




Office of the City Manager

CONSENT CALENDAR  
September 10, 2013

To: Honorable Mayor and Members of the City Council  
From:  Christine Daniel, City Manager  
Submitted by: Andrew Clough, Director, Public Works  
Subject: Purchase Order Amendment: A-Z Bus Sales, Inc. for Diesel Engine Emissions Retrofit Devices

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to amend the purchase order with A-Z Bus Sales, Inc. for diesel engine emissions retrofit devices to increase the amount by \$7,621 for a total amount not to exceed \$148,621.

FISCAL IMPACTS OF RECOMMENDATION

Funds for the additional amount are available in the FY 2014 budget Equipment Replacement Fund (860).

|   |                |
|---|----------------|
| Original purchase order NTE amount.....   | \$141,000      |
| <u>Additional amount to pay sales tax</u> | <u>\$7,621</u> |
| Amended purchase order NTE amount         | \$148,621      |

CURRENT SITUATION AND ITS EFFECTS

Council approved \$141,000 for this purchase in June 2013, which did not include sales tax. Sales tax is applicable on the parts required for the service, and it's necessary to increase the purchase order by this amount.

BACKGROUND

On June 11, 2013 Council adopted Resolution No. 66,203-N.S. authorizing the City Manager to execute a contract with A-Z Bus Sales for diesel engine emissions retrofit devices, for an amount not to exceed \$141,000. This amount included pre-installation compatibility testing, retrofit devices, parts, labor, pick-up and delivery, and a 2% contingency for any cost increase identified by pre-installation compatibility testing. Contrary to the June report,\* sales tax applicable to parts was inadvertently left out of the original amount. The Request for Proposals (RFP) specification no. 13-10725-C for diesel engine emissions retrofit devices was released in April 2013, and the addition of

\* A-Z Bus Sales, June 11, 2013: [www.cityofberkeley.info/Clerk/City\\_Council/2013/06Jun/Documents/2013-06-11\\_Item\\_19\\_Contract\\_A-Z\\_Bus\\_Sales.aspx](http://www.cityofberkeley.info/Clerk/City_Council/2013/06Jun/Documents/2013-06-11_Item_19_Contract_A-Z_Bus_Sales.aspx)

sales tax does not alter the outcome of bids received. The final transaction was done as a purchase order, which is what now needs to be revised to include sales tax.

RATIONALE FOR RECOMMENDATION

To pay sales tax on parts.

ALTERNATIVE ACTIONS CONSIDERED

None

CONTACT PERSON

Bill Ivie, Equipment Superintendent, Public Works, 981-6469

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

PURCHASE ORDER AMENDMENT: A-Z BUS SALES, INC. DIESEL ENGINE  
EMISSIONS RETROFIT DEVICES

WHEREAS, the purchase and installation of diesel engine emissions retrofit devices are needed on City vehicles to comply with CARB Fleet Rules for Public Agencies and Utilities; and

WHEREAS, on April 8, 2013 Public Works released a Request for Proposals (RFP) for diesel engine emissions retrofit devices, and of the 2 proposals received A-Z Bus Sales, Inc. was determined to have submitted the proposal that best met the City's needs, including having the lowest cost; and

WHEREAS, on June 11, 2013 Council approved Resolution No. 66,203-N.S. for a total amount not to exceed \$141,000, after which it turned out that sales tax on parts was not included in the amount, and which needs to be added, increasing the amount by \$7,621 for a new total amount not to exceed \$148,621; and

WHEREAS, funds are available in the FY 2014 budget Equipment Replacement Fund (860) for the additional \$7,621.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is hereby authorized to amend the purchase order with A-Z Bus Sales, Inc. for diesel engine emissions retrofit devices, increasing it by \$7,621 for an amended amount not to exceed \$148,621.

