



# City Council Report

**Date:** November 7, 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 a One-Year Term Contract with a One-Year Renewal Option for McNeilus Equipment OEM Parts for the Fleet Services Department **(Citywide)**

## Recommendation

Council is requested to approve the award as recommended.

The Fleet Services Department and Purchasing recommend authorizing the purchase using the Sourcewell cooperative contract with McNeilus Truck and Manufacturing Company at \$50,000 annually, with an annual increase allowance of up to 5%, or the adjusted Consumer Price Index.

## Background / Discussion

McNeilus Truck and Manufacturing Company is the Original Equipment Manufacturer (OEM) for a type of refuse body owned by the City. There are certain parts that are not available aftermarket, and to keep the City's refuse trucks under factory warranty it is necessary to purchase the OEM parts. As these trucks age, they will start incurring more expensive repairs.

The Sourcewell cooperative contract provides competitive pricing and meets the City's procurement requirements. Fleet Services believes the contract pricing is fair and reasonable; they did not find other cooperative contracts to compare pricing with. It is in the City's best interest to purchase from the established Sourcewell cooperative contract.

Fleet Services currently has a Master Agreement in place for \$25,000 for recurring annual expenses. Due to increases for costs and repairs, purchase expenditures will soon exceed the contract limit. Fleet Services would like to establish use of this cooperative contract for its competitive pricing.

## Purchase Information

Action: Award  
Procurement Type: Cooperative Contract Use  
Contract Number: 2023113

Contracting Agency/Contract Number - Term: Sourcewell/091219-MCN – 11/11/2019 to 11/15/2023

Local Consideration: Policy did not apply to this procurement method

Protests Received: None

Initial Contract Term: One Year

Possible Renewals: Up to a maximum of one year subject to Administrative review and approval

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