



San Bernardino County

Legislation Text

File #: 6702, Agenda Item #: 32

REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS OF SAN BERNARDINO COUNTY AND RECORD OF ACTION

September 13, 2022

FROM

DIANA ALEXANDER, Assistant Executive Officer, Department Operations

SUBJECT

Amendment to Contract with Quinn Power Systems for Purchase of Caterpillar Parts and Equipment Services

RECOMMENDATION(S)

Approve Amendment No. 1 to Contract No. 19-740 with Quinn Power Systems, for Caterpillar replacement parts and equipment services, increasing the original contract of \$3,000,000 by \$1,300,000 for a new total aggregate amount of \$4,300,000, with no extension of the term beginning November 19, 2019 to November 18, 2024.

(Presenter: Michael Jimenez, Deputy Executive Officer, 387-4444)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). Fleet Management (Fleet) is an internal service fund, and its operational costs are financed through Board of Supervisors (Board) approved rates charged to customers (departments). The increase will add \$1,300,000 and bring the aggregate not-to-exceed value to \$4,300,000 through the remaining term of the contract ending November 18, 2024. Fleet's total purchases of goods and services with Quinn Power Systems (Quinn) has been \$2,560,846 from July 1, 2019 to the present date. However, expenditures for Caterpillar parts and equipment services historically have been \$600,000 per year. Sufficient appropriation has been included in Fleet's 2022-23 budget (791 4064) and will be included in future recommended budgets.

BACKGROUND INFORMATION

Fleet maintains Caterpillar equipment for the Department of Public Works (DPW), and provides generator service, repair, and temporary generators for a variety of County departments. The COVID-19 health crisis, coupled with other extreme events, have caused a spike in the use of heavy equipment and generators. An increase in this non-competitive contract is being requested as Quinn is the only local authorized distributor of Caterpillar parts in the region. Quinn provides authorized services, parts, and supplies for Caterpillar equipment. The ability to provide generators for County departments, as well as purchase replacement parts to expeditiously repair Caterpillar equipment, enables DPW and other departments to respond quickly to emergency needs and meet daily operational goals. This also ensures public safety is maintained and that the County and Fleet operates in a fiscally responsible and business-like manner.

PROCUREMENT

County Policy 11-04 requires departments to seek Board of Supervisors (Board) approval when contracting for competitive and non-competitive purchases of goods and services in excess of \$200,000 during a single annual period. On November 19, 2019, the Board approved Contract Number 19-740 with Quinn for an aggregate total of \$3,000,000, for a five-year term. Fleet requests to increase the contract amount to accommodate higher than anticipated use of services resulting from the COVID-19 health crisis and fire disasters.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Adam Ebright, Deputy County Counsel, 387-5455) on August 18, 2022; Purchasing (Peter Geriguis, Lead Buyer, 387-7854) on August 05, 2022; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on August 28, 2022.