



Meeting Date: 05 / 11 / 10

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: Dan Berlenbach, Fleet Services Mgr. *DSB* Agenda Item No. I-1

Reviewed By: City Manager *[Signature]* City Attorney *[Signature]* Finance *[Signature]* Other (Specify) _____

DATE: April 22, 2010

TO: City Council

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

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

RECOMMENDATION

That City Council approve and authorize the Mayor to execute the Second Amendment to the Agreement with Genuine Parts Company in the amount of \$1,370,000 for vendor to continue to provide repair parts and tires to City for an additional year, until May 31, 2011.

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. 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

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. There are sufficient funds in Account No. 741-7501-853-8121 (Repair Parts Expense) and -8233 (Tires Expense) to fund this agreement for the balance of the current fiscal year, and future appropriations would support the agreement's extension until May 31, 2011.

Second Amendment to Agreement with Genuine Parts Company (A-6801)
April 22, 2010
Page 2

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

Note: Attachment #1 has been provided to City Council under separate cover. Copies for review are available at the Help Desk in the Library after 6:00 p.m. on Thursday prior to the Council meeting and in the City Clerk's Office after 8:00 a.m. on Friday prior to the Council meeting.