



# City Council Report

**Date:** June 18, 2018  
**To:** City Council  
**Through:** Michael Kennington, Chief Financial Officer  
**From:** Edward Quedens, Business Services Director  
Matt Bauer, Procurement Administrator  
**Subject:** One-Year Renewal to the Term Contract for Heavy-Duty OEM Cab/Chassis Parts 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 contract with Rush Truck Centers of Arizona dba Rush Truck Center of Phoenix; Freightliner, Sterling, Western Star of Arizona; Vanguard Truck Center; Inland Kenworth, Inc.; RWC International Ltd; and Cummins Rocky Mountain LLC; for \$800,000.00, based on estimated usage.

## Background

This contract provides heavy-duty OEM cab/chassis parts to maintain the City's assorted fleet of approximately 175 medium and heavy-duty vehicles. OEM parts are critical when requesting repairs and warranty from dealers. The six vendors listed are manufacturer authorized dealers to repair and provide parts for the City's inventory. Parts purchased under this contract are installed by Fleet Services.

All six vendors agreed to renew the contract under the same terms, conditions and current pricing. This contract provides a percentage discount off manufacturers list price (average overall percentage provided by each vendor is 24%). The City has been satisfied with each 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.

## Purchase Information

Action: Renewal (2<sup>nd</sup> of 2 possible)  
Procurement Type: Choose an item.  
Contract Number: 2014218  
Responses Received: 6  
Original Council Award Date: 5/4/2014  
Initial Contract Term: Three years  
Funding Source: The purchase is funded in the Fleet Internal Services Fund

## RENEWAL RECOMMENDATION

Heavy-Duty OEM Cab/Chassis Parts per Contract No. 2014218, Terms and Conditions, Specifications and Pricing as offered

Section 1. PETERBUILT

***Rush Truck Centers of Arizona dba Rush Truck Center of Phoenix - Tolleson, AZ***

Section 2. FREIGHTLINER OEM Cab/Chassis Parts

***Freightliner, Sterling, Western Star of Arizona - Tolleson, AZ***

Section 3. MACK OEM Cab/Chassis Parts

***Vanguard Truck Center - Phoenix, AZ***

Section 4. KENWORTH OEM Cab/Chassis Parts

***Inland Kenworth, Inc. - Phoenix, AZ***

Section 5. INTERNATIONAL OEM Cab/Chassis Parts

***RWC International Ltd. - Phoenix, AZ***

Section 6. CUMMINS OEM Cab/Chassis Parts

***Cummins Rocky Mountain LLC - Avondale, AZ***

**Annual Contract Amount: \$800,000.00**