

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

107



**FROM:** Sheriff-Coroner-PA

**SUBMITTAL DATE:**  
09/19/13

**SUBJECT:** Approval of a Sole Source Agreement with Motor Coach Industries (MCI) to Perform Specific Repairs on the Sheriff's Fleet of MCI Inmate Transportation Buses All Districts [\$300,000]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Authorize the Purchasing Agent to procure replacement parts and repair and inspection services on an as needed basis for the Sheriff's fleet of nine MCI inmate transportation buses from MCI until 6/30/18, at an annual cost not to exceed \$60,000, without securing competitive bids, in accordance with Ordinance 459.4.

**BACKGROUND:**

Summary

The Sheriff's Department currently contracts with the Penske Truck Leasing Company to repair, maintain, fuel and provide parking for the Sheriff's fleet of MCI inmate transportation buses. For repairs covered under warranty and certain repairs that Penske determines are outside of its repair capabilities, the Sheriff's only alternative is to contract with MCI, the bus manufacturer, to perform the work.

(Continued on page 2)

*Stanley L. Spiff Jr.*

Stanley L. Spiff Jr.  
Sheriff-Coroner-PA  
Will Taylor, Dir. of Administration

FISCAL PROCEDURES APPROVED  
PAUL ANGLIG, CPA, AUDITOR-CONTROLLER  
Department of Finance  
LISETTE ROSE

Purchasing: *Mark Seller*  
Mark Seller, Assistant Director

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 60,000	\$ 60,000	\$ 300,000	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 60,000	\$ 60,000	\$ 300,000	\$ 0	

<b>SOURCE OF FUNDS:</b> Department budget	<b>Budget Adjustment:</b> No
	<b>For Fiscal Year:</b> 13/14

**C.E.O. RECOMMENDATION:** APPROVE

BY: *Elizabeth J. Olson*  
Elizabeth J. Olson

County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Stone, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

**Ayes:** Jeffries, Tavaglione, Stone, Benoit and Ashley  
**Nays:** None  
**Absent:** None  
**Date:** October 8, 2013  
**xc:** Sheriff, Auditor, Purchasing

Kecia Harper-Ihem  
Clerk of the Board  
By: *Kecia Harper-Ihem*  
Deputy

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

Prev. Agn. Ref.: \_\_\_\_\_ District: All Agenda Number: \_\_\_\_\_

**3-14**

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

**FORM 11: Approval of a Sole Source Agreement with Motor Coach Industries (MCI) to  
Perform Specific Repairs on Sheriff's Fleet of MCI Inmate Transportation Buses**

**DATE: 09/19/13**

**PAGE: Page 2 of 2 (BR 14-035)**

**BACKGROUND:**

**Summary (continued)**

Aside from the drive train (engine/transmission/etc.) and certain wear items, the vast majority of the rest of inmate buses is constructed solely of MCI parts. In addition, MCI operates as the only distributor of its replacement parts. The Department does not foresee sending the buses to MCI for many repairs, but last year, for the first time, our expenditures with the firm exceeded \$25,000. Certainly, if another bus repair company recommends the repairs be left to MCI, it seems prudent to follow such recommendations. Further, even utilizing aftermarket parts for repairs can jeopardize the functionality of the MCI buses, resulting in more frequent breakdowns and perhaps leading to even more mechanical damage.

Maintaining a contract with MCI will prove essential to the Corrections operation, since MCI will almost always have the required parts in stock to perform the repairs. Short repair turnarounds are essential since these vehicles are used daily. The MCI repair facility is located in Los Alamitos.

**Contract History and Price Reasonableness**

For over six years, with County Purchasing approval, the Sheriff's Department has utilized MCI for specific repairs, determined by Penske Truck Leasing to be outside of its capabilities. Now as its bus fleet ages, the Department is recommending to the Board that the annual expenditure authorization with MCI be increased from \$25,000 to \$60,000.

Currently MCI charges \$115 per hour, which includes a discount for law enforcement. However, the Department was able to negotiate the charge to a flat rate \$100 per hour for labor. A staff survey found that local bus repair companies are charging between \$110 and \$135 per hour, depending on the nature of the repair.

**Impact on Citizens and Businesses**

There will be minimal to no impact on citizens and businesses resulting from this action. It is evident that this sole source award is required and price justified; County Purchasing concurs with this recommendation. A competitive bid would not be sensible or beneficial. The use of another company for this service, on an as needed basis, is contraindicated.

Date: August 15, 2013  
From: Will Taylor, Director of Finance Department/Agency: Sheriff- Correctional Facilities  
To: Board of Supervisors/Purchasing Agent  
Via: Purchasing Agent  
Subject: Sole Source Procurement; Request for Parts and Service for the Jail Buses

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:** Original Equipment Manufacturer (OEM) replacement parts and repairs for nine MCI jail buses.
2. **Supplier being requested:** Motor Coach Industries (MCI – V#37301)
3. **Alternative suppliers that can or might be able to provide supply/service:** None
4. **Extent of market search conducted:** Internet market research and county vendors
5. **Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:** Inmate Security Transportation Vehicles (ISTV) are highly specialized buses. Each bus is custom built to the Department's specifications and requirements. Aside from the drive train (engine/transmission/etc.) and certain wear items, the vast majority of the ISTV is constructed solely of MCI parts. They are also the sole service provider for their buses.
6. **Reasons why my department requires these unique features and what benefit will accrue to the county:** Each bus is a significant investment to the County, and it is essential to use OEM parts for repairs to avoid compromising the ISTV. Utilizing aftermarket parts can jeopardize the functionality of the ISTV causing more damage or more frequent breakdowns. Currently, the Department utilizes a third party to repair many of the aging buses. In the event the repair is beyond this vendor's scope, we should utilize the bus manufacturer for the repair. In those rare occasions, having a contract with MCI will prove essential to Correction's operation. MCI will usually have the parts readily available to perform the repair. Availability and fast turnaround is essential to the operation as these vehicles are used daily to transport inmates.
7. **Price Reasonableness including purchase price and any ongoing maintenance or ancillary costs from the supplier:** MCI is the sole provider for parts and services for the jail buses. In order to maintain warranties on the new buses and for those repairs outside the scope of our current bus maintenance firm, the Department's last viable alternative is to contract with MCI mechanics to perform the work. Utilizing a third party to perform these specific repairs could potentially lead to additional unnecessary cost to the department. Currently, MCI charges \$115 per hour, which includes a discount for the law enforcement. Upon negotiation, the vendor agreed to charge a flat rate \$100 per hour for labor. A staff survey found that local bus repair companies are charging between \$110 and \$135 per hour for labor depending on the repair.
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?** No.
9. **Period of Performance:** Request for a one year agreement with the option to renew annually for four additional years in the amount not to exceed \$60,000 annually, as long as funding is available.

