



**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: 2010-0522

TO: Mayor and City Council Members
FROM: Bruce Halliday, Fleet Manager
DATE: November 23, 2010
SUBJECT: Heavy Duty Truck Parts

REQUEST:

City Council is requested to authorize a blanket purchase order for the purchase of heavy duty truck parts from Van Horn Truck Parts, Inc., Rochester, Michigan, and other auto parts vendors as required in the amount not-to-exceed \$45,000.00 through December 31, 2013.

REASON FOR PURCHASE:

Request for Proposals were solicited on the MITN e-procurement system with the City of Rochester Hills acting as lead agency on behalf of the City of Farmington Hills and themselves, with additional extension to the MITN Purchasing Cooperative. Six responses were received. A committee made up of Purchasing and Fleet staff from the representative entities evaluated responses.

The Request for Proposals called for a contracted percentage discount on pricing for multiple heavy duty truck parts manufacturers. This includes preventive maintenance parts (filters, belts, hoses, etc) and parts required for the maintenance and repair of the City's fleet of fire apparatus, ambulances and other emergency response equipment, snowplows, salt trucks, construction and road maintenance equipment, water and sewer system maintenance equipment and other miscellaneous equipment. The request required vendors to explain how they would meet the delivery requirements for stock parts and emergency needs for each entity. The committee is recommending award to Van Horn Truck Parts, Inc., whose proposal best met the specifications for price, product offering, references, customer service and experience.

To evaluate cost, the RFP requested vendors to provide pricing for a sample listing of parts typically purchased by the entities and apply their offered discount to those parts. In evaluating the responses, the committee focused on the vendor's responsiveness to provide pricing on the brand and parts specified in the cost proposal and focused on the vendor's that least deviated from the required parts requested. Van Horn Truck Parts Inc. was found to be most responsive to the request and provided the most beneficial pricing based on the discount being offered. Vendors that were considered non-responsive were those that substituted parts being requested, did not respond with pricing to parts requested, or offered remanufactured parts. Van Horn Truck Parts, Inc. has serviced the City in the past and the City has been very satisfied with the services received. Specialty products may from time to time need to be purchased from alternate sources.

As Rochester Hills is the lead agency on this cooperative purchase, once City Council has made an award, the City of Farmington Hills, as well as Michigan Intergovernmental Trade Network participants can utilize the contract pricing for heavy duty truck parts purchases.

PROCESS:

Vendor Name and Address:

Van Horn Truck Parts, Inc.
100 South Street
Rochester, MI 48307

Reason for Selection:

Best Value

Method of Purchase:

Blanket Purchase Order

BUDGET:

This is a three-year contract of \$45,000.00 with the amount spread over the future budgets.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
Fleet	661.938000	Maintenance-Vehicle Year #1 (2011)	\$18,000.00	\$15,000.00	+ \$3,000
Fleet	661.938000	Maintenance-Vehicle Year #2 (2012) Projected	\$15,000.00	\$15,000.00	\$0
Fleet	661.938000	Maintenance-Vehicle Year #3 (2013) Projected	\$15,000.00	\$15,000.00	\$0

RECOMMENDATION:

City Council is requested to authorize a blanket purchase order for the purchase of heavy duty truck parts from Van Horn Truck Parts, Inc., Rochester, Michigan, and other auto parts vendors as required in the amount not-to-exceed \$45,000.00 through December 31, 2013.

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