



# City Council Report

**Date:** July 11, 2022  
**To:** City Council  
**Through:** Michael Kennington, Deputy City Manager/Chief Financial Officer  
**From:** Edward Quedens, Business Services Director  
Kristy Garcia, Procurement Administrator  
**Subject:** Use of a Cooperative Contract for the Purchase of Two Heavy-Duty CNG-Powered Construction Trucks with Dump Bodies (Additions) for the Energy Resources Department as requested by the Fleet Services Department **(Funded by the Capital - Utility Fund) (Citywide)**

## Purpose and Recommendation

Council is requested to approve the award as recommended.

The Fleet Services and Energy Resources Departments and Purchasing recommend authorizing the purchase using the State of Arizona Department of Transportation cooperative contract with Freightliner of Arizona for \$565,656.74.

## Background / Discussion

This purchase will provide two, compressed natural gas (CNG)-powered heavy-duty dump trucks. CNG-powered vehicles provide several benefits: they are quieter, have similar performance, and produce fewer greenhouse gases and tailpipe emissions.

These dump trucks are required for excavation and construction activities for gas services and mains. Dump trucks are a crucial piece of equipment used for many functions by gas crews such as; excavation and backfilling gas mains/services, filling dirt at job sites, transporting spoils to the landfills, and transporting heavy equipment and materials to job sites.

The Arizona State cooperative contract has been competitively bid and meets the City's procurement requirements. Utilizing the Arizona State contract allows the City to receive very competitive rates based on a nationally solicited agreement. The City believes the price is fair and reasonable and soliciting for this product would not result in the City receiving more favorable pricing or terms.

Additionally, the Arizona State contract allows the City to purchase the dump trucks, deliverable within 8 to 12 months. Due to microchips and supply chain shortages, the manufacturing order window has been severely shortened. If the City competitively bids, it will take 18 to 24 months to manufacture the vehicles. Freightliner confirmed that the use of the Maricopa County cooperative contract offers the exact same pricing. Additionally, the Sourcewell cooperative contract was researched and offers Freightliner chassis, however only through Western Star, which does not provide this specific model of body of truck.

## Purchase Information

Action: Award

Procurement Type: Cooperative Contract Use

Contract Number: 2022266

Contracting Agency/Contract Number: Arizona Department of Administration/CTR041810

Local Consideration: Policy did not apply to this procurement method

Protests Received: None

Funding Source: Capital Utility Fund – Gas Sub Fund

### AWARD RECOMMENDATION

Two – 2023 Freightliner, CNG Powered, Heavy-Duty Dump 5-Yard Trucks  
(Freightliner M2 112 with Crysteel Dump Body) per Contract No. 2022266

Freightliner M2 112 Chassis (\$142,319/each)	\$284,638.00
Crysteel Model SLTS 11' Dump Body (\$72,159/each)	\$144,318.00
Momentum 100 DGE Saddle Mounted (\$39,900/each)	<u>\$79,800.00</u>
Base Sub-Total (\$254,378/each)	\$508,756.00
8.3% Sales Tax (\$21,113.37/each)	\$42,226.74
Tolleson Tax (\$25/each)	\$50.00
Tire Tax (\$12/each)	\$24.00
Warranty (\$7,300/each)	<u>\$14,600.00</u>
Total (2 Dump Trucks at \$282,828.37/each)	<b><u>\$565,656.74</u></b>

Two Additions for the Energy Resources Department funded by the Capital Utility Fund – Gas Sub Fund.