



Agenda Item:

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## **COUNCIL COMMUNICATION**

### **City Manager's Office**

#### **GENERAL INFORMATION—**

Agenda Date: 11/21/05  
Agenda Item Type: Resolution

Communication No.: 05-659  
Roll Call No:

Submitted by: William G. Stowe, Assistant City Manager/Public Works/Engineering

#### **SUBJECT—**

Fleet Services Parts Operation Request for Proposals (RFP)

#### **SYNOPSIS—**

On September 12, 2005, a vacancy arose in the Fleet Stores area. This position was one of two positions that staffs the Fleet Services parts operation, providing a unique opportunity to review operations as Centralized Fleet Operations moves forward. Initial investigation into contracting this service resulted in interest from several providers who can provide greater discounts through nationwide purchasing and may provide the City an opportunity to reduce inventory-carrying costs. Therefore, it is recommended that the attached Request for Proposals (RFP) be approved to solicit a provider for on-site operation of the parts functions for Fleet Services.

#### **FISCAL IMPACT—**

Funding for an on-site contractor is currently available in the Fleet Services Parts Budget. Contracted parts services is expected to reduce operating costs through greater volume purchasing available to national providers.

#### **RECOMMENDATION—**

Approve the RFP for parts operation for Fleet Services.

#### **BACKGROUND—**

The Public Works Department assumed the management of Fleet Services on July 1, 2001, after 18 years under private contract for repair and maintenance of City equipment maintained at the Public Works "Central" Garage. This included the functions of parts procurement and supply. Parts acquisition costs have increased under City management, and are projected to increase as the fleet of vehicles and

equipment continue to age. The number of mechanics and repairs made during the 3 to 11 PM shift has increased the last four years under Public Works' management. This has created the need for parts room staffing until 11 PM.

Other municipal operations have decreased their parts costs and increased hours of operation with on-site contract parts operations. Staff recommends approval to solicit RFPs for the operation of the Fleet Service parts function.