

City Council Report

Date: October 3, 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 One Heavy-Duty Dump

Truck (Replacement) for the Transportation Department as requested by the Fleet Services Department (Funded by the Local Streets Fund) (Citywide)

Purpose and Recommendation

Council is requested to approve the award as recommended.

The Fleet Services and Transportation Departments and Purchasing recommend authorizing the purchase using the State of Arizona Department of Transportation cooperative contract with Freightliner of Arizona for \$288,917.60.

Background / Discussion

This purchase is for a heavy-duty dump truck (replacement) that will be utilized to support the Transportation Department's daily field operations. The dump truck has the capacity to haul material, asphalt, and tow heavy equipment to job sites. Additionally, the dump truck will be used to respond to storm related emergencies to deliver equipment, haul sand, and haul off debris.

The vehicle that is being replaced has met established criteria and will be either traded, auctioned, sold, or deployed to special uses as part of the ongoing vehicle replacement program.

The State of Arizona cooperative contract has been competitively bid and meets the City's procurement requirements. Utilizing the State of Arizona 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.

Freightliner confirmed pricing on both Maricopa County and State contracts are identical, and Freightliner is not on a national cooperative such as Sourcewell. The State of Arizona contract allows the City to purchase dump trucks, deliverable within 8 to 12 months. Also, the manufacturing order window has been severely shortened due to microchip and supply chain shortages. If the City competitively bids, it will take 18 to 24 months to manufacture the vehicles.

Purchase Information

Action: Award

Procurement Type: Cooperative Contract Use

Contract Number: 2023060

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

Quote Number: DE-90701 (8/22/2022)

Local Consideration: Policy did not apply to this procurement method

Protests Received: None

Funding Source: Local Streets Fund

AWARD RECOMMENDATION

One – 2024 Freightliner 114SD Chassis with Crysteel Model SLTE 16' Elliptical Dump Body per Contract No. 2023060

Freightliner 114SD Chassis	\$169,773.00
Crysteel 16' Dump Body	<u>\$92,415.00</u>
Base Sub Total	\$262,188.00

8.3% Sales Tax	\$21,761.60
Tolleson Step Tax	\$25.00
Engine Warranty 5-Year/200,000 miles	\$1,750.00
After Treatment Warranty 5-Year/200,000 miles	\$650.00
Tandem Axle Warranty 5-Year/200,000 miles	\$130.00
Truck Coverage	\$1,460.00
Transmission Warranty 5-Year/200,000 miles	<u>\$953.00</u>
Total	<u>\$288,917.60</u>

One **Replacement** for the Transportation Department funded by the Local Streets Fund.