



Office of the City Manager

CONSENT CALENDAR
March 18, 2025

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Terrance Davis, Director, Public Works

Subject: Contract No. 32400141 Amendment: Mercury Associates, Inc. for Fleet Consulting Services

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 32400141 with Mercury Associates, Inc. to complete a right sizing study and provide fleet consulting services. This amendment increases the contract amount by \$100,000, for a new total amount not to exceed of \$225,000 for the current contract period of December 1, 2023, through December 30, 2026.

FISCAL IMPACTS OF RECOMMENDATION

Funding is available in FY2025 and FY2026 baseline budgets of Fund 671 Equipment Replacement Fund in the amount of \$50,000 and Fund 672 Equipment Maintenance Fund in the amount of \$50,000.

CURRENT SITUATION AND ITS EFFECTS

Mercury Associates has been actively working with the Public Works' Equipment Maintenance Division in conducting a comprehensive fleet analysis, reviewing vehicle replacement policies, fleet size optimization, and vehicle standardization. The consulting services include evaluating the current processes and policies and providing recommendations. They are also supporting the City with implementing AssetWorks (the City's new work order and equipment asset management software) which went live in May 2024. Due to technical difficulties and ongoing data clean up, Staff have continued using both FUNDS\$ and AssetWorks. The contract amendment authorization will ensure continued support for AssetWorks implementation, and the execution of recommendations outlined in the Fleet Replacement Fund Short Millions Audit Report¹ (Fleet Audit), including the finalization of the right sizing assessment.

Additionally, recent staffing vacancies in the Equipment Maintenance Division and the Administrative and Fiscal Division of Public Works, have created operational challenges. Mercury Associates are providing critical guidance on best practices to

¹ <https://berkeleyca.gov/sites/default/files/2022-01/Fleet-Replacement-Fund-Short-Millions.pdf>

current staff, which will help support the Departments recruitment of a new Superintendent and Mechanics to the Equipment Maintenance Division.

Amending this contract is a Strategic Plan Priority Project, advancing our goal to provide state-of-the-art, well-maintained infrastructure, amenities, and facilities.

BACKGROUND

The Department collaborated with General Services to release a Request for Proposals - Specification No. 22-11496 on May 3, 2022, for an Equipment Maintenance/Fleet Study as a response to the Fleet Audit. Two vendors responded, and Mercury Associates, Inc. was selected as the most responsive and responsible vendor. While Mercury Associates, Inc. was not the lowest bidder, their references, experience, and staff qualifications led the evaluation committee to select them as the top submittal. The Equipment Maintenance Division requires ongoing consulting support to improve its overall management of staff, fleet assets, and to respond effectively to the Fleet Audit's recommendations.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are potential impacts to environmental sustainability and climate impacts that will be clarified by the fleet right sizing assessment which may reduce the number of overall fleet vehicles, which could lead to lower fuel consumption and emissions. Ensuring that fleet reductions and replacements align with California's Advanced Clean Fleet (ACF) regulations, helping the City comply with upcoming zero-emission fleet requirements. The assessment will also support the overall fleet transition away from fossil fuels to electricity.

RATIONALE FOR RECOMMENDATION

The City conducted a competitive procurement process and Mercury Associates was selected the most responsive and responsible vendor. The Department has a critical business and operational need for these consulting services, particularly due to staffing shortages and technical challenges. Additional funding will ensure successful implementation of the fleet audit study recommendations, improve efficiency, and enhance fleet sustainability.

ALTERNATIVE ACTIONS CONSIDERED

The Department considered completing the right-sizing assessment and fleet policy updates in-house. However, due to staffing shortages and the specialized expertise required, this option was deemed infeasible. Contracting with an alternative vendor was also considered, but switching consultants at this stage would cause delays and additional costs. Extending Mercury Associates' contract remains the most efficient and cost-effective solution.

CONTACT PERSON

Joy Brown, Operations Manager, Public Works, 510-981-6629

Don Colbert, Acting Equipment Maintenance Superintendent, Public Works, 510-981-6467

Carisa Lubeck, Acting Administrative and Fiscal Services Manager, Public Works, 510-981-6403

Attachment:

1: Resolution

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

CONTRACT NO. 32400141 AMENDMENT: MERCURY ASSOCIATES, INC. FOR FLEET REPLACEMENT/MAINTENANCE STUDY AND CONSULTING SERVICES

WHEREAS, the City released Specification No. 22-11496 on May 3, 2022 for an Equipment Maintenance /Fleet Study; and

WHEREAS, two vendors responded, and Mercury Associates, Inc. was found to be the most responsive and responsible bidder; and

WHEREAS, the Public Works Equipment Maintenance Division requires consulting services to perform a comprehensive analysis of the fleet, policies and procedures related to vehicle replacement, usage, size, and vehicle standardization.

WHEREAS, Mercury Associates, Inc. will also provide as needed fleet consulting services including best utilization of AssetWorks; and

WHEREAS, funding for FY2025 is available in Equipment Maintenance Fund 672.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the Council authorizes the City Manager to execute an amendment to Contract No. 32400141 with Mercury Associates, Inc. to provide fleet replacement/equipment maintenance study and consulting services in an amount not to exceed \$225,000.