



CITY OF OAKLAND

AGENDA REPORT


TO: Jestin D. Johnson
City Administrator

FROM: Michael Kashiwagi
Interim Director,
Oakland Public Works

SUBJECT: Kelly's Truck Repair, Vehicle and
Equipment Diagnostic and Repair
Services

DATE: November 04, 2024

City Administrator Approval


Jestin Johnson (Nov 5, 2024 11:07 PST)

Date: Nov 5, 2024

RECOMMENDATION

Adopt A Resolution: (1) Awarding A Contract To Kelly's Truck Repair, The Lowest Responsive And Responsible Bidder In Response To RFQ #296516, To Provide Vehicle And Equipment Diagnostic And Repair Services In The Amount Not To Exceed Eight Hundred Thousand Dollars (\$800,000) Per Year For A Three-Year Term, November 1, 2024 To October 31, 2027, For A Total Not To Exceed Contract Amount Of Two Million Four Hundred Dollars (\$2,400,000) Over A Three Year Term; And (2) Waiving The Local Business/Small Local Business Enterprise Program Utilization Requirement.

EXECUTIVE SUMMARY

Adoption of the proposed resolution for the enactment of a service agreement with Kelly's Truck Repair will ensure the City of Oakland's critically needed heavy equipment, including dump trucks, refuse packers, cranes, street sweepers, and other heavy equipment types, will receive repairs and maintenance required for the operational safety of both the operators and the public.

BACKGROUND / LEGISLATIVE HISTORY

The City of Oakland (City) currently maintains a fleet of approximately 1,900 vehicles and equipment comprised of staff and emergency response vehicles, with nearly 800 of these assets requiring maintenance and repairs by Heavy Equipment Mechanics. Within Oakland Public Works (OPW), the Equipment Services Division's Heavy Equipment Shop is the primary source for providing the required maintenance and repairs for these assets. During peak demands or times of excessive workload, the Equipment Services Division will rely on vendors who specialize in heavy equipment repairs to provide support and services to reduce the equipment's out-of-service or downtime. Equipment downtime due to routine preventative maintenance or mechanical breakdown in the field must be minimized as much as possible to

ensure response readiness. OPW's Bureau of Maintenance and Internal Services (BMIS), Equipment Service Division uses this contract to complete work on equipment in need of maintenance and repairs to ensure their operational safety for the City's staff and public.

Due to the high average age of the City's owned heavy equipment, currently at 13.2 years old, the heavy equipment assets are now experiencing more costly repairs and extended downtime, with over 60 units currently out-of-service awaiting repairs and maintenance. This increase in downtime is negatively impacting many departments, including Keep Oakland Clean and Beautiful (KOCB), the Department of Transportation (DOT), the Sewers Division, and the Oakland Fire Department (OFD).

ANALYSIS AND POLICY ALTERNATIVES

On August 23, 2024, Specification No. 22-928-00/Request For Quotation (RFQ) No. 296516 (**Attachment A**) to provide vehicle diagnostic and repair services to City owned vehicles and equipment was sent to four (4) business enterprises which included: Kelly's Truck Repair, Bay Area Fleet Services, Buchanan Auto Electric, and Fleetworks Inc. Also posted on the City's webpage, and advertised in the City's official newspaper following Oakland Municipal Code (OMC) 2.04.050.

On September 6, 2024, the City Clerk's Office received one bid proposal for Specification No. 22-928-00/RFQ No. 296516 to provide vehicle diagnostic and repair service to City owned vehicles and equipment.

Evaluation of results, contract requirements, and contract capacity needs was conducted, and Kelly's Truck Repair was deemed the lowest responsive and responsible bidder, and thus qualified to provide vehicle diagnostic and repair services to City owned light and heavy-duty vehicles and equipment.

The proposed resolution supports the Citywide Priority of a **vibrant, sustainable Infrastructure**, by providing staff with properly maintained and repaired equipment that enables staff to perform the required fieldwork throughout the City, providing essential services for the City's residents while keeping both the operators and members of the public safe.

Ordinance numbers [13640](#) and [13647](#) C.M.S. require a minimum 50-percent (50%) Local Business Enterprise/Small Local Business Enterprise (LBE/SLBE) participation for all purchases of commodities, goods, and associated services for contracts valued at or over fifty thousand dollars (\$50,000) when there are at least three certified businesses listed in the industry, trade, or profession that constitutes a major category of work.

However, the Council may waive the City's LBE/SLBE requirements for the purchase of commodities, goods, services, supplies, or combination thereof due to a lack or limited availability of SLBEs or LBEs pursuant to Part I of Oakland's Local and Small Local Business Enterprise Program guidelines adopted by Ordinance No. 13647 C.M.S.

Staff has not been able to identify certified LBE/SLBEs that can provide vehicle diagnostic and repair services to City owned light and heavy-duty vehicles and provide the products or perform the services that are required under this contract. The recommended contractor, Kelly’s Truck Repair, located in San Leandro, is not using any subcontractors. Thus, the staff requests the waiver of the LBE/SLBE utilization requirements for this proposed contract award.

FISCAL IMPACT

All proposed contract expenditure allocations shall be expensed to the OPW’s Bureau of Maintenance and Internal Services, Equipment Services Division Fund (4100), Equipment Services Administration System Organization (30541), Repair and Maintenance: Miscellaneous (54619). Funding will be included in the baseline budget for Oakland Public Works. There is no minimum commitment to this contract, and funds will not be committed unless funding is identified. **Table 1** outlines the proposed funding amount per project year.

Table 1	
Project Year	Cumulative Contract Amount
2024-2025	\$800,000.00
2025-2026	\$800,000.00
2026-2027	\$800,000.00
Grand Total:	\$2,400,000.00

PUBLIC OUTREACH / INTEREST

The RFQ notice was published on the City’s website and issued through Oracle Sourcing. No further public outreach was necessary for this report beyond posting on the City’s website.

COORDINATION

OPW Bureau of Maintenance and Internal Services, Equipment Services Division worked with the City’s Controller’s Bureau Purchasing Section, the City’s Budget Bureau, and the City Attorney’s Office in preparation of this report.

SUSTAINABLE OPPORTUNITIES

Economic: This award would require approximately \$800,000 per contract year.

Environmental: Adequate repair and maintenance capabilities must be maintained (including contract vendors) to keep the City's fleet of low-emission and advanced technology vehicles in operation and in compliance with the City's Green Fleet Policy, Environmentally Preferable Purchasing Policy, and the Equitable Climate Action Plan (ECAP). This includes servicing and maintaining mandatory Diesel Particulate Filter (DPF) exhaust emission scrubbing systems as well as repairing and servicing low carbon sustainable fueled vehicles powered by Renewable Natural Gas (RNG) and other clean fuels technologies in use by the City. Additionally, not having adequate equipment repair and maintenance support capabilities will hinder the deployment of additional clean air vehicle and equipment solutions.

Race & Equity: There are no race and equity opportunities 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

Adopt A Resolution: (1) Awarding A Contract To Kelly's Truck Repair, The Lowest Responsive And Responsible Bidder In Response To RFQ #296516, To Provide Vehicle And Equipment Diagnostic And Repair Services In The Amount Not To Exceed Eight Hundred Thousand Dollars (\$800,000) Per Year For A Three-Year Term, November 1, 2024 To October 31, 2027, For A Total Not To Exceed Contract Amount Of Two Million Four Hundred Dollars (\$2,400,000) Over A Three Year Term; And (2) Waiving The Local Business/Small Local Business Enterprise Program Utilization Requirement.

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

Respectfully submitted,

Michael Kashiwagi

Michael Kashiwagi
Interim Director, Oakland Public Works

Reviewed by:
Richard Battersby, Assistant Director
Oakland Public Works

Prepared by:
Joseph Williams, Equipment Services Manager
Equipment Services Division

Attachments (1):

A: RFQ 296516