



## City Council Report

915 I Street, 1<sup>st</sup> Floor  
Sacramento, CA 95814

[www.cityofsacramento.org](http://www.cityofsacramento.org)

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**File #:** 2016-01177

**Consent Item 08**

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**Title: Contract Supplement No. 2: Light Duty Vehicle Body Repairs and Services**

**Recommendation:** Pass a Motion 1) authorizing the City Manager or the City Manager's designee to execute Contract Supplement No. 2 to Contract No. 2014-0868 with Harrold Ford for light duty vehicle body repair and service to: a) extend the contract term for one additional year through September 3, 2017; and b) increase the contract amount by \$841,673 for a revised total contract amount not to exceed \$2,041,673 for the potential four-year term provided that sufficient funding is available in the budget adopted for the applicable fiscal year; 2) resetting the City Manager's authority to issue contract supplements; and 3) ratifying prior purchases for vehicle body repair and services made in FY2014/15 and FY2015/16 from Harrold Ford in the total amount of \$216,247.

**Location:** Citywide

**Contact:** Iseña Garcia, Program Specialist, (916) 808-1163; Mark Stevens, Fleet Manager, (916) 808-5869, Department of Public Works

**Presenter:** None

**Department:** Public Works

**Attachments:**

1-Description/Analysis

2-Contract Supplement No. 2

## Description/Analysis

**Issue Detail:** The Department of Public Works (DPW), Fleet Management Division, has an ongoing requirement to provide light duty vehicle body repairs and services for City vehicles. On September 2, 2014, City Council passed Motion 2014-0219 awarding a one-year contract with three, one-year renewal options to Harrold Ford. Contract Supplement No. 1 was executed on October 28, 2015 to extend the time of performance for one year without increasing the spending authority. Contract No. 2014-0868 included an annual not-to-exceed amount of \$300,000 per year for a total not-to-exceed amount of \$1.2 million for the potential four-year term. Although expenditures have not exceeded the total not-to-exceed amount of \$1.2 million, Fleet Management has determined that the annual spending authority has been exceeded by \$216,247 due to an unanticipated level of light duty vehicle body repairs. Expenditures exceeded the annual not-to-exceed amount by \$51,437 in FY2014/15 and \$164,810 in FY2015/16. This report includes a recommendation to ratify these prior expenditures and execute Contract Supplement No. 2 to extend the contract term and provide additional spending authority.

**Policy Considerations:** The recommendations in this report are in accordance with City Code Chapter 3.56.

**Economic Impacts:** None

**Environmental Considerations:** No environmental review is necessary because the recommendations in this report involve the purchase of light duty vehicle body repairs and services and are not considered to be a project in accordance with Section 15378(b)(2) of the California Environmental Quality Act guidelines.

**Sustainability:** Not applicable

**Commission/Committee Action:** None

**Rationale for Recommendation:** Contract No. 2014-0868 included an annual not-to-exceed amount of \$300,000 per year for a total not-to-exceed amount of \$1.2 million for the potential four-year term. Although expenditures have not exceeded the total not-to-exceed amount of \$1.2 million, Fleet Management has determined that the annual spending authority has been exceeded by \$216,247 due to an unanticipated level of light duty vehicle body repairs. Expenditures exceeded the annual not-to-exceed amount by \$51,437 in FY2014/15 and \$164,810 in FY2015/16. Ratifying prior purchases in the amount of \$216,247 is recommended because those purchases were made in excess of the annual spending authority to prevent an interruption in City services.

Fleet Management recommends increasing the annual not-to-exceed amount by \$271,079, for a new total amount not to exceed \$571,079 per year, to meet the increase in annual expenditures and cover any unanticipated level of body repairs and services through the end of the contract term. Executing Contract Supplement No. 2 with Harrold Ford will extend the time of performance for an additional year and increase the contract by \$841,673 for a new total not-to-exceed amount of \$2,041,673, through the end of the potential four-year term.

**Financial Considerations:** Sufficient funds are available in the Department of Public Works FY2016/17 operating budget (Fleet Fund, Fund 6501) for light duty vehicle body repair and services through June 30, 2017. Purchases made after June 30, 2017 are subject to funding availability in the adopted budget of the applicable fiscal year. In determining the recommended spending authority in an amount not to exceed \$2,041,673 for the potential four-year term, Fleet Management staff reviewed the expenditure history for these services and considered future needs. Expenditures under the recommended contract supplement are estimated not to exceed \$571,079 per year.

**Local Business Enterprise (LBE):** Harrold Ford is an LBE.



Requires Council Approval:  No  YES Meeting: 10/25/16
 Real Estate  Other Party Signature Needed  Recording Requested

General Information

Form with fields: Type: Nonprofessional Services, PO Type: N/A, Attachment: No.: 2, Original Doc Number: 2014-0868, Not to Exceed: \$2,041,673, Other Party: Harrold Ford, Certified Copies of Document, Project Name: Vehicle Body Repairs & Services for Light Duty Vehicles Under 14,000 GVWR, Deed: [X] None, [ ] Included, [ ] Separate, Project Number, Bid Transaction #: B14131311017, E/SBE-DBE-M/WBE:

Department Information

Department: Public Works Division: Fleet Management
Project Mgr: Iseña Garcia
Contract Services: N/A Division Mgr: Mark Stevens
Phone Number: 808-1163 Org Number: 15003311
Comment: Original Contract Amount: N/A

Review and Signature Routing

Department Signature or Initial Date
Project Mgr: [Signature] 9/14/16
Contract Services:

City Attorney Signature or Initial Date
City Attorney: [Signature] 9/16/2016

[X] Send Interoffice Mail to Iseña Garcia (12500)
[ ] Notify for Pick Up: Isena Garcia - 808-1163

Authorization Signature or Initial Date
Jerry Way
Director, Public Works:
City Mgr: Yes [ ] No [ ]

Contract Cover/Routing Form: Must Accompany ALL Contracts; however, is not part of the contract. (01-01-09)
(Under \$100K - Blue)

For City Clerk Processing
Finalized: Initial: [ ] Date:
Imaged: Initial: [ ] Date:
Received: (City Clerk Stamp Here)

## CONTRACT SUPPLEMENT (Nonprofessional Services)

**Project Title and Job Number:** Vehicle Body Repairs & Services for Light Duty Vehicles under 14,000 GVWR

**Date:** 6/28/16

**Purchase Order #:** \_\_\_\_\_

**Contract Supplement No.:** 2

The City of Sacramento ("City") and Harold Ford ("Contractor"), as parties to that certain Nonprofessional Services Agreement designated as Agreement Number 2014-0868, including any prior contract supplements modifying the agreement (the agreement and contract supplements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. Add the following amendment to the Scope of Services specified in Attachment 1 to Exhibit A of the Agreement:  
CONTRACTOR shall also perform interior and exterior vehicle detail for the City's light duty vehicles on an "as-needed" basis as determined by the City.
2. The Time of Performance specified in Exhibit A and thereafter amended in October 2015 by Paragraph 1 of Contract Supplement No. 1 is amended further as follows:  
The time of performance is extended to 9/3/17.
3. The CONTRACTOR's Compensations specified in Attachment 1 to Exhibit B is amended as follows:  
To allow the City to purchase additional vehicle body repairs and services on an as-needed basis as determined by the City. The not-to-exceed amount of the contract is increased by \$271,079 per year, for a new total amount of \$571,079 per year. The total contract is increased by \$841,673, for a new total not-to-exceed amount of \$2,041,673 for the potential four-year period.

4. Add the following amendment to the Billable Rates table specified in Attachment 1 to Exhibit B of the Agreement:

DESCRIPTION	RATE
Standard Interior and Exterior Detail	\$156.25 Per Vehicle
Heavy Duty Interior and Exterior Detail: Dealer Cost plus <u>25%</u> Markup	

5. In consideration of the additional and/or revised services described in section 1, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is increased by \$841,673, and the Agreement's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$1,200,000</u>
Net change by previous contract supplements:	<u>\$0</u>
Not-to-exceed amount prior to this contract supplement:	<u>\$1,200,000</u>
 Increase by this contract supplement:	 <u>\$841,673</u>
 New not-to exceed amount including all contract supplements:	 <u>\$2,041,673</u>

6. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor.
7. Contractor warrants and represents that the person or persons executing this contract supplement on behalf of Contractor has or have been duly authorized by Contractor to sign this contract supplement and bind Contractor to the terms hereof.
8. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this contract supplement.

Approval Recommended By:

Ismael Y Garcia  
Project Manager

Approved By:

De Harker 8/18/16  
Contractor

Approved By:

\_\_\_\_\_  
City of Sacramento

Approved As To Form By:

[Signature]  
City Attorney

Attested To By:

\_\_\_\_\_  
City Clerk

(Rev. 9-17-12)



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
9/9/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Hylant Group Inc - Ann Arbor 24 Frank Lloyd Wright Dr J4100 Ann Arbor MI 48105	<b>CONTACT NAME:</b> PHONE (A/C, No., Ext): 734-741-0044		FAX (A/C, No.): 734-741-1850
	<b>E-MAIL ADDRESS:</b>		
		<b>INSURER(S) AFFORDING COVERAGE</b>	<b>NAIC #</b>
		<b>INSURER A:</b> New Hampshire Insurance Co	23841
		<b>INSURER B:</b> National Union Fire Ins Co of Pitts	19445
		<b>INSURER C:</b> Travelers Property Casualty	36161
		<b>INSURER D:</b>	
		<b>INSURER E:</b>	
		<b>INSURER F:</b>	

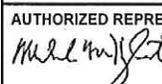
**COVERAGES**                      **CERTIFICATE NUMBER:** 1475394431                      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/OP AGG \$ \$
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS  <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS			01-LX-067046083-1	4/1/2016	4/1/2017	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$10,000			29-UD-011166009-1	4/1/2016	4/1/2017	EACH OCCURRENCE \$25,000,000 AGGREGATE \$25,000,000 \$
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N N	UB2930B576	1/1/2016	1/1/2017	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
A A	Garage Operations Liability Garagekeepers			01-LX-067046083-1 01-LX-067046083-1	4/1/2016 4/1/2016	4/1/2017 4/1/2017	1,000,000/3,000,000 Limits 250,000 Limit each loc

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Additional Insured for Garage Operations Liability, as required by written contract - City of Sacramento, its officials, employees and volunteers. Waiver of subrogation on Workers' Compensation policy in favor of Additional Insured.

<b>CERTIFICATE HOLDER</b>  City of Sacramento Dept. of General Services, Fleet Management Div. Attn: Insurance Compliance 5730 24th Street, Building One Sacramento CA 95822	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**

**ADDITIONAL INSURED – WHERE REQUIRED UNDER CONTRACT OR AGREEMENT**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective: 4-1-15	Countersigned By:
Named Insured: Victory Automotive Group, Inc.	(Authorized Representative)

The WHO IS AN INSURED provision is amended to include as an "insured" any person or organization for whom you agreed in a written contract, written agreement, or written permit to provide such coverage as is afforded under this policy, but only as respects the use of a covered "auto"

This provision does not apply:

- a. Unless the written contract or agreement has been executed or the permit has been issued prior to the "accident" which caused the "bodily injury" or "property damage" to which this coverage applies;
- b. To any person or organization included as an "insured" by an endorsement in the Declarations;
- c. To any lessor of "autos":
  - (1) After the lease expires; or
  - (2) If the "bodily injury" or "property damage" arises out of the sole negligence of the lessor; or
- d. To any contract or agreement for professional services.

The insurance provided by this endorsement will not exceed the lesser of:

- a. The coverage and/or limits of this policy; or
- b. The coverage and/or limits required by said contract or agreement.



WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY

ENDORSEMENT WC 04 03 06 (01) - 002

POLICY NUMBER: (YJUB-2930B57-6-16)

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT-CALIFORNIA

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

THE ADDITIONAL PREMIUM FOR THIS ENDORSEMENT SHALL BE 03.000 % OF THE CALIFORNIA WORKERS' COMPENSATION PREMIUM OTHERWISE DUE ON SUCH REMUNERATION.

SCHEDULE

PERSON OR ORGANIZATION

JOB DESCRIPTION

CITY OF SACRAMENTO
DEPARTMENT OF GENERAL
SERVICES, FLEET MANAGEMENT
DIVISION; ATTN: INSURANCE
COMPLIANCE, 5730 24TH STREET,
BLDG. ONE, SACRAMENTO CA 95822

WORK PERFORMED FOR THE CITY

