



City Council Report

Date: November 20, 2023
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Kristy Garcia, Procurement Administrator
Subject: Dollar Limit Increase to the Term Contract for Light-Duty and Police Vehicle Maintenance and Repair Services for the Fleet Services Department
(Citywide)

Recommendation

Council is requested to approve the contract amendment as recommended.

The Fleet Services Department and Purchasing recommend increasing the dollar limit with Larry H Miller Ford Mesa (a Mesa business); B&T Vivian Investment Company LLC, dba Thompson's Auto Repair & Towing (a Mesa business); Viking Auto Repair, dba Dave's Auto Repair Clinic (a Mesa business); Friendly Auto Centers, LLC (a Mesa business); and Henry Brown Buick GMC, LLC; Year 4 by \$175,000, from \$625,000 to \$800,000 annually, with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

Background / Discussion

This contract provides non-exclusive vendors for the maintenance and repair of the City's fleet of sedans, light-duty trucks, sport utility vehicles, and vans. The City has over 1,200 light-duty vehicles which are repaired and maintained in a joint effort by the City and vendors. These vehicles generally range in age from new to over 20-years old and many have over 200,000 odometer miles. Due to rising costs for parts and labor, the increasing age of the fleet, growth of the City's fleet, and the need to perform more repair work with outside vendors due to staffing shortages, additional funding is needed to cover expenditures for the rest of the contract term in Year 4 and through Year 5.

Purchase Information

Action: Amendment
Procurement Type: Request for Proposals
Contract Number: 2020083
Initial Contract Term: Three years
Possible Renewals: Up to a maximum of two years subject to Administrative review and approval
funding source: Fleet Services Department operating budget through the Fleet Internal Services Fund

Dollar Limit History

Original Council Award for Years 1 thru 3 - 1/13/2020:	\$250,000.00
Council approved Increase for Year 2 - 2/7/2022:	<u>\$40,000.00</u>
New Contract Amount (Year 2):	<u>\$290,000.00</u>

Original Council Award 1/13/2020:	\$250,000.00
Council approved Increase for Year 3 – 2/7/2022:	\$100,000.00
Administrative approved Increase for Year 3 – 9/19/2022:	\$25,000.00
Council approved Increase for Year 3 – 10/17/2022:	<u>\$225,000.00</u>
Annual Contract Amount (Year 3):	<u>\$600,000.00</u>

Administrative approved Renewal for Year 4 – 2/14/2023:	\$600,000.00
Administrative approved Increase for Year 4 – 10/23/2023:	\$25,000.00
This Increase Request – 11/20/2023:	<u>\$175,000.00</u>
New Annual Contract Amount for Year 4:	<u>\$800,000.00</u>

Year 5 Contract Amount upon Management approval:	\$800,000.00
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