



City Council Report

Date: September 9, 2024
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Kristy Garcia, Procurement Administrator
Subject: 25-Month Use of a Cooperative Contract for the Purchase of Original Equipment Manufacturer (OEM) Heavy Duty Parts and Repair Services for the Fleet Services Department **(Citywide)**

Recommendation

Council is requested to approve the award as recommended.

The Fleet Services Department and Procurement Services recommend authorizing the purchase using the City of Phoenix cooperative contracts with Rush Truck Centers of Arizona; RWC International Ltd.; and Cummins, Inc. dba Cummins Sales & Service at \$2,500,000 annually, with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

Background / Discussion

The City of Mesa has a fleet of over 200 heavy-duty trucks which Fleet Services maintains. Fleet Services requests to use the City of Phoenix's cooperative contracts for Original Equipment Manufacturer (OEM) Parts and Services to meet the service requirements of the City. These contracts establish heavy-duty truck service labor rates and associated pricing required to complete OEM repairs and purchase OEM parts. The contracts require the vendors to be an authorized manufacturer representative of the services being provided.

The City of Phoenix's contract provides competitive pricing, meets the City of Mesa's procurement requirements, and allows for cooperative use. The contract pricing is fair and reasonable and it is in the City's best interest to purchase from the established contract.

Purchase Information

Action: Award
Procurement Type: Cooperative Contract Use
Contract Number: 2025035
Contracting Agency: City of Phoenix
Agency Contract Numbers:

- Rush Truck Centers of Arizona #159848-0
- RWC International Ltd. #161390-0
- Cummins, Inc. dba Cummins Sales & Service #160088-0

Term: 9/9/2024 to 10/31/2026

Possible Renewals: Up to a maximum of (2) one-year renewal options, subject to Administrative review and approval

Local Consideration: Policy did not apply to this procurement method

Funding Source: Fleet Service Department operating budget through the Fleet Internal Services Fund