification No. 17- 060-00-1/RFQ 34407	<b>FUNDING SOURCE:</b> Oakland Public Works Bureau of Infrastructure and Operations Equipment Services Division Fund (4100) Equipment Services Administration System Organization (30541), Repair and Maintenance: Motor Vehicles (54613)		<b>BID OPENING DATE:</b> May 8, 2017
	PREVIOUS LEGISLATION:			
	CONTRACT PERIOD: August 1, 2017 to July 31, 2020			
<b>PURPOSE STATEMENT:</b> To provide the City of Oakland Ford parts and service as requested by Oakland Public Works.				
<b>ITEM NO./DESCRIPTION</b>		<b>PREVIOUS CONTRACT AMOUNT</b>	<b>ANNUAL ESTIMATED COST</b>	<b>PERCENT DIFFERENCE</b>
Ford Parts and Service		\$600,000.00	\$500,000.00	-20.00%
<b>COMMENTARY:</b> The recommended vendor The Ford Store San Leandro, a non-local business enterprise. There are no additional costs to the City.				
<b>RANGE OF BIDS RECEIVED</b>				
<b>TOTAL BIDS RECEIVED/DOLLAR RANGE</b> 1 Total Bid Received / Dollar Range \$353,658.69		<b>BIDS WHICH MEET SPECIFICATION/DOLLAR RANGE</b> 1 Total Bid Meet Specification / Dollar Range Bid 1 \$353,658.69		
<b>LOW BIDS NOT MEETING SPECIFICATION</b>				
<b>VENDOR NAME/ADDRESS</b>	<b>REASON</b>	<b>RECOMMENDATIONS ON REJECTIONS</b>		
<b>AWARD RECOMMENDED</b>				
<b>VENDOR NAME/ADDRESS</b> The Ford Store San Leandro 1111 Marina Blvd San Leandro, CA 94577	<b>DESCRIPTION</b> Ford Parts and Service	<b>ESTIMATED ANNUAL AMOUNT</b> \$353,658.69		

SUBMITTED BY

APPROVED AND FORWARDED TO COUNCIL

DEPARTMENT HEAD

OFFICE OF THE CITY ADMINISTRATOR

BID CALL	TOTAL	LOWEST BID BY CATEGORY	
		LOCAL BUSINESS	NON-LOCAL
ASK	25	10	15
NO RESPONSE	24	10	14
BIDS RECEIVED	1	0	1
AWARDS RECOMMENDED	1	0	1-\$353,658.69

VENDOR INFORMATION		BIDDER # 1
Vendor Name		The Ford Store San Leandro
Vendor Address		1111 Marina Blvd
Vendor Address		San Leandro CA 94577
Contact Person		Rick Raffo
Telephone		510-347-4179
Small local vendor	?	no
Oakland vendor	?	no

PURCHASE DESCRIPTION				
item #	item	quant	unit cost	total
1	Starter	25	\$ 92.05	\$ 2,301.25
2	Alternator	25	\$ 245.26	\$ 6,131.50
3	Power Steering Pump	25	\$ 555.25	\$ 13,881.25
4	Radiator	25	\$ 168.87	\$ 4,221.75
5	Fuel Inject	100	\$ 22.45	\$ 2,245.00
1	Master Cylinder	25	\$ 60.88	\$ 1,522.00
1	Front Brake Pads	500	\$ 39.98	\$ 19,990.00
2	Front Brake Rotors	1000	\$ 37.13	\$ 37,130.00
3	Rear Brake Pads	500	\$ 57.00	\$ 28,500.00
4	Rear Brake Rotors	1000	\$ 42.35	\$ 42,350.00
5	Ignition Coil	100	\$ 81.26	\$ 8,126.00
1	Spark Plugs	100	\$ 3.53	\$ 353.00
2	Oil Filter	375	\$ 3.30	\$ 1,237.50
3	Air Filter	250	\$ 11.37	\$ 2,842.50
4	Standard Service Hourly Labor Rate	200	\$ 125.00	\$ 25,000.00
5	Pricelist Discount Percentage OFF Manufacturer's Published Price	100000	\$ 1.30	\$ 130,000.00

CALCULATIONS

SUBTOTAL	\$	325,831.75
9.25% SALES TAX	\$	27,826.94
SMALL LOCAL VENDOR	\$	-
OAKLAND VENDOR	\$	-
EVALUATION TOTAL		<u>\$353,658.69</u>
GRAND TOTAL FOR PURCHASE		\$353,658.69

**DRAFT**

City Attorney

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND**OAKLAND CITY COUNCIL****RESOLUTION No. \_\_\_\_\_ C.M.S.**

2017 JUN 29 PM 1:12

Introduced by Councilmember \_\_\_\_\_

**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO AWARD A CONTRACT TO FORD PARTS AND SERVICE, THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER, A NON-LOCAL BUSINESS ENTERPRISE TO PROVIDE FORD PARTS AND SERVICE IN THE ANNUAL AMOUNT NOT TO EXCEED FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) PER YEAR FOR A THREE (3) YEAR TERM, AUGUST 1, 2017 TO JULY 31, 2020, AND AUTHORIZE TWO (2) ADDITIONAL ONE (1) YEAR AGREEMENT EXTENSIONS FOR AN AMOUNT OF FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) PER YEAR FOR A TOTAL NOT-TO-EXCEED CONTRACT AMOUNT OF TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$2,500,000.00) FOR A TERM OF FIVE (5) YEARS WITHOUT RETURNING TO COUNCIL IN ACCORDANCE WITH SPECIFICATION NO. 17-060-00/RFQ 34407.**

**WHEREAS**, on April 21, 2017 in accordance with Oakland Municipal Code (OMC) 2.04.050 the City issued and advertised Specification No. 17-060-00/RFQ 34407 to provide Ford Parts and Service; and

**WHEREAS**, on May 8, 2017 the City Clerk received and opened bids in response to Specification No. 17-060-00/RFQ 34407; and

**WHEREAS**, the bid submitted by The Ford Store San Leandro was evaluated and deemed the lowest responsive and responsible bidder and meets all the requirements contained in Specification No. 17-060-00/RFQ 34407 to provide Ford Parts and Service; and

**WHEREAS**, all proposed contract expenditure allocations shall be expensed to the Oakland Public Works Bureau of Infrastructure and Operations, Equipment Fund, Equipment Services Administration System Organization, Repair and Maintenance: Motor Vehicles; now, therefore be it.

**RESOLVED**, the City Administrator is hereby authorized to award a contract to The Ford Store San Leandro, the lowest responsive and responsible bidder, in an amount not to exceed five hundred thousand dollars (\$500,000.00) per year for a three (3) year term, August 1, 2017 to July 31, 2020, for a total not to exceed contract amount of one million five hundred thousand dollars (\$1,500,000.00); and

**FURTHER RESOLVED**, the City Administrator may elect to extend all or part of this contract for an additional two-year period, one year at a time, with terms and conditions remaining the same in an amount not to exceed five hundred thousand dollars, (\$500,000.00) per year for a total not-to-exceed contract amount of (\$2,500,000.00) for a term of five (5) years. The contractor will have the right to accept or reject any proposed contract extension; and

**FURTHER RESOLVED**, that the City Council hereby rejects all other bids submitted in response to Specification No. 17-060-00/RFQ 34407; and

**FURTHER RESOLVED**, that the contract shall be approved for form and legality by the City Attorney and copies shall be on file in the City Clerk's Office.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GIBSON MCELHANEY, GUILLEN, KALB, KAPLAN,  
AND PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_

LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California