



City Council Report

Date: October 17, 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: Purchase of One Replacement Pneumatic Compactor Roller for the
Transportation Department as requested by the Fleet Services Department
(Funded by the Local Streets Sales Tax Fund) (Citywide)

Purpose and Recommendation

Council is requested to approve the Purchase of One Pneumatic Compactor Roller as recommended.

The Fleet Services and Transportation Departments, and Purchasing recommend authorizing the purchase using the City of Tucson / National IPA cooperative contract with Empire Southwest, LLC (a Mesa business) of \$102,011.05.

Background / Discussion

The pneumatic roller (#479) being replaced is part of the ongoing City of Mesa replacement program managed by Fleet Services. This equipment has reached or exceeded life cycle replacement due to age, has high maintenance costs, and will be retired and sold at auction.

Using the City of Tucson contract through the National IPA is beneficial to the City due to this cooperative's high volume of purchases. Tucson anticipates spending approximately \$15 million for heavy equipment and the National IPA purchase volume is approximately \$100,000,000 over the full contract term. The City compared purchases through previous agreements for similar equipment and found that the National IPA agreement provided the City the same or better pricing.

Alternatives

Council may choose not to award the purchase and new responses will be obtained.

Fiscal Impact

This purchase is funded by the Local Streets Sales Tax Fund.

Coordinated With

Fleet Services, Transportation, and Purchasing

PURCHASING INFORMATION

Action: Award

Procurement Type: Cooperative Contract

Contracting Agency: City of Tucson (National IPA)

Contracting Agency Contract Number: #120377

Contracting Agency Contract Term: 5/1/2016 through 5/1/2017 (fourth, one-year renewal issued 3/23/2016)

Mesa Contract Number: 2017050

AWARD RECOMMENDATION

Empire Southwest, LLC

Mesa, AZ

Description	
<u>Quantity 1 – 2016 New Caterpillar CW16 Pneumatic Compactor</u> per City of Tucson/National IPA Contract #120377 and Quote dated 8/15/2016	
Base Sub-Total (Caterpillar List Price)	\$112,394.00
Tucson/NIPA Discount 16%	<u>(\$17,983.04)</u>
Net Base Sub-Total	\$94,410.96
8.05% Sales Tax	<u>\$7,600.09</u>
Total	<u>\$102,011.05</u>
<u>One</u> New Pneumatic Compactor Roller (#5113) for the Transportation Department funded by the Local Streets Sales Tax Fund to replace #479.	