



Meeting Date: 05 / 17 / 11

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s) _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s) _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Dean Yamamoto, Interim Fleet Services Mgr Agenda Item No. **I-3**

Reviewed By: City Manager [Signature] City Attorney [Signature] Finance [Signature] Other (Specify) N/A

DATE: May 4, 2011

TO: City Council

FROM: Michael Henderson, General Services Superintendent
City Manager's Office [Signature]

SUBJECT: **Third Amendment to Agreement with Genuine Parts Company (A-6801)**

RECOMMENDATION

That City Council approve and authorize the Mayor to execute the Third Amendment to the Agreement with Genuine Parts Company in the amount of \$1,370,000, for a total contract amount of \$5,060,000 to provide on-site repair parts and tires to City for an additional year, until June 30, 2012.

DISCUSSION

The Fleet Services Division provides maintenance for the City's vehicles and equipment fleet. As Fleet Services does not have a parts store or parts staff, this essential service is provided via contract (since June 1, 2007) by Genuine Parts Company ("NAPA") through their on-site store.

The First Amendment to the Agreement, approved by City Council on March 10, 2009, added tire acquisition and management to the service provided by NAPA. The Second Amendment to the Agreement, approved by City Council on May 11, 2010, extended the agreement until May 31, 2011.

Savings provided by this agreement amount to approximately \$270,000/year through:

- reduced labor and direct costs by freeing mechanics and supervisors from acquisition and management of repair parts and tires
- improved warranty collection
- reduced wrong parts
- volume parts purchase discount
- sales tax returned to City

The Third Amendment to the Agreement with NAPA increases the amount of the contract by approximately \$1,370,000 for a total contract amount of \$5,060,000. In addition, the Third Amendment extends the agreement for an additional year to June 30, 2012.

FINANCIAL IMPACT

The Fleet Services Division is budgeted through an internal service fund as departments are charged for parts and tires installed on vehicles and equipment. Appropriations in Account Nos. 741-7501-853-

Third Amendment to Agreement with Genuine Parts Company (A-6801)

May 10, 2011

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8121 (Repair Parts Expense) and -8233 (Tires Expense) in FY 2011-12 would support the agreement's extension until June 30, 2012. The value of this amendment is estimated to be \$1,370,000. Total value of the original agreement and amendments is \$5,060,000.

Attachment #1 - Third Amendment to Agreement for On-Site Consulting Services

THIRD AMENDMENT TO AGREEMENT FOR ON-SITE CONSULTING SERVICES

This Third Amendment ("Third Amendment") to the Agreement for On-site Consulting Services ("Agreement") is made and entered into in the County of Ventura, State of California, this 11th day of February, 2011, by and between the City of Oxnard, a municipal corporation ("City"), and Genuine Parts Company ("Contractor"). This Third Amendment amends the Agreement entered into on May 15, 2007, by City and Contractor. The Agreement previously has been amended on November 28, 2008, by a First Amendment, and on April 7, 2010, by a Second Amendment.

City and Contractor agree as follows:

1. In Section 10 of the Agreement, the date "May 31, 2011" is deleted and replaced with the date "June 30, 2012."
2. As so amended, the Agreement remains in full force and effect.

CITY OF OXNARD

GENUINE PARTS CO. DBA NAPA
AUTO PARTS

Dr. Thomas E. Holden, Mayor



Brad Shaffer, Division Vice President

ATTEST:

APPROVED AS TO CONTENT:

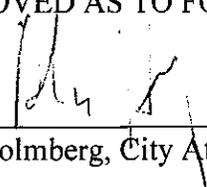
Daniel Martinez, City Clerk



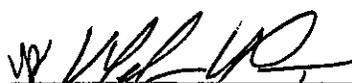
Edmund F. Sotelo
City Manager

APPROVED AS TO FORM:

APPROVED AS TO INSURANCE:



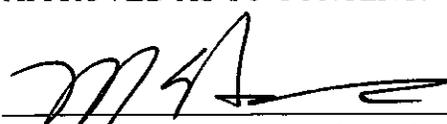
Alan Holmberg, City Attorney



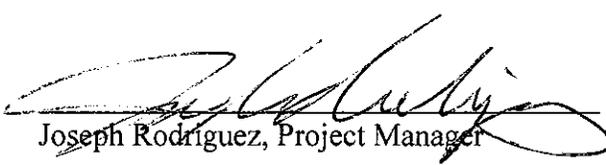
James Cameron, Risk Manager

APPROVED AS TO CONTENT:

APPROVED AS TO CONTENT:



Michael Henderson, Gen. Svcs. Superintendent



Joseph Rodriguez, Project Manager