

City of Rochester Hills AGENDA SUMMARY FINANCIAL ITEMS

1000 Rochester Hills Dr. Rochester Hills, MI 48309 248.656.4630

www.rochesterhills.org

Legislative File No: 2016-0262

TO: Mayor and City Council Members

FROM: Allan Schneck, P.E., Director Department of Public Services

DATE: July 18, 2016

SUBJECT: Auto and Truck Parts

REQUEST:

City Council authorization for the purchase of auto and truck parts from Motown Automotive, Farmington Hills, Michigan, Genuine Parts Company/NAPA Detroit, Romulus, Michigan and other auto parts vendors as required in the amount not-to-exceed \$78,510.00 through July 31, 2019.

REASON FOR PURCHASE:

Request for Proposals were solicited on the MITN e-procurement system by the cities of Rochester Hills, Farmington Hills, Sterling Heights, Warren and Suburban Mobility Authority for Regional Transportation (SMART); with additional extension to the MITN Purchasing Cooperative. The initial three-year term of the contract has expired. The companies have agreed to hold past pricing, allowing the Cities to exercise the three-year option to renew clause that was part of the original contract.

The Request for Proposals called for a contracted discount off published catalog pricing for 85 different auto parts manufacturers. This includes preventive maintenance parts (filters, belts, hoses, etc), auto and truck repair parts, rebuilt components and heavy duty parts required for the maintenance of the City's fleet. Additionally, the request required vendors to explain how they would meet the delivery requirements for stock parts and emergency needs, as well as provide information on opportunities for entity staff to be trained on current and new parts installation and maintenance.

A committee made up of City staff and representatives from all entities evaluated responses and checked references for all proposals received. A short list of candidates was developed and those companies were interviewed to discuss information given in their proposals. Given the vast number and varied type of auto parts required by the different cities, the committee recommending a split award to two (2) vendors whose proposals best met the specifications for price, product offering, references and experience. It is recommended Motown Automotive be awarded as the main supplier for preventative maintenance and repair parts. Motown Automotive was chosen as the main supplier because their product offering was vast, their cooperative wide sample pricing was lowest on the majority of items, their knowledge of auto/truck repair was extensive, they have fourteen (14) locations to service all entities and their commitment to customer service was demonstrated by the many favorable references received from other local municipalities.

Genuine Parts Company/NAPA Detroit is recommended for award as a back-up & for other repair parts not available from Motown such as bus & some heavy duty trucks. They too offer a variety of products, they were low on several items on the sample pricing, they offer rebates for purchases made via the internet, they have eleven (11) stores in metropolitan Detroit and their references were good.

These contracts resulting from the collaborative efforts of five agencies will produce significant reduction in auto and truck parts costs for Rochester Hills.

Specialty products may from time to time need to be purchased from alternate sources.

PROCESS:

Motown Automotive Genuine Parts Company/NAPA Detroit

24701 Hallwood Ct. 30550 Ecorse Road Farmington Hills, MI 48335 Romulus, MI 48174

Reason for Selection:

Best Value

Method of Purchase:

Blanket Purchase Order

BUDGET:

Funding is included as part of the 2016 Adopted Budget, as well as the 2017-19 Projected Budgets.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Fleet	661.938000	Maintenance – Vehicle	\$78,510	\$78,510	\$0

RECOMMENDATION:

It is recommended that City Council authorize the purchase of auto and truck parts from Motown Automotive, Farmington Hills, Michigan, Genuine Parts Company/NAPA Detroit, Romulus, Michigan and other auto parts vendors as required in the amount not-to-exceed \$78,510.00 through July 31, 2019.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		