

Meeting Date (?)	08/16/2016
Subject Matter * (?)	Approval of Existing Price Agreement and Blanket Purchase Order with NAPA Auto Parts This must match rolling agenda entry
Department of Origin *	FLEET SERVICES
Submitted By *	Bobby Walker
Type of Meeting *	<input type="radio"/> BCD <input type="radio"/> Special <input checked="" type="radio"/> Regular
Classification *	<input type="radio"/> Public Hearing <input checked="" type="radio"/> Consent <input type="radio"/> Statutory <input type="radio"/> Regular
Ordinance *	<input checked="" type="radio"/> None <input type="radio"/> First Read <input type="radio"/> Second Read <input type="radio"/> First & Only Read
Strategic Initiative *	<input checked="" type="checkbox"/> Public Safety <input checked="" type="checkbox"/> Service <input type="checkbox"/> Economic Development <input type="checkbox"/> Infrastructure <input type="checkbox"/> Quality of Life
Agenda Item Description *	Consider approving participation in an existing price agreement for Automotive and Truck replacement parts, shop equipment, and services from NAPA Auto Parts through the Brazos Valley Council of Governments Cooperative Program – Purchasing Solutions Alliance (PSA) contract, in a not to exceed amount of \$100,000.00.

Summary Statement *

Fleet Services respectfully requests City Council approval authorizing the Purchasing Department to issue a Blanket Purchase Order (BPO) to NAPA Auto Parts, the local PSA contract dealer for automotive and truck service parts, shop equipment, and services. PSA is a purchasing cooperative for public agencies. All products and services available for purchase through the PSA contract have been competitively bid and awarded, and satisfy State law requirements relating to competitive bids or proposals.

Based on historical analysis, using cooperative purchasing programs results in favorable pricing and a general review of current pricing suggests the prices for goods purchased from NAPA are competitively priced and represent the best value to the City. The new PSA contract (PSA No. 14-102) became effective March 19, 2015, and extends through March 18, 2017. The contract contains provisions for up to three one-year extensions, and is anticipated that at least one extension will be exercised, thereby effectively extending the contract until March 18, 2018. The City's contract term will become effective August 29, 2016, if approved by the City Council, and is for one year.

NAPA will be required to provide an average of seven (7) deliveries per day to the City's automotive parts warehouse, guaranteed one-hour deliver of all in-stock parts, electronic ordering capability, inventory adequacies to meet the needs of the City's fleet, accurate invoicing, and a buy-back program to permit the City to return obsolete auto parts from inventory for full credit. These service requirements are necessary to ensure parts are readily available at the point of need so as to reduce downtime associated with repairs and maintenance of the City's fleet.

Historical expenditures for service parts purchased from NAPA are as follows:

- FY2009 – (8/2008-8/2009) \$95,891
- FY2010 – (8/2009-8/2010) \$76,308
- FY2011 – (8/2010-8/2011) \$71,846
- FY2012 – (8/2011-8/2012) \$63,274
- FY2013 – (8/2012-8/2013) \$68,687
- FY2014 – (8/2013-8/2014) \$81,341
- FY2015 – (8/2014-8/2015) \$64,393
- FY2016 – (8/2015- to date) \$55,237

The annual expenditures have been somewhat consistent in recent years, and are lower than the FY2009 amount. The decrease from the FY2009 amount is due to several factors including the replacement of older units and not having an exclusive contract with this or any vendor, thereby giving staff the ability and flexibility to properly manage all purchases and assure the City attains the best value for each individual purchase. The best value unit price is selected by vendor in order to maximize savings. Based on this analysis and historical purchases, City staff anticipates spending approximately \$85,000; however, the requested amount of \$100,000 provides flexibility should the City experience an atypical year. This amount does not include additional service parts acquired from other local vendors that provide the best value for a given need. Such expenditures from other vendors are within the City Manager's spending authority. Other vendors include: O'Reilly Auto Parts, Advance Auto Parts (formerly Carquest Auto Parts), Bryan Freightliner, Performance Truck Center, and Kyrish Truck Center of Bryan (formerly Hogan's Truck Center).

Staff Analysis & Recommendation *

Fleet Services respectfully recommends approving the extension of the existing price agreement for automotive and truck replacement parts, shop equipment, and services from NAPA Auto Parts through the Brazos Valley Council of Governments Cooperative Program – Purchasing solutions Alliance (PSA) contract, and issuing a blanket purchase order in a not to exceed amount of \$100,000. As a reminder, purchases are made on an as needed basis and the exact expense amount should be closer to historical amounts.

Options *

(In Suggested Order of Staff Preference)

1. Approve the Blanket Purchase Order (BPO) as requested.
2. Do not approve and direct staff to solicit formal bids and award a contract to a single vendor. (Note: this action is for a single vendor but multiple vendors are used throughout the year in an effort to obtain the best value for the City. Purchases from other vendors are within the City Manager's spending authority.)
3. Do not approve and provide direction to staff.

Funding Source *

As budgeted in department operating budgets (General Fund and Enterprise Funds)

Attachments

PSA_Contract_14_102_Information_and_Pricing_Discount_Schedule_eff_3_19_15.pdf 142.83KB

Please detail attachments and note attachments available for viewing in City Secretary's Office:

1. Purchasing Solutions Alliance Contract with discount structure (pdf file)

Dept. Head Signature

JAYSON E. BAFFENRECHT 07/28/16

**Deputy City Manager
Signature**

Hugh R. Walker

City Manager Signature



City Attorney Signature

Janis K. Hampton