



City Council Report

Date: January 9, 2023
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Kristy Garcia, Procurement Administrator
Subject: Award of One Additional Vendor Using a Cooperative Contract for the Term Contract for Heavy-Duty Truck, Construction, Industrial Fleet and Equipment Parts, Services, and Accessories for the Fleet Services Department (Citywide)

Recommendation

Council is requested to approve the contract amendment as recommended.

The Fleet Services Department and Purchasing recommend awarding an additional vendor using the Maricopa County cooperative contract with Master Machinery LLC, and increasing the dollar limit by \$175,000, from \$500,000 to \$675,000 annually, with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

Background / Discussion

This contract provides a full line of parts, accessories, and services for City-owned OEM heavy-duty trucks, construction, and industrial fleet, equipment parts, services, and accessories. Parts that may be purchased include, but are not limited to instrument clusters, ABS brake modules, light modules/light housings, window regulators, latches, armrests, wiring harnesses, air intakes, exhaust components, frame cross members, brackets, and other various parts.

The City currently utilizes the Maricopa County cooperative contract with nine vendors including Drake Truck Bodies, LLC dba, Drake Equipment of Arizona; Empire Southwest, Inc. dba, Empire Truck and Trailer; Kenz & Leslie of Arizona, Inc.; Lubrication Equipment & Supply Company; Sanderson Ford; and Sonsray Machinery, LLC (formerly Titan Machinery, Inc.); Freightliner of Arizona, LLC dba Velocity Truck Centers; W.W. Williams dba Auto Safety House; and Norwood Equipment.

Master Machinery's services are necessary as Fleet Services currently does not have a service contract with this vendor. The department estimates the increase of \$175,000 is sufficient based on the past year's usage, and given the frequency of use and the increasing costs of labor and parts, Fleet Services does not anticipate this amount decreasing over time. This increase will allow for the addition of a new vendor and also room for growth in this category of spend.

Purchase Information

Action: Amendment (Vendor Addition and Increase)

Procurement Type: Cooperative Contract Use

Contract Number: 2021067

Contracting Agency/Contract Number: Maricopa County/200209-C

Initial Contract Term: One Year (11/16/2020 to 9/30/2021)

Current Contract Term: Year 3 (10/1/2022 to 9/30/2023)

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 and Award Recommendation

Original Council Award (Years 1, 2, and 3 annually) – 11/16/2020:	\$500,000.00
Council approved 2 Vendor Additions – 5/3/2021:	--
Council approved Vendor Addition – 2/28/2022:	--
This Increase Request (for Year 3) – 1/9/2023:	<u>\$175,000.00</u>
New Contract Value (Year 3 through 9/30/2023):	<u>\$675,000.00</u>
Annual Contract for Years 4 and 5 (upon Administrative Approval):	<u>\$675,000.00</u>