

## 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: 2010-0260

**TO:** Mayor and City Council Members

**FROM:** Roger Rousse, Director of Public Service

**DATE:** June 3, 2010

**SUBJECT:** Auto and Truck Parts

#### **REQUEST:**

City Council authorization for the purchase of auto and truck parts from Motown Automotive, Farmington Hills, Michigan, and Coach & Motor Company, Clinton Township, Michigan and other auto parts vendors as required in the amount not-to-exceed \$100,000.00 through July 31, 2013.

### **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 Royal Oak 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 Purchasing and Fleet staff from the five (5) representative entities evaluated responses and checked references. The City of Rochester Hills hosted the interview process of the shortlisted companies. The committee is recommending a split award to three (3) vendors whose proposals best met the specifications for price, product offering, references and experience. Motown Automotive is recommended as the main supplier for preventative maintenance and repair parts. Motown Automotive was chosen as the main supplier because their product offering was vast, rate structure was competitive, their knowledge of auto/truck repair was extensive and they have nine (9) locations to service all entities. Their commitment to customer services was demonstrated by the many references received from other local municipalities.

Coach & Motor Company is recommended for award for other repair parts not available from Motown, such as various GM and Ford OEM parts. Coach & Motor has competitive rates and has a history of providing excellent customer services to local municipalities.

These contracts resulting from the collaborative efforts of five cities 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:**

**Vendor Name and Address:** 

Motown Automotive Coach & Motor Company

24600 Crestview Court 33460 Lipke

Farmington Hills, MI 48335 Clinton Twp, MI 48035

**Reason for Selection:** 

Best Value

**Method of Purchase:** 

Blanket Purchase Order

**BUDGET:** 

This is a three-year contract of \$100,000 with the amount spread equally over the future budgets at \$33,333.00 per year.

	Department	Account No.	Budget		Remaining
Fund Name	Account No	Description	Amount	Cost	Budget
Fleet	661.938000	Maintenance-Vehicle	\$35,830	\$33,334	\$2,496
		Year #1 (2010-2011)		·	·
Fleet	661.938000	Maintenance-Vehicle	\$35,830	\$33,333	\$2,497
		Year #2 (2011-2012)		ψ33,333	\$2,477
Fleet	661.938000	Maintenance- Vehicle	¢25 920	\$33,333	\$2,497
		Year #3 (2012-2013)	\$35,830		
		3-Year Total	\$107,490	\$100,000	\$7,490

# **RECOMMENDATION:**

It is recommended that City Council authorize the purchase of auto and truck parts from Motown Automotive, Farmington Hills, Michigan and Coach & Motor Company, Clinton Township, Michigan and other auto parts vendors as required in the amount not-to-exceed \$100,000.00 through July 31, 2013.

APPROVALS:	SIGNATURE	DATE
<b>Department Review</b>		
<b>Department Director</b>		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		