


**CITY COUNCIL ACTION REQUEST**

<b>Department(s):</b> Finance	<b>CEQA:</b> Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.	<b>Coordination:</b> City Attorney's Office; City Manager's Budget Office; Public Works	<b>Dept. Approval:</b> /s/ Maria Öberg
<b>Council District(s):</b> Citywide			<b>CMO Approval:</b>   1/9/25

**SUBJECT: Actions Related to the Purchase Orders with FFBH Motors, LLC and Sunnyvale Ford, Inc. for Ford Repairs, Maintenance and Parts**

**RECOMMENDATION**

Adopt a resolution authorizing the City Manager or her designee to:

- a) Amend purchase orders OP 65806 with FFBH Motors, LLC (Santa Clara, CA), and OP 65807 with Sunnyvale Ford, Inc. (Sunnyvale, CA), for Ford repairs, maintenance, and parts to increase the total compensation by \$500,000, for a maximum compensation not-to-exceed \$1,200,000 for the period ending October 1, 2025; and
- b) Exercise up to six one-year options to extend the term of the purchase orders with the last option ending on or about October 1, 2031, subject to the appropriation of funds.

**BASIS FOR RECOMMENDATION**

The Fleet Management Division, Department of Public Works (Fleet) is responsible for overseeing the repairs of over 1,000 Ford vehicles citywide, including Police and Fire Department vehicles. Fleet utilizes outside service providers to provide repairs, warranty related work, recalls, and parts for various vehicle and equipment assets. Utilizing these outside service providers allows the City to minimize department operational impacts and mitigates equipment downtime. Fleet strategically coordinates repairs to utilize limited staffing resources effectively and avoid delays in service delivery. These maintenance and repair services are essential for safety and to preserve City Fleet assets.

In June 2024, a competitive Request for Bids was facilitated by the Finance Department to procure these services. The Request for Bids provisioned for a one-year initial term and an additional six one-year options for the City to extend the term. Two responsive bids were submitted, and no protests were received. One vendor, Sunnyvale Ford, Inc. qualified for the City's local business preference. Staff awarded to FFBH Motors, LLC and Sunnyvale Ford, Inc. as the lowest priced, responsive, and responsible bidders pursuant to the bidding procedures of the San José Municipal Code, Section 4.12.310B(2) under the City Manager's authority. Fleet now requires additional funding to meet ongoing service needs for the remainder of the term. Approval of this recommendation ensures the City continues to receive these essential services with minimal impact to operations.

**COMMISSION RECOMMENDATION AND INPUT**

No commission recommendation or input is associated with this action.

**COST AND FUNDING SOURCE**

The recommended amendment relating to this purchase order of \$500,000 is funded by the Public Works Non-Personal/Equipment appropriation in the Vehicle Maintenance and Operations Fund.

**FOR QUESTIONS CONTACT:** Albie Udom, Deputy Director of Finance - Purchasing and Risk Management, at [Albie.Udom@sanjoseca.gov](mailto:Albie.Udom@sanjoseca.gov).