



MEMORANDUM

Council Agenda
Item No. IX. B
6/21/2022

The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Renewal of agreements with Genuine Parts Company dba NAPA Auto Parts, vehicle parts management and supply services for the Fleet Services Division of the General Services Department (R23-C198000A), the Fire Maintenance Division of the Fire Department (R23-C198000B) and the Parks and Recreation Department/Grounds Management Division (R23-C198000C), estimated cost \$4,000,000, July 1, 2022 through June 30, 2023; and approving performance bond.

Location(s):

(R23-C198000A) - General Services/Fleet Services Division 3738 S.W. 15th Street, Building 8; Oklahoma City, OK 73108

(R23-C198000B) - Fire Department/Fire Maintenance Division - 600 N. Portland Avenue, Oklahoma City, OK 73107

(R23-C198000C) - Parks and Recreation Department/Grounds Management Division – 1821 SE 22nd Street, Oklahoma City, OK 73129

Purpose:

To provide vehicle parts management and supply services for the General Services/Fleet Services Division, the Fire Department/Fire Maintenance Division, and the Parks and Recreation Department/Grounds Management Division through on-site NAPA stores.

Background:

These agreements were originally approved on July 3, 2018 (Item No. VII. E.) for the period ended June 30, 2019. The pricing agreements include four one-year renewal options. The agreements were renewed July 2, 2019 (Item No. VII. I.) for the period ended June 30, 2020. The agreements were renewed June 16, 2020 (Item No. VII. D.) for the period ended June 30, 2021. The agreements were renewed June 22, 2021 (Item No. VII. C.) for the period ending June 30, 2022.

The agreements meet the City's policy on renewal of agreements for goods and services. Staff has notified the vendor that the City wishes to renew the agreements under the same terms and conditions, including price, as previously awarded. Letters agreeing to the renewals have been received from the vendor.

Agreement(s):

(R23-C198000A)

Genuine Parts Company dba NAPA Auto Parts

Product Costs and Outside Purchases/Services for the Fleet Services Division Billed to City at 0% gross profit rate

Product Costs and Outside Purchases/Services for all other City Departments Billed to City at 9% gross profit rate

Operational Costs Billed to City at Cost

Net Profit Target Cost plus 7%

(R23-C198000B)

Genuine Parts Company dba NAPA Auto Parts

Product Costs and Outside Purchases/Services for the Fire Maintenance Division Billed to City at 0% gross profit rate

Operational Costs Billed to City at Cost

Net Profit Target Cost plus 7%

(R23-C198000C)

Genuine Parts Company dba NAPA Auto Parts

Product Costs and Outside Purchases/Services for the Fleet Services Division Billed to City at 0% gross profit rate

Product Costs and Outside Purchases/Services for all other City Departments Billed to City at 9% gross profit rate

Operational Costs Billed to City at Cost

Net Profit Target Cost plus 7%

Estimated Cost:

\$4,000,000

Source of Funds:

\$2,500,000 - Fleet Services-Bud-General Services Fleet Services-Fleet Services-Budget-Materials and Supplies and Other Services & Charges (350-35003XX-0455-53000001&52000001) and Various funds and accounts

\$1,000,000 - Fire – Fire Sales Tax – Budget-Fire Department – Fire Other Tools & Equipment – Budget-Other Services and Charges - Budget-Materials & Supplies (030-0150-450XXXX-11551-52000001-53000001)

\$500,000 - General Fund - General Operations – Grounds Maintenance – Repair & Maintenance Parts (001- 0001-5500517-53040013)

Review:

Finance Department

Recommendation: Agreement(s) be renewed and Performance Bond be approved.