



COUNTY OF NEVADA
COMMUNITY DEVELOPMENT AGENCY
DEPARTMENT OF PUBLIC WORKS
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Sean Powers
Community Development Agency Director

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Director of Public Works

NEVADA COUNTY BOARD OF SUPERVISORS
Board Agenda Memo

MEETING DATE: June 25, 2019

TO: Board of Supervisors

FROM: **Scotty Borrer, Fleet Services Manager**

SUBJECT: Resolution approving and authorizing execution of Amendment No. 3 to the Agreement BFO18104 with Riebes Auto Parts, LLC., for a Vendor Managed Inventory (VMI) parts facility operation, increasing the contract to a new maximum amount not to exceed \$1,027,628.

RECOMMENDATION: Adopt the Resolution.

FUNDING: This agreement directly impacts the Fleet Services budget. Costs associated with this agreement will be spread to County Departments that utilize vehicles by the Fleet Services Division.

BACKGROUND:

On March 13, 2018, the Nevada County Board of Supervisors adopted Resolution 18-104 approving an agreement with Riebes Auto Parts, LLC., for a vendor managed inventory (VMI) parts facility operation for the period of April 1, 2018 through June 30, 2019. On January 8, 2019 the Board of Supervisors adopted Resolution 19-015 approving Amendment No. 1 reducing the contract maximum and revising the scope of the contract to reflect Fleet purchasing tires directly from our tire vendors. The parts total for the entire contract was reduced by \$115,860, which is 75% of the 2018/19 estimated budget for tires. The current fiscal year encumbrance was reduced to \$434,656 with the maximum total contract price reduced to \$534,973. Amendment #2 (SR 19-0454) is currently on the agenda for June 11, 2019 to extend the contract agreement, an additional fiscal year, through June 30, 2020. The amendment #2 will increase the maximum total contract price to \$969,628 (original amended total \$534,973 and Fiscal Year 2019/2020 total \$434,656).

Notwithstanding the reduction of the contract due to the tire budget being removed from the contract, we have had an increase in the parts costs in the last half of this fiscal year. During the first 6 months of this year, fleet spent \$216,655 on parts. In the final six months of this year, fleet is on track to spend another \$276,000. The increases are due to more extensive repairs on equipment rather than standard costs of maintenance parts. This Amendment #3 would increase the current year encumbrance to \$492,655, and would increase the contract to a new maximum amount not to exceed \$1,027,628.

Item Initiated by: Scotty Borrer, Fleet Services Manager
Approved by: Trisha Tillotson, Director of Public Works

Submittal Date: June 10, 2019

