

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

439



FROM: SHERIFF'S DEPARTMENT

SUBMITTAL DATE:
02/07/14

SUBJECT: Approval of a Service Agreement with Penske Truck Leasing Company LP to Provide Maintenance, Repairs, Fuel and Storage Services for the Sheriff's Corrections Bus Fleet, via the Competitive Bidding Process, with Only One Bid Received, 2/2 District. [\$2,125,000 – Department Budget]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and authorize the Chair to execute a personal service agreement with Penske Truck Leasing Company, in the annual amount of \$425,000 for five (5) years, renewable in one-year increments; and;
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459.4, to execute the annual renewal options and sign amendments that do not change the substantive terms of the agreement, including amendments to the compensation that do not exceed the CPI index, based on the availability of funding.

(Continued on Page 2)

FISCAL PROCEDURES APPROVED
PAUL ANGULO, CPA, AUDITOR-CONTROLLER

BY: [Signature] 2/11/14

[Signature]
Stanley L. Spiff, Jr.
Sheriff-Coroner-PA
Will Taylor, Director of Administration

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 425,000	\$ 425,000	\$ 2,125,000	\$	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 425,000	\$ 425,000	\$ 2,125,000	\$	

SOURCE OF FUNDS: Department budget

Budget Adjustment: No
For Fiscal Year: 13/14

C.E.O. RECOMMENDATION:

APPROVE

BY: [Signature]
Steven C. Horn, MPA

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

FORM APPROVED COUNTY COUNSEL
BY: [Signature] 2/11/14
DATE
NEAL R. KPINS
Departmental Concurrence

Purchasing: [Signature]
Mark Seiler, Assistant Director

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.: | District: 2/2 | Agenda Number:

3-31

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Approval of a Service Agreement with Penske Truck Leasing Company LP to Provide Maintenance, Repairs, Fuel and Storage Services for the Sheriff's Corrections Bus Fleet, via the Competitive Bidding Process, with Only One Bid Received, 2/2 District. [\$2,125,000 – Department Budget]

DATE: 02/07/14

PAGE: 2 of 2 (BR 14-056)

BACKGROUND:

Summary

Sheriff's Corrections provides inmate transportation with a fleet comprised of 9 MCI buses, two Titan medium duty buses and a Thomas Built bus. County Purchasing and Fleet released a request for proposals, #SHARC 229, through a posting on the Purchasing website, on behalf of the Sheriff's Department, for bus maintenance, fuel and storage services. Purchasing records show that 9 companies downloaded and received a copy of the RFP: Fleet Services, SOS Maintenance, Elite Line Services, Southern California Fleet Services, Complete Coach Works, Reliable Supply, Precision Fleet Repair, Deltek and Penske. As a result of the bidding process, Penske was the only vendor who responded.

Penske Corporation is uniquely equipped to service the needs of the Department. Its trained mechanics are knowledgeable and experienced to service the MCI buses. The vendor is also located a short distance from the Robert Presley Detention Center, reducing the amount of time and cost incurred driving or towing the buses for maintenance and repairs.

Contract History and Price Reasonableness

Penske has been under contract to provide maintenance and other services for the Sheriff's bus fleet since 2003. Penske has proposed a labor rate of \$86 per hour. In FY 2004-05, the hourly labor rate it charged the Sheriff's Department was \$70. The \$16 increase over a ten year period equates to a 2.29% increase per year. MCI charges \$100 per hour for labor. The Department has budgeted the necessary funds for this agreement in this fiscal year.

Impact on Citizens and Businesses

Since these buses are on the road almost daily, it is imperative that the Sheriff's Department keeps trained mechanics on-call to ensure the safety of Corrections staff and inmates traveling in the buses and the fellow drivers and families also on the highway.

Further, the MCI buses currently cost in excess of \$500,000 each. County citizens trust that the County is utilizing trained mechanics to maintain them; thus protecting this significant capital investment.

Date: February 5, 2014
From: Will Taylor, Director of Finance Department/Agency: Sheriff-Correction
To: Board of Supervisors/Purchasing Agent
Via: Purchasing Agent
Subject: Single Responsible Responsive Bidder; Request for vehicle maintenance, fuel and storage service for MCI Buses, Titan medium duty buses, and Thomas Bus.

The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

- 1. Supply/Service being requested:** Major mechanical repairs and routine preventive maintenance services, fueling, parts and supplies and 24 hour towing and roadside assistance for nine (9) MCI buses, two (2) Titan medium duty buses and one (1) Thomas Bus to ensure the proper and efficient operation of the vehicles.
- 2. Supplier being requested:** Penske Truck Leasing Company
- 3. Alternative suppliers that can or might be able to provide supply/service:** County Purchasing and Fleet released a request for proposal, RFP SHARC# 229, through a posting on the Purchasing website, on behalf of the Sheriff's Department, for vehicle maintenance, repair, fuel and storage services. County Purchasing records show that nine companies downloaded and received a copy of the RFP: Fleet Services, SOS Maintenance, Elite Line Services, Southern California Fleet Services, Complete Coach Works, Reliable Supply, Precision Fleet Repair, Deltek and Penske. As a result of the bidding process, Penske was the only vendor who responded.
- 4. Extent of market search conducted:** A formal bid has been completed (SHARC-229).
- 5. Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:** Penske Corporation is uniquely equipped to service the needs of the Department. Penske's trained mechanics are knowledgeable and experienced to service the MCI buses. The vendor also provides the following services: wash, fuel, towing, roadside assistance, parts and security for the buses. The vendor is located a short distance from the Robert Presley Detention Center; its close proximity will greatly reduce the overall cost and time needed for repairs. It is crucial to maintain the buses in good working order, as they are used on a daily basis to transport inmates. A malfunction of the bus could jeopardize the safety of inmates, as well as personnel.
- 6. Reasons why my department requires these unique features and what benefit will accrue to the county:** County Fleet is not equipped to provide the scope of service to maintain the Correctional bus fleet. Although the County has the ability to provide for fuel and perhaps light maintenance, it does not currently have personnel trained in performing major mechanical repairs for the various inmate transportation buses. Further, it does not currently have secured parking ample enough for these vehicles within a reasonable distance.
- 7. Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:** Penske is charging 20% markup on all parts and outside services, and is limited to a maximum of \$500 per item or service charged. Their hourly labor rate is \$86, which is competitive to the industry standard on comparable service. MCI charges \$100 per hour on labor.

8. Does moving forward on this product or service further obligate the county to future similar contractual arrangements or any ongoing costs affiliated with this sole source? Yes. It is anticipated the Department will continue to add to the fleet of buses in order to fulfill the Corrections Division mission.
9. **Period of Performance:** Request for a one year service agreement, with the option to renew annually for four (4) additional years not to exceed the cost of \$425,000 per year.



Chief Deputy Signature

2/10/14

Date



Department Head Signature

2/10/14

Date

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove

Not to exceed: \$ 425,000

One time

Annual Amount through 2/28/19



Purchasing Agent

Feb 10, 14

Date

14-343

Approval Number

(Reference on Purchasing Documents)