



City Council Report

Date: May 4, 2020
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: One-Year Renewal with a One-Year Renewal Option to the Term Contract for Automotive Deep Cycle Sealed Case Batteries for the Fleet Services Department **(Citywide)**

Recommendation

Council is requested to approve the contract renewal as recommended.

The Fleet Services Department and Purchasing recommend authorizing the renewal with Kann Enterprises, Inc. dba, Interstate Batteries (a Mesa business) at \$175,000 annually, with an annual increase allowance of up to 5%, or the adjusted Producer Price Index.

Background / Discussion

This contract provides automotive gel-type, deep-cycle, sealed case, lead acid batteries for the City's fleet of over 1,400 vehicles. All of the batteries offered and furnished under this contract must have successfully completed testing per Society of Automotive Engineers (SAE) standards J537 and J930, Battery Storage Standards. Each specific battery offered and supplied must be a sealed maintenance-free spiral cell technology AGM nationally recognized product brand and also must meet or exceed original equipment manufacturer (OEM) specifications.

Interstate Batteries has agreed to renew the contract maintaining their current pricing. Fleet Services has been satisfied with the vendor's performance and products. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

Purchase Information

Action: Renewal (1st of 2 possible)
Procurement Type: Request for Bids
Contract Number: 2017154
Original Council Award Date: 4/17/2017
Initial Contract Term: Three years
Possible Renewals: One-year renewal subject to Administrative review and approval
Funding Source: Fleet Services Department operating budget through the Fleet Internal Services Fund