


COUNCIL COMMUNICATION

	Number: 18-659	Meeting: December 17, 2018
	Agenda Item: 48	Roll Call: 18-2091
	Submitted by: Bob Fagen, Finance Director	

AGENDA HEADING:

Approving a renewal addendum and amendment for Fleet Services parts operation contract.

SYNOPSIS:

Approving a renewal addendum to contract for the provision of on-site fleet services parts procurement, and supply services with Genuine Parts Company d/b/a NAPA Auto Parts (NAPA) Dennis Gibbs, Vice President, Midwest Division, 2222 East Douglas, Des Moines, Iowa 50305. The renewal addendum is for a one (1) 3-year period.

FISCAL IMPACT:

Amount: Estimated \$3,400,000 annually

Funding Source: 2018-2019 Operating Budget, page 41, I010, CMO24024 Fleet Service Parts

ADDITIONAL INFORMATION:

- On September 1, 2015, the Procurement Division issued a Request For Proposal (RFP), V16-025 for Fleet Services Turnkey Parts Operation and received two (2) proposals in response. The two (2) proposals were reviewed and evaluated by a selection committee comprised of members from several City departments. The proposal from NAPA was determined to be the better response, based on evaluation criteria.
- This renewal addendum maintains the original contract terms for NAPA to provide parts at cost plus 7%; additionally, tires, tire service, fluids, lubricants, oils, coolants, shop supplies, minor tools and equipment are provided at cost plus 5%. The renewal addendum also caps annual operating and staffing costs for the remainder of the contract, and limits operational expenses to the contractor's actual costs as shown below.

NAPA Operational Expense Annual Limits		
Year 1	Year 2	Year 3
\$311,307.23	\$320,449.20	\$329,686.68

- The contract renewal includes performance benchmarks and increased performance monitoring over previous contracts.

- NAPA has successfully provided parts procurement and supply services to the City since April 2006, under contracts to provide all staffing and related services to Fleet Services for vehicle and equipment parts. NAPA was the successful proposer to an RFP solicitation in 2009. The 2009 contract was renewed in 2012 for an additional 3-years through 2015. That contract had no additional renewals and a RFP was developed and sent to potential suppliers of parts procurement services.
- Due to the long-term success of contracted parts operation with services from NAPA, staff recommends approving the renewal addendum for NAPA for parts procurement, on-site operations and related services.

PREVIOUS COUNCIL ACTION(S):

Date: December 21, 2015

Roll Call Number: [15-2136](#)

Action: [Proposal](#) and contract with Genuine Parts Company d/b/a NAPA Auto Parts (NAPA) for on-site fleet services parts procurement and supply services. ([Council Communication No. 15-648](#))
Moved by Mahaffey to approve. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Approval of issuance of RFPs to solicit proposals for the operation of the Fleet Services part function in 2021.

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