

**MEETING DATE/TYPE: VOTING MEETING 12-13-16**

**DEPARTMENT: Field and Facilities Services**

**AGENDA ITEM:** Approval of 19 Original Equipment Manufacturing (OEM) and aftermarket parts contracts listed through the Strategic Alliance Volume Expenditures (SAVE) Cooperating Purchasing Group (City Contract Nos. 2017-123, 2017-126, 2017-127, 2017-128, 2017-129, 2017-130, 2017-131, 2017-132, 2017-133, 2017-134, 2017-135, 2017-136, 2017-137, 2017-138, 2017-139, 2017-140, 2017-141, 2017-146 and 2017-147)

**FUNDING SOURCE:** Fleet Maintenance Fund

**Approved By:** Michael Lamar, City Manager

### **Item Summary**

The Fleet Services Division is requesting approval to enter into 19 Original Equipment Manufacturer (OEM) and aftermarket parts contracts listed through the Strategic Alliance Volume Expenditures (SAVE) Cooperating Purchasing Group as per the attachment. The contracts have been competitively bid and awarded by various State agencies for heavy and light duty OEM and aftermarket parts needed for the repair of City vehicles and equipment.

### **Background**

The Fleet Services Division routinely purchases OEM and aftermarket parts for repair of City vehicles and equipment. Per Section 1-27-9 (C) of the City's Procurement Code, the use of State agency contracts is permitted when in the City's best interest.

The City of Prescott is a member of the Strategic Alliance Volume Expenditures (SAVE) Cooperating Purchasing Group. Under SAVE "lead agencies" issue and award Invitations for Bid (IFB) and Requests for Proposals (RFP) that include cooperative purchasing language. The lead agencies then list their awarded contracts through SAVE, whose members are able to use.

The requested contract amounts listed are based on FY15 and FY16 actual expenditures. It is anticipated that these amounts will be necessary annually over the life of the contracts, in order to maintain the City fleet in a cost effective and timely manner. Each supplier will be awarded a single contract that will expire as per the attachment. Contract terms vary based upon each individual lead agency's contract,

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and approval is requested to purchase OEM and aftermarket parts through these contracts as long as they are valid. Pricing for parts is based upon a percentage discount off of catalog pricing.

Having access to suppliers through these contracts will help improve the Fleet Services Division's efficiencies, parts inventory management, customer service, and will provide a cost savings to the City.

Additionally, approval of these contracts will bring OEM and aftermarket parts purchases in compliance with the City Procurement Code.

### **Financial Impact**

Funding of \$430,000.00 is available in the FY17 Fleet Services budget.

### **Attachments**

1. Attachment A, OEM/Aftermarket Parts Contracts List

**Recommended Action: MOVE** to approve the OEM/Aftermarket Parts Contracts as listed on Attachment A.