



City Council Report

Date: September 18, 2017
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 Contract for Hydraulic Hose and Fittings for the Fleet Services Department **(Citywide)**

Purpose and Recommendation

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

The Fleet Services Department and Purchasing recommend authorizing the renewal with FleetPride (a Mesa business) at \$102,000.00, 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. Majority of 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.

Council approved the initial three-year contract with two, one-year renewal options on 8/26/2013, and the first one-year renewal contract on 10/3/2016. This is second and final, one-year renewal contract.

FleetPride 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).

FleetPride has provided the City with hoses and fitting on-time and per our specifications. This vendor has also supplied and agreed to supply two hydraulic crimping machines, one for each yard for the entire term at no charge. Their pricing includes all freight and shipping charges. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract for the final year.

Alternatives

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

Fiscal Impact

The annual contract amount is available through the Fleet Internal Services Fund.

Coordinated With

Fleet Services and Purchasing

PURCHASING INFORMATION

Action: Renewal Authorization

Procurement Type: Request for Bids

Solicitation Number: 2013132

Responses Received: 3

Protests Received: None

Initial Contract Term: Three Years

Renewal Term: Second and Final, One Year Renewal

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>