



City Council Report

Date: October 3, 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: One-Year Renewal of the Term Contract for Hydraulic Hose and Fittings for the Fleet Services Department **(Citywide)**

Purpose and Recommendation

Council is requested to approve the Renewal of the Term Contract for Hydraulic Hose and Fittings as recommended.

Fleet Services and Purchasing recommend authorizing a renewal with FleetPride (a Mesa business) at \$102,000.00 annually, based on estimated requirements.

Background / Discussion

This contract will provide for the purchase and delivery of Parker-brand automotive and truck hydraulic hose and fittings required for the City's medium and heavy-duty vehicles and equipment.

Fleet Services specified Parker hoses and fittings primarily for two reasons:

1. Excessive and increasing time, labor costs and loss of equipment use during hose repairs using another brand (Gates) hydraulic hose and fittings from December 2012 through July 2013.
2. The majority of the City's Solid Waste (Wayne and Heil brand) trucks come standard with Parker hydraulic hose and fittings; using non-Parker replacements may void vehicle warranty and result in increased in-house repairs due to premature hydraulic hose failures.

On August 26, 2013, Council approved the initial three-year contract (10/1/2013 through 9/30/2016) with two, one-year renewal options. This is the first one-year renewal contract with a one-year renewal option remaining.

The vendor offered to renew the contract without a pricing increase. Although the Producer Price Index has decreased 0.1% since 2013, the prices provided by the Contractor are competitive when compared to the original bid tabulation and the prices agreed to by Maricopa County on a recent solicitation for similar products (Mesa receives an 80% discount compared to Maricopa County's 70% off list).

The City has been satisfied with the vendor's performance. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

Alternatives

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

Fiscal Impact

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

Coordinated With

Fleet Services and Purchasing

PURCHASING INFORMATION

Action: Renewal

Procurement Type: Request for Bids

Solicitation Number: 2013132

Vendors Registered on Bid List: 32 (3 Mesa)

Advertising: Arizona Republic, Bid Net, Record Reporter, Purchasing Website

Downloads: 12

Responses Received: 3

Protests Received: None

Initial Contract Term: Three Years

Renewal Term: One Year

Renewal Terms Remaining: One, one-year renewal subject to future Council consideration

Pricing Available to Other Cooperative Agencies: Yes

July 11, 2013 Responses

Hydraulic Hose – Items 1 to 5; Crimp Fittings – Items 6 to 14;

Adapters – Items 15 to 22; Protective Sleeve – Items 23 to 25

FleetPride
Mesa, AZ

Hydraulic Hose - \$76,780.00
Crimp Fittings - \$12,412.50
Adapters - \$1,247.50
Protective Sleeve - \$1,570.00
Total Bid: \$92,010.00 (Awarded)

Lubrication Equipment & Supply /
The Hose Advantage Store
Mesa, AZ

Hydraulic Hose - \$72,760.00
Crimp Fittings - \$16,576.50
Adapters - \$1,490.50
Protective Sleeve - \$2,070.00
Total Bid: \$92,897.00

Alternative Hose Inc.
Phoenix, AZ

Non-Responsive
Vendor did not bid Parker as specified

RENEWAL RECOMMENDATION

FleetPride

Mesa, AZ

| Description |
|--|
| <p>Parker Hydraulic Hose and Fittings per Contract No. 2013132, Mesa Standard Terms and Conditions, Solicitation including any addenda, Specifications, Scope of Work, Pricing, and Contractor Response as offered</p> <p>Annual Contract Amount: <u>\$102,000.00</u></p> |