



AGENDA REPORT

TO: Edward D. Reiskin
City Administrator

FROM: G. Harold Duffey
Director, Public Works

SUBJECT: Professional Services Agreement
With Golden State Emergency
Vehicle Services

DATE: August 31, 2021

City Administrator Approval

Date: Sep 3, 2021

RECOMMENDATION

Staff Recommends That the City Council Adopt The Following Resolution Authorizing A One-Year Agreement With Golden State Emergency Vehicle Service, Inc. (GSEVS) In An Amount Not To Exceed Four Hundred Thousand Dollars (\$400,000.00) For A One Year Term Beginning July 1, 2021 And Ending June 30, 2022 For Maintenance, Repairs And Parts For Fire Department Emergency Response Vehicles And Related Equipment; And Authorize The City Administrator To Renew The Agreement With Golden State Emergency Vehicle Service, Inc. For Two (2) Additional One-Year Terms In An Amount Not To Exceed Four Hundred Thousand Dollars (\$400,000) Per Year, For A Grand Total Amount Of One Million Two Hundred Thousand Dollars (\$1,200,000.00), Without Returning To Council, And (2) Waiving The Advertising, Competitive Bidding And Request For Proposal/Qualifications (RFP/Q) Requirements.

EXECUTIVE SUMMARY

Adoption of the proposed resolution for enactment of a service agreement with Golden State Emergency Vehicle Service Inc., will ensure that all of the Oakland Fire Department's emergency response vehicles manufactured by Pierce Manufacturing will continually meet optimum factory-authorized operational standards.

BACKGROUND / LEGISLATIVE HISTORY

It is the role and responsibility of city government to deliver services as effectively and efficiently as possible. To fulfill this mission, City staff must have a dependable fleet. Municipal fleets provide a variety of services to residents. The ability to provide services in an effective and efficient manner is in many ways dependent upon a quality fleet of vehicles and equipment.

Oakland Public Works' Bureau of Maintenance and Internal Services (BMIS), Equipment Services Division, has primary responsibility for the acquisition, maintenance and repair of all City of Oakland vehicles, trucks and other light and heavy duty equipment, inclusive of the Oakland Fire Department's thirty-eight (38) emergency response vehicles; all of which are manufactured by Pierce Manufacturing, Inc. While the Equipment Services Division does have

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internal repair and maintenance staff, parts acquisition and warranty/special repairs are best accomplished at the Dealership level. Pierce Manufacturing has formally designated Golden State Emergency Vehicle Service, Inc. (also known as Golden State Fire Apparatus Inc.) as a sole provider for maintenance, parts and repair of all Pierce-manufactured fire apparatus (emergency response vehicles) in Central and Northern California. **(See Attachment A)**

Vendor Justification: Golden State Emergency Vehicle Service, Inc.

For several years, Oakland Public Works (OPW) has utilized the services of multiple vendors for maintenance, repairs and parts acquisition for vehicles manufactured by Pierce Manufacturing, Inc. However, in February 2015, Pierce Manufacturing issued notification which detailed that Golden State Emergency Vehicle Service, Inc. would serve as the sole certified Pierce dealer and distributor for said services and commodities throughout Central and Northern California. In 2021, Pierce Manufacturing issued notification which detailed that Golden State Emergency Vehicle Service Inc. will continue to serve as the sole source certified Pierce dealer and distributor for said services and commodities for Alameda County.

Because of this determination, OPW obtained City Council authorization to secure sole source contractual provisions with Golden State Emergency Vehicle Service, Inc. through ratification of Authorizing Resolution No. 85484 C.M.S., dated March 31, 2015 **(See Attachment B)**, and again in 2018 through ratification of Authorizing Resolution No. 87161, dated May 1, 2018. **(See Attachment C)** Furthermore, In February of 2019, after analyzing historical expenditures between 2015 and 2019 for Pierce Manufactured Apparatus and related equipment, it was determined that the Equipment Services Division should anticipate spending \$400,000 per year based on historical cost data, which was averaging \$382,956.49 total per year for service, maintenance and parts. Because of this determination, OPW obtained City Council authorization to increase sole source contractual provisions with Golden State Emergency Vehicle Service, Inc. through ratification of Authorizing Resolution No. 87553 C.M.S., dated February 26, 2019. **(See Attachment D)**

ANALYSIS AND POLICY ALTERNATIVES

Golden State Emergency Vehicle Service, Inc.: Location and Proposed Service Components

Golden State Emergency Vehicle Service Inc.'s (GSEVS) service center is located in Sacramento, CA, the proximity of which is approximately 90-miles from the Municipal Service Center. OPW's Equipment Services Division will use GSEVS services for maintenance and repairs secondarily to the Division's internal staff members, specifically during peak times when the support provided by internal staff members is insufficient to meet the demands of service and repair needs on Oakland Fire apparatus units.

GSEVS remains as the primary distributor for Pierce-manufactured vehicular parts. Although our Department does in fact have the option of using the services of third-party vendors to procure Pierce manufactured parts, enactment of said option will result in the City incurring significant price increases. Since all third-party vendors cannot procure parts directly from the Manufacturer, they must obtain Pierce factory parts through a distributor, which in Northern California, is GSEVS. Local vendors will then add a mark-up and resell these parts at a higher cost to cover their own internal operating costs.

Accordingly, OPW's purchase of Pierce-manufactured parts directly from GSEVS will ensure that the City obtains the lowest pricing available.

Alameda County Fire Department: Location and Proposed Service Components

In 2017, the Alameda County Fire Department became a certified repair facility for Pierce Manufacturing. The Alameda County Fire Department's (ACFD) service center is located in Dublin, CA. Due to the site's proximity to Oakland's Municipal Services Center (distance of less than 25-miles), as well as comparable pricing components to Golden State Emergency Vehicle Service, Inc. for both vehicular maintenance and repairs, it is the intent of OPW's Equipment Services Division to utilize ACFD as a secondary local vendor for maintenance and repairs of its Pierce-manufactured fire apparatus. GSEVS, the sole source provider for Pierce factory parts and services, has provided the City of Oakland and other municipalities authorization to utilize Alameda County Fire Department as a local option to provide Pierce factory services and parts. **(See Attachment E)** Authorizing Resolution 87160 C.M.S., dated May 01, 2018, was secured for this purpose. **(See Attachment F)** It is OPW's Equipment Services' intent to secure a separate Authorizing Resolution that will provide contractual services with the Alameda County Fire Department as originally established in 2018.

Waiver Request

Oakland Municipal Code (OMC) Title 2, Chapter 2, Article I, Section 2.04.050 requires the City to conduct advertising and competitive bidding for the procurement of goods, professional services, or a combination thereof. OMC Section 2.04.050.1.5 permits the Council to waive advertising and competitive bidding requirements upon a finding and determination that it is in the City's best interests to do so.

Based upon the fact that Golden State Emergency Vehicle Service, Inc. is the sole certified Pierce service center for vehicular repair and maintenance of Pierce manufactured fire apparatus in our jurisdiction, staff recommends that the Council finds and determines that it is in the best interests of the City to waive the advertising, competitive bidding and RFP/Q requirements as they pertain to the implementation of the proposed contractual services with Golden State Emergency Vehicle Service, Inc.

FISCAL IMPACT

Approval of the proposed resolution authorizes the City Administrator, or Designee, to award a service agreement contract to Golden State Emergency Vehicle Service, Inc. in an annual amount not to exceed four hundred thousand dollars (\$400,000.00) for maintenance, parts, and repairing of Fire Department emergency response vehicles and related equipment for the period of July 1, 2021, through June 30, 2022. In addition, the proposed resolution authorizes two one-year options to extend the service agreement through June 30, 2023, and June 20, 2024, respectively.

Funding for first two years of the proposed contract is available in the Fiscal Year (FY) 2021-2023 Biennial Adopted Budget in the Equipment Services Fund (4100), Equipment Services Administration Organization (30541), Repair and Maintenance Miscellaneous Account (54619); Administrative Project (1000010); Fleet Management and Maintenance Program (IN01).

Funding for the subsequent fiscal year (July 1, 2023 – June 30, 2024) has not been identified and is contingent upon the adoption of the FY 2023-2025 Biennial Budget and will be provided by the Equipment Services Fund (4100).

**Proposed Service Agreement
Golden State Emergency Vehicle Service, Inc.
For Fire Department Emergency Response Vehicles**

Project Year	Cumulative Contract Amount
2021-2022	\$400,000.00
2022-2023	\$400,000.00
2023-2024	\$400,000.00
Grand Total:	\$1,200,000.00

There is no impact to the General Purpose Fund and no additional funding is requested.

PUBLIC OUTREACH / INTEREST

This item did not require additional public outreach other than the required posting on the City's website.

COORDINATION

Information that is the basis of this report was coordinated with Oakland Public Works' Bureau of Maintenance and Internal Services, the Oakland Fire Department, the Controller's Office and the Office of the City Attorney.

SUSTAINABLE OPPORTUNITIES

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

Environmental: Routine maintenance and repair of the City's fleet assets ensures the deployment of up-to-date technologies which can greatly reduce fuel consumption and harmful emissions.

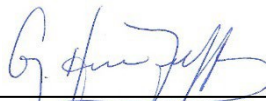
Race & Equity: Continually maintaining operational efficiencies for City of Oakland vehicles, inclusive of public safety vehicles, will aid towards guaranteeing that Oakland's neighborhoods are places where the citizenry can thrive in safe and healthy environments.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That the City Council Adopt The Following Resolution Authorizing A One-Year Agreement With Golden State Emergency Vehicle Service, Inc. (GSEVS) In An Amount Not To Exceed Four Hundred Thousand Dollars (\$400,000.00) For A One Year Term Beginning July 1, 2021 And Ending June 30, 2022 For Maintenance, Repairs And Parts For Fire Department Emergency Response Vehicles And Related Equipment; And Authorize The City Administrator To Renew The Agreement With Golden State Emergency Vehicle Service, Inc. For Two (2) Additional One-Year Terms In An Amount Not To Exceed Four Hundred Thousand Dollars (\$400,000) Per Year, For A Grand Total Amount Of One Million Two Hundred Thousand Dollars (\$1,200,000.00), Without Returning To Council, And (2) Waiving The Advertising, Competitive Bidding And Request For Proposal/Qualifications (RFP/Q) Requirements.

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

Respectfully submitted,



G. Harold Duffey
Director, Oakland Public Works

Reviewed by:
Melinda Drayton
Deputy Chief, Oakland Fire Department

Reviewed by:
Richard Battersby, Assistant Director
Bureau of Maintenance & Internal Services

Prepared by:
Joseph A. Williams, Equipment Services
Manager, Bureau of Maintenance & Internal
Services

Attachments (6):

- A: Exclusive Pierce Designated Dealership Notice
- B: Authorizing Resolution No. 85484 C.M.S. (2015)
- C: Authorizing Resolution No. 87161 C.M.S. (2018)
- D: Authorizing Resolution No. 87553 C.M.S. (2019)
- E: GSEVS and ACFD authorizing agreement
- F: Authorizing Resolution No. 87160 C.M.S. (2018)

