



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Modify a Blanket Purchase Order with Sunnyvale Ford for Automotive Parts and Supplies (F20-173)

REPORT IN BRIEF

Approval is requested to amend an existing blanket purchase order with Sunnyvale Ford for automotive parts and supplies, increasing the not-to-exceed amount by \$10,000 for a new not-to-exceed total amount of \$105,000.

EXISTING POLICY

Section 2.08.070(b)(3) authorizes the purchase of goods and/or services to be exempted from the competitive bidding requirements when the solicitations of bids or proposals would be impractical, unavailing or impossible.

Pursuant to Section 2.08.040 of the Sunnyvale Municipal Code, City Council approval is required for the procurement of goods and/or services exceeding \$100,000 in any one transaction.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

BACKGROUND AND DISCUSSION

The City contracted with Sunnyvale Ford to provide offsite local repair services and be a distributor of parts for the Department of Public Works Fleet Services operations. Sunnyvale Ford provides factory specialized repair and warranty maintenance and offers effective and efficient services for the Department of Public Safety Patrol units and various Ford vehicles within the fleet inventory.

Over the past year, Fleet Services averaged \$8,750 in monthly expenses due to necessary and unanticipated repairs and parts of Ford vehicles. This resulted in the initial contract amount of \$95,000 being exceeded by \$10,000. To pay outstanding invoices from the blanket purchase order that expired on March 17, an increase in the amount of \$10,000 is required. The City's new financial management system will have additional controls in place to prevent the order of services or goods without the available capacity in the purchase order. The City has issued a new purchase order under the City Manager's authority to continue operations going forward.

FISCAL IMPACT

Funding is available in the Fleet, Fuel, and Equipment Program (Program 650).

Funding Source

The Fleet, Fuel, and Equipment Program is funded by the General Services, Fleet Services Sub-Fund (595-100).

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, Sunnyvale Public Library and Department of Public Safety. In addition, the agenda and report are available at the Office of the City Clerk and on the City's website.

RECOMMENDATION

Authorize the City Manager to amend the existing blanket purchase order with Sunnyvale Ford for automotive parts and supplies, in substantially the same format as Attachment 1 to the report, increasing the not-to-exceed amount by \$10,000 for a new not-to-exceed total amount of \$105,000.

Prepared by: Gregory S. Card, Purchasing Officer

Reviewed by: Tim Kirby, Director of Finance

Reviewed by: Chip Taylor, Director of Public Works

Reviewed by: Jaqui Guzmán, Deputy City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Draft Change Order to Blanket Purchase Order