



Legislation Text

File #: 24-0732, **Version:** 1

Department of Transportation recommending the Board:

- 1) Authorize the utilization of the Sourcewell Request for Proposal 110520 with Genuine Parts Company, doing business as NAPA Integrated Business Solutions (NAPA), to continue to provide on-site fleet vehicle and equipment parts and inventory program services; and
- 2) Approve and authorize the Chair to sign the Third Amendment to competitively bid Agreement for Services 2801 with Genuine Parts Company, doing business as NAPA Auto Parts, increasing the not-to-exceed by \$2,000,000 for a total not-to-exceed amount of \$5,750,000 and extending the term of the agreement through December 29, 2025.

FUNDING: Road Fund (State) (80%) and Fleet Service Internal Fund (Local) (20%).

DISCUSSION / BACKGROUND

Board of Supervisors Policy C-17, Section 2.3 General Procurement "Contract Term," requires departments to obtain authorization from the Board of Supervisors for any contract term exceeding three (3) years inclusive of any amendments regardless of dollar amount.

Department of Transportation, Maintenance and Operations Division (Maintenance and Operations) is requesting to utilize Sourcewell Request for Proposal (RFP) 110520 with Genuine Parts Company, doing business as NAPA Integrated Business Solutions (NAPA), to continue to provide on-site fleet vehicle and equipment parts and inventory program services. Maintenance and Operations provides maintenance and repair vehicles, trailers, and light and heavy equipment at the three different shop locations: a West Slope Equipment Shop and Fleet Services Shop, both located in Placerville, and an East Slope Equipment Shop located in South Lake Tahoe. Together, there are 140 pieces of heavy equipment, 47 heavy equipment attachments, and 585 fleet services vehicles.

The Board of Supervisors approved the original Agreement for Services #2801 between NAPA and Maintenance and Operations on June 12, 2018, which currently provides a full-service, on-site parts department, providing the parts and related services necessary to facilitate the repair and maintenance of light and heavy equipment, as well as fleet vehicles. A full-time Parts Professional employed by NAPA, is on-site at the West Slope Equipment Shop and handles all ordering, inventory management, and physical counts. The Parts Professional provides services to all three locations.

The vendor-managed inventory program has shown to provide the County with multiple benefits and improved efficiencies such as:

- 1) The County-managed parts inventory has been dramatically reduced, and staff resources used for monthly inventory/year-end inventory and reconciliation have been drastically lessened.
- 2) Parts are not purchased until they are needed; the County is no longer purchasing parts that will potentially become aged, damaged or lost, and lose value.
- 3) The agreement is with the local NAPA business in Placerville, allowing the County's expenditures to remain local.
- 4) NAPA is able to use its national bargaining power to negotiate lower prices on original manufacturer parts.

5) Administrative staff time required to set up new vendors, create annual blanket contracts, create direct purchase orders, and pay invoices has been reduced as NAPA procures the items and generates an invoice per location every two weeks.

ALTERNATIVES

The Board could choose not to approve the utilization of the Sourcewell RFP to extend the term of the current agreement with NAPA. Transportation would then need to move forward with filling a permanent Parts Technician position in order to provide parts ordering and inventory management for all three shop locations.

PRIOR BOARD ACTION

June 12, 2018 #17-0470

May 4, 2021 #21-0204

April 5, 2022 #22-0331

May 17, 2022 #22-0789

OTHER DEPARTMENT / AGENCY INVOLVEMENT

Procurement and Contracts Unit, County Counsel and Risk Management

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

There is no change to Net County Cost associated with the increase to the not-to-exceed amount for this as-needed contract. Funding for the services and parts under this agreement are included in the approved Fiscal Year 2023-24 budget and in the Recommended Budget for Fiscal Year 2024-25 budget request and will be included in future budgets for the term of the agreement.

CLERK OF THE BOARD FOLLOW UP ACTIONS

1) The Clerk of the Board will obtain the Chair's signature on two (2) originals of the Third Amendment to Agreement for Services #2801.

2) The Clerk of the Board will return one (1) original of the Third Amendment to Agreement for Services #2801 to Procurement and Contracts for further processing.

STRATEGIC PLAN COMPONENT

N/A

CONTACT

Rafael Martinez, Director

Department of Transportation