



# City Council Report

**Date:** September 26, 2016  
**To:** City Council  
**Through:** Mike Kennington, Chief Financial Officer  
**From:** Edward Quedens, MPA, C.P.M., CPPO, Business Services Director  
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator  
**Subject:** Three-Year Term Contract for General Motors OEM Auto and Light Duty Truck Parts for the Fleet Services Department **(Citywide)**

## **Purpose and Recommendation**

Council is requested to approve the Term Contract for General Motors Original Equipment Manufacturer (OEM) Auto and Light Duty Truck Parts as recommended.

The Fleet Services Department and Purchasing recommend awarding the contract to Earnhardt Buick GMC Inc. dba Earnhardt Buick GMC (Primary) (a Mesa business); and Courtesy Chevrolet ISUZU Medium Truck (Secondary); at \$150,000.00 annually, based on estimated requirements.

## **Background / Discussion**

This contract will provide General Motors genuine OEM parts to support the City's fleet of sedans, light duty trucks and vans. The City currently maintains a fleet of GM vehicles including 128 Chevrolet/GM Automobiles, and 474 Chevrolet/GM Vans and Light Duty Trucks.

Fleet Services recommended a Primary and Secondary vendor due to not having previous experience with the Primary vendor and their relatively small inventory listed. However, the Primary vendor will get first call on all orders and secondary will only be used in cases where Primary vendor cannot fill the order.

## **Alternatives**

Council may choose not to authorize the purchase and new responses will be solicited.

## **Fiscal Impact**

The annual contract amount is available in the Fleet Services Department operating budget.

## **Coordinated With**

Fleet Services and Purchasing

## **PURCHASING INFORMATION**

Action: Initial Award

Procurement Type: Request for Bids

Solicitation Number: 2017014

Vendors Registered: ProcureAZ (251) and Vendor Self Service (89)

Advertising: Arizona Republic, Bid Net, ProcureAZ and Purchasing Website

Downloads: 22

Responses: 6 and 1 No Bid response

Local Consideration: Calculating pricing by using Management Policy #214, removing 1.75% (Mesa TPT) for the purpose of bid evaluation resulted in a Mesa business being recommended for award of all or part of this award

Protests Received: None

Initial Contract Term: Three years

Possible Renewals: Two, one-year renewals subject to future Council consideration

Prices: Future price increases are capped by the Producer Price Index

Pricing Available to Other Cooperative Agencies: Yes

## **August 17, 2017 Responses**

	<u>Percentage Discount off Manufacturer List Price</u>	<u>Total Bid Price</u>
AutoNation Parts Center Phoenix Mesa, AZ	35% or more as dictated by Manufacturer Programs	\$25,041.62 \$24,603.39* (bid pricing less 1.75% Mesa TPT)
Courtesy Chevrolet ISUZU Medium Truck Phoenix, AZ	Cost + 4%	\$24,249.84
Earnhardt Buick GMC Inc. dba Earnhardt Buick GMC Mesa, AZ	35%	\$24,484.87 \$24,056.38* (bid pricing less 1.75% Mesa TPT)
Elliott Auto Supply Co. Inc. dba Factory Motor Parts Mesa, AZ	35%	\$33,061.85 \$32,483.27* (bid pricing less 1.75% Mesa TPT)
Tex Chevrolet Inc. dba Earnhardt Chevrolet Chandler, AZ	35%	\$24,484.87
Van Chevrolet Scottsdale, AZ	38%	\$24,531.87

*Bid Tabulation available upon request*

No Bid response received from

Arizona Brake & Clutch Supply, Inc. - Phoenix, AZ

**AWARD RECOMMENDATION**

**Primary Award**

**Earnhardt Buick GMC Inc. dba Earnhardt Buick GMC  
Mesa, AZ**

**Secondary Award**

**Courtesy Chevrolet ISUZU Medium Truck  
Phoenix, AZ**

Description
<p>General Motors OEM Auto and Light Duty Truck Parts per Agreement No. 2017014; Exhibits – Scope of Work / Technical Specifications, Pricing, Mesa Standard Terms and Conditions, and Other Exhibits; Solicitation including any addenda; and Contractor Response</p> <p><b>Annual Contract Amount: <u>\$150,000.00</u></b></p>