


CITY COUNCIL ACTION REQUEST

Department(s): Finance	CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.	Coordination: City Attorney's Office; City Manager's Budget Office; and Public Works Department	Dept. Approval: /s/ Rick Bruneau
Council District(s): Citywide			CMO Approval:  5/28/24

SUBJECT: ACTIONS RELATED TO THE PURCHASE ORDER WITH SUNNYVALE FORD, INC. FOR AS REQUIRED FORD AUTOMOTIVE PARTS

RECOMMENDATION:

Adopt a resolution authorizing the City Manager or her designee to exercise up to two additional one-year options to extend the term of the purchase order with Sunnyvale Ford, Inc. (Sunnyvale, CA) for as required Ford automotive parts, with the last option ending on or about May 25, 2026, subject to the appropriation of funds.

BASIS FOR RECOMMENDATION:

The Fleet Management Division, Public Works Department (Fleet Management) is responsible for the fueling, preventive maintenance, repair, acquisition, and disposal of vehicles and equipment Citywide. Fleet Management requires parts and materials for the maintenance and repair of light duty Ford vehicles, including a large number of Police Department vehicles. Outside providers are needed for these items to minimize operational impacts and mitigate equipment downtime. Fleet Management strategically coordinates parts acquisitions to effectively utilize limited staffing resources and to allow staff to prioritize critical maintenance and repairs of City equipment.

In April 2021, a competitive Request for Bids was facilitated by the Finance Department to procure these services. The Request for Bids provisioned for a one-year initial term and an additional four one-year options for the City to extend the term. Two responsive bids were submitted, and no protests were received. Neither bidder qualified for the City's local or small business preference. Staff awarded to Sunnyvale Ford, Inc. pursuant to the bidding procedures of the San José Municipal Code, Section 4.12.310.B(1). The cost for the May 26, 2024 to May 25, 2025 option period is projected to be in the amount of \$325,000 and future options will be subject to appropriation. Approval of this recommendation ensures the City continues to receive these essential products with minimal impact to operations.

Commission Recommendation/Input: There is no commission recommendation or input associated with this action.

COST AND FUNDING SOURCE:

Fund #	Appn. #	Appn. Name	Total Appn.	Amt. for Recommendation	2023-2024 Adopted Operating Budget Pg.	Last Budget Action (Date, Ord. No)
552	0083	Inventory Purchases	\$10,598,000	\$325,000	1066	6/20/2023, 30933

FOR QUESTIONS CONTACT: Albie Udom, Deputy Director of Finance- Purchasing and Risk Management, at Albie.Udom@sanjoseca.gov.