



TO: Board of Contracts and Awards
FROM: Patsy Best, Procurement and Payables Division Manager, Finance Department
Andrew Cherullo, Director, Finance Department
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and
Kimberly Ward Finance/Purchasing
SUBJECT: Citywide Contract-NAPA Automotive Parts
Budgeted from various Department/Division funds
Cooperative Contract with Washington State DES Contract No. #01809
SAP Contract No. 4600012403, September 19, 2017
DATE: 8/14/2017

SUMMARY:

The Finance Department, Procurement and Payables Division requests approval to increase Contract No. 4600012403 to Standard Parts Corp., Fife, WA, in the amount of \$200,000 plus applicable sales tax for the as needed purchase of automotive parts. This will bring the contract to a cumulative total of \$400,000 plus applicable sales tax.

STRATEGIC POLICY PRIORITY:

By creating a citywide contract for automotive parts, we are able to take advantage of the volume discount of the state contract. This discount supports the Strategic Policy Priority of:

- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

BACKGROUND:

This contract was originally executed in April 2017 for \$200,000 for citywide use in addition to three pre-existing department contracts (4600006862, 4600008981, and 4600011725.) With the transition to Ariba, the department contracts will need to close. Therefore, all purchases will be made under the citywide contract resulting in a need for more funds to ensure contract usability until its expiration date of August 9, 2018. Standard Parts Corp provides service to the city through two local stores.

ISSUE: This contract provides for the as needed purchase of automotive parts to all city department and divisions. The current contract is valid through August 9, 2018, but will run out of funds prior to the expiration date.

ALTERNATIVES: The alternative course of action would be to not increase the contract and approach each supply as an individual purchase. This would result in a significant cost increase due to not utilizing the state discount. To issue our own competitive solicitation would not get the City the volume discounted rates we are currently receiving because the current contract has statewide use.

COMPETITIVE SOLICITATION: This contract was originally awarded to Standard Parts Corp. as a result of a Cooperative Agreement with the Washington's State Department of Enterprise Contract No. 01809 resulting from the statewide RFP Specification No. 01809 in July 2009. The City was already purchasing from NAPA without contract pricing. Piggybacking off this agreement allows the city to purchase what they were already purchasing, but at a lower cost.



<u>Respondent</u>	<u>Location (city and state)</u>	<u>Rank or Score</u>
Standard Parts Corp	Fife, WA`	78.31
AutoZone Stores	Sherwood, OR	79.62
Motion Auto Supply	Spokane, WA	81.75*
Seattle Automotive Contract	Auburn, WA	72

*No stores locally

CONTRACT HISTORY: This contract was originally executed in April 2017 for \$200,000 for citywide use. This will be the first amendment to the contract.

SUSTAINABILITY: This Sustainable Procurement Policy is intended to emphasize the purchase of fewer products without reducing safety or workplace quality. The sustainable practice of maintenance/repair of vehicles reduces the need of purchasing new vehicles

RECOMMENDATION: The Finance Department, Procurement and Payables Division recommends approval to increase Contract No. 4600012403 to Standard Parts Corp., Fife, WA, in the amount of \$200,000 plus applicable sales tax for the as needed purchase of automotive parts. This will bring the contract to a cumulative total of \$400,000 plus applicable sales tax.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Various Department Funds			\$200,000
TOTAL			

* General Fund: Include Department

REVENUES: N/A

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
TOTAL			



POTENTIAL POSITION IMPACT: N/A

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
TOTAL			

This section should only be completed if a subsequent request will be made to increase or decrease the current position count.

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$200,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes