

March 28, 2005

TO: John Szerlag, City Manager

FROM: Brian P. Murphy, Assistant City Manager/Services
Jeanette Bennett, Purchasing Director
Timothy L. Richnak, Public Works Director

SUBJECT: **Agenda Item** – Standard Purchasing Resolution 3: Option to Renew –
Automobile, Light Truck, Farm, and Construction Equipment Replacement Parts

RECOMMENDATION

On May 6, 2002, Troy City Council approved three-year contracts to purchase automobile, light truck, farm, and construction equipment replacement parts with an option to renew for an additional three-year period to the lowest acceptable primary and secondary bidders meeting specifications, Kirk's Automotive Inc., Terminal Supply, Jack Doheny Supply Company, DTS Fluid Power LLC (previously Rubber Materials), and Shults Equipment Inc. (Council Resolution #2002-05-288-E-10).

City management recommends approval of the three-year renewal option of the contracts for automobile, light truck, farm, and construction equipment replacement parts with Kirk's Automotive, Terminal Supply, Jack Doheny Supply, DTS Fluid Power LLC (previously Rubber Materials), and Shults Equipment. All price discounts, terms, and conditions will remain the same for the additional three-year period expiring May 2008.

SUMMARY

Kirk's Automotive, Terminal Supply, Jack Doheny Supply, DTS Fluid Power LLC (previously Rubber Materials), and Shults Equipment have offered to renew their contracts under the same pricing structure, terms, and conditions as the original contract agreement.

KIRK'S AUTOMOTIVE	
GE Light Bulbs	Catalog/Price Sheet NAPA-LMP 20% Discount – Secondary Supplier
Signal Stat Lights	Catalog/Price Sheet NAPA-LIT 15% Discount – Secondary Supplier
NAPA Filters	Catalog/Price Sheet NAPA-FIL 50% Discount
Hydraulic Fittings/Hose	Catalog/Price Sheet NAPAWH-MT 25% Discount
TERMINAL SUPPLY	
GE Light Bulbs	Discount NET
Signal Stat Lights	Discount NET
JACK DOHENY SUPPLY	
VACTOR Parts	Catalog/Price Sheet VACTOR OEM 2001
DTS FLUID POWER	(previously RUBBER MATERIALS)
Imperial Eastman Hydraulic Fittings/Hose	Catalog/Price Sheet Trade PL4400 & PL4300-ADP 30% Discount
SHULTS EQUIPMENT	
Root Snow Plow Parts	Shults Price Sheet
Swenson Spreader Parts	Shults Price Sheet

MARKET SURVEY

The Purchasing Department deemed an additional market survey not necessary, as the one from 2004 forecasted raw materials to increase substantially over the next few years, and to date they have.

BUDGET

Funds are available in the Motor Equipment Pool Operating Budget.

Prepared by: Samuel P. Lamerato, Superintendent of Motor Pool



January 11, 2005

500 West Big Beaver
Troy, Michigan 48064
Fax: (248) 524-0851
www.ci.troy.mi.us

ATTN: Al Benish
Kirk's Automotive Inc
9330 Roselawn
Detroit MI 48204

- Area code (248)
- Assessing
524-3311
- Bldg. Inspections
524-3344
- Bldg. Operations
524-3368
- City Clerk
524-3316
- City Manager
524-3330
- Community Affairs
524-1147
- Engineering
524-3383
- Finance
524-3411
- Fire-Administration
524-3419
- Human Resources
524-3339
- Information Technology
619-7279
- Law
524-3320
- Library
524-3545
- Parks & Recreation
524-3484
- Planning
524-3364
- Police-Administration
524-3443
- Public Works
524-3370
- Purchasing
524-3338
- Real Estate & Development
524-3498
- Treasurer
524-3334
- General Information
524-3300

Dear Al:

On May 6, 2002 the City of Troy entered into contract #20101172-OB with Kirk's Automotive Inc to provide three year requirements of automobile, light truck, farm, and construction equipment replacement parts with an option to renew for an additional three year period at the same prices, terms, and conditions as the original contract.

Please FAX this letter back indicating if Kirk's Automotive wishes to renew this contract until 05-06-08. Our FAX number is (248) 680-7281. It should be understood that this request to renew the contract is subject to a favorable market survey. A request by City staff to determine the successful bidder's interest in renewing the contract in no way obligates the City. The option cannot be exercised without Troy City Manager and City Council approval and a blanket purchase order issued.

If you have any questions, please call me at (248) 680-7288.

CHECK ONE:

Kirk's Automotive Inc is interested in renewing the contract under the same prices, terms, and conditions:

Kirk's Automotive Inc is not interested in renewing the contract:

x Al Benish Vice President
Signed: Authorized Company Representative

Date: 1-12-05

Thank you,

Samuel P. Lamerato
Samuel P. Lamerato
Superintendent
Fleet Maintenance Division



500 West Big Beaver
Troy, Michigan 48064
Fax (248) 524-0851
www.ci.troy.mi.us

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524-3311
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- Human Resources
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524-3338
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524-3498
- Treasurer
524-3334
- General Information
524-3300

January 11, 2005

Terminal Supply Co
1800 Thunderbird
Troy MI 48084

To Whom It May Concern:

On May 6, 2002 the City of Troy entered into contract #20101173-OB with Terminal Supplies Co to provide three year requirements of automobile, light truck, farm, and construction equipment replacement parts with an option to renew for an additional three year period at the same prices, terms, and conditions as the original contract.

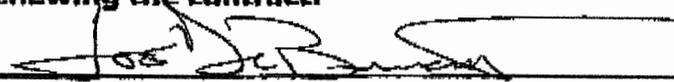
Please FAX this letter back indicating if Terminal Supply Co wishes to renew this contract until 05-06-08. Our FAX number is (248) 680-7281. It should be understood that this request to renew the contract is subject to a favorable market survey. A request by City staff to determine the successful bidder's interest in renewing the contract in no way obligates the City. The option cannot be exercised without Troy City Manager and City Council approval and a blanket purchase order issued.

If you have any questions, please call me at (248) 680-7288.

CHECK ONE:

Terminal Supply Co is interested in renewing the contract under the same prices, terms, and conditions:

Terminal Supply Co is not interested in renewing the contract:

X 
Signed: Authorized Company Representative

Date: 1-24-05

Thank you,


Samuel P. Larnerato
Superintendent
Fleet Maintenance Division



500 West Big Beaver
Troy, Michigan 48064
Fax: (248) 524-0851
www.ci.troy.mi.us

January 11, 2005

Jack Doheny Supplies Inc
777 Doheny Court
PO Box 609
Northville MI 48167

To Whom It May Concern:

On May 6, 2002 the City of Troy entered into contract #20101174-OB with Jack Doheny Supplies Inc to provide three year requirements of Vactor replacement parts with an option to renew for an additional three year period at the same prices, terms, and conditions as the original contract.

Please FAX this letter back indicating if Jack Doheny Supplies Inc wishes to renew this contract until 05-06-08. Our FAX number is (248) 680-7281. It should be understood that this request to renew the contract is subject to a favorable market survey. A request by City staff to determine the successful bidder's interest in renewing the contract in no way obligates the City. The option cannot be exercised without Troy City Manager and City Council approval and a blanket purchase order issued.

If you have any questions, please call me at (248) 680-7288.

CHECK ONE:

Jack Doheny Supplies Inc is interested in renewing the contract under the same prices, terms, and conditions:

Jack Doheny Supplies Inc is not interested in renewing the contract:

x David R. Snyder
Signed: Authorized Company Representative

Date: 1-11-05

Thank you,

Samuel P. Lamerato
Superintendent
Fleet Maintenance Division

- Area code (248)
- Assessing 524-3311
- Bidg Inspections 524-3344
- Bidg. Operations 524-3368
- City Clerk 524-3316
- City Manager 524-3330
- Community Affairs 524-1147
- Engineering 524-3383
- Finance 524-3411
- Fire-Administration 524-3419
- Human Resources 524-3339
- Information Technology 619-7279
- Law 524-3320
- Library 524-3545
- Parks & Recreation 524-3384
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- Police-Administration 524-3443
- Public Works 524-3370
- Purchasing 524-3338
- Real Estate & Development 524-3498
- Treasurer 524-3334
- General Information 524-3300



500 West Big Beaver
Troy, Michigan 48064
Fax: (248) 524-0851
www.ci.troy.mi.us

January 11, 2005

DTS Fluid Power LLC
Rubber Materials Division
31731 Sherman Drive
Madison Heights MI 48071

To Whom It May Concern:

- Area code (248)
- Assessing 524-3311
- Bldg. Inspections 524-3344
- Bldg. Maintenance 524-3368
- City Clerk 524-3316
- City Manager 524-3320
- Community Affairs 524-1147
- Engineering 524-3383
- Finance 524-3411
- Fire-Administration 524-3419
- Human Resources 524-3329
- Information Services 619-7279
- Law 524-3320
- Library 524-3545
- Parks & Recreation 524-3484
- Planning 524-3364
- Police-Administration 524-3443
- Public Works 524-3370
- Purchasing 524-3338
- Real Estate & Development 524-3498
- Treasurer 524-3334
- General Information 524-3300

On May 6, 2002 the City of Troy entered into contract #20101175-08 with DTS Fluid Power LLC, Rubber Materials Division, to provide three year requirements of automobile, light truck, farm, and construction equipment replacement parts with an option to renew for an additional three year period at the same prices, terms, and conditions as the original contract.

Please FAX this letter back indicating if DTS Fluid Power LLC, Rubber Materials Division, wishes to renew this contract until 05-06-08. Our FAX number is (248) 680-7281. It should be understood that this request to renew the contract is subject to a favorable market survey. A request by City staff to determine the successful bidder's interest in renewing the contract in no way obligates the City. The option cannot be exercised without Troy City Manager and City Council approval and a blanket purchase order issued.

If you have any questions, please call me at (248) 680-7286.

CHECK ONE:

DTS Fluid Power LLC, Rubber Materials Division, is interested in renewing the contract under the same prices, terms, and conditions:

price list PL4400 & PL4300-ADP

DTS Fluid Power LLC, Rubber Materials Division, is not interested in renewing the contract:

x Nancy Ambroster

Signed: Authorized Company Representative

Date: 3/8/05

Thank you,

Samuel P. Lamerato
Superintendent
Fleet Maintenance Division



500 West Big Beaver
Troy, Michigan 48064
Fax: (248) 524-0851
www.ci.troy.mi.us

January 11, 2005

Shults Equipment Inc
PO Box 127
1532 South State Road
Ithaca MI 48847

To Whom It May Concern:

- Area code (248)
- Assessing 524-3311
- Bldg. Inspections 524-3344
- Bldg. Operations 524-3368
- City Clerk 524-3316
- City Manager 524-3330
- Community Affairs 524-1147
- Engineering 524-3383
- Finance 524-3411
- Fire-Administration 524-3419
- Human Resources 524-3339
- Information Technology 619-7279
- Law 524-3320
- Library 524-3645
- Parks & Recreation 524-3484
- Planning 524-3364
- Police-Administration 524-3443
- Public Works 524-3370
- Purchasing 524-3338
- Real Estate & Development 524-3498
- Treasurer 524-3334
- General Information 524-3300

On May 6, 2002 the City of Troy entered into contract #20101176-OB with Shults Equipment Inc to provide three year requirements of Root snow plow parts and Swenson spreader parts with an option to renew for an additional three year period at the same prices, terms, and conditions as the original contract.

Please FAX this letter back indicating if Shults Equipment Inc wishes to renew this contract until 05-06-08. Our FAX number is (248) 680-7281. It should be understood that this request to renew the contract is subject to a favorable market survey. A request by City staff to determine the successful bidder's interest in renewing the contract in no way obligates the City. The option cannot be exercised without Troy City Manager and City Council approval and a blanket purchase order issued.

If you have any questions, please call me at (248) 680-7288.

CHECK ONE:

Shults Equipment Inc is interested in renewing the contract under the same prices, terms, and conditions:

Shults Equipment Inc is not interested in renewing the contract:

X Mark R Hoard

Signed: Authorized Company Representative

Date: 2-7-05

Thank you,

Samuel P. Lamerato
Superintendent
Fleet Maintenance Division

680-7288

0014-11-031

E-9 Standard Purchasing Resolution 3: Exercise Renewal Option - Snow Removal Services/Home Chore Program

Resolution #2002-05-288-E-9

WHEREAS, On November 5, 2001, a seasonal contract with an option to renew for one additional winter season for snow removal services for the Home Chore Program was awarded to Dream Green (Resolution #2001-11-521); and

WHEREAS, Dream Green has agreed to exercise the one-year option to renew under the same prices, terms, and conditions.

NOW, THEREFORE, BE IT RESOLVED, That the option to renew the contract is hereby exercised with Dream Green to provide snow removal services for the Home Chore Program under the same contract prices, terms, and conditions for one additional winter season expiring April 1, 2003.

E-10 Standard Purchasing Resolution 2: Low Acceptable Bidders – Automobile, Light Truck, Farm, and Construction Equipment Replacement Parts With an Option to Renew for an Additional Three Years

Resolution #2002-05-288-E-10

RESOLVED, That contracts to provide three-year requirements of automobile, light truck, farm, and construction equipment replacement parts with an option to renew for three-years are awarded to the lowest acceptable bidders meeting specifications, Kirk's Automotive, Terminal Supply, Rubber Materials, Shults Equipment, and Jack Doheny Supplies at discount prices contained in the bid tabulation opened March 13, 2002 a copy of which shall be attached to the original Minutes of this meeting.

E-11 City of Troy v. Kathleen Corkum

Resolution #2002-05-288-E-11

RESOLVED, That the Consent Judgment entered on April 12, 2002 in the City of Troy v. Kathleen Corkum case is approved.

E-12 Ritter v. Reynaert, City of Troy, et. al.

Resolution #2002-05-288-E-12

RESOLVED, That the City Attorney is hereby authorized and directed to represent the City of Troy in any and all claims and damages in the matter of Fred Ritter v. Donald J. Reynaert, City of Troy, et al, and to retain any necessary expert witnesses and outside legal counsel to adequately represent the City.

April 30, 2002

TO: The Honorable Mayor and City Council

FROM John Szerlag, City Manager
Gary A. Shripka, Assistant City Manager/Services
Jeanette Bennett, Purchasing Director
William Need, Public Works Director

Subject: Standard Purchasing Resolution 2: Low Acceptable Bidders –
Automobile, Light Truck, Farm, And Construction Equipment Replacement
Parts With An Option To Renew For An Additional Three Years

RECOMMENDATION:

We have received bid proposals from automobile and truck part suppliers to furnish three-year requirements of repair parts for the Motor Equipment Pool. All part bids must meet or exceed original equipment manufacturer's specifications.

Bid proposals were opened March 13, 2002. The bid proposals were analyzed by comparing our cost on specific parts as opposed to just considering the discount, since each supplier has a different catalog and price sheet. After researching individual vendors, cross referencing part numbers for like value and quality, including actual site visits, personal contacts, reviewing inventory and budgetary limitations, the following recommendations are being made to the low bidders meeting specifications in each category as follows:

<u>VENDOR</u>	<u>PRODUCT LINE</u>	<u>DISCOUNT</u>
Terminal Supply	Lights Bulbs	Net
Kirk's Automotive	Lights Bulbs	List –20% secondary vendor
Terminal Supply	Signal Stat Lights	Net
Kirk's Automotive	Signal Stat Lights	List –15% secondary vendor
Kirk's Automotive	Filters	List –50%
Kirk's Automotive	Hydraulic Fittings/Hose	NAPAWH-MI –25%
Rubber Materials	Hydraulic Fittings/Hose	Trade –30% secondary vendor
Shults Equipment	Root Plow Parts	Computerized Price Sheet
Shults Equipment	Swenson Spreader	Computerized Price Sheet
Jack Doheny Supplies	Vactor Parts	Manufacturer's Price Sheet

Bids from Bill Fox Chevrolet, Motor City Truck Sales, and Joint Clutch & Gear were unawardable for GE Light Bulbs, Signal Stat Lights, and Fram Filters because of incomplete product lines and/or complete catalogs and price sheets were not provided for the items as specified.

To: The Honorable Mayor and City Council

Re: Bid Award – Automotive, Light Truck, Farm and Construction Equipment Replacement Parts

EXPLANATION OF BIDS NOT MEETING SPECIFICATIONS

The following vendors **did not meet specifications** for the listed product line, for the reasons indicated:

<u>PRODUCT LINE</u>	<u>VENDOR</u>	<u>DMS JUSTIFICATION</u>
Briggs & Stratton Parts	Kirk's Automotive	No catalog
Brake Parts Heavy Duty	Kirk's Automotive Motor City Truck Sales	No price sheet No catalog or price sheet
Caterpillar Engine Parts	Motor City Truck Sales	No catalog or price sheet
Cummins Parts	Motor City Truck Sales	No catalog or price sheet
Detroit Diesel Parts	Motor City Truck Sales	No catalog or price sheet
Ford Parts	Kirk's Automotive Motor City Truck Sales	No catalog No catalog or price sheet
Ford Heavy Duty Parts	Kirk's Automotive Motor City Truck Sales	No catalog No catalog or price sheet
GMC Heavy Duty Parts	Kirk's Automotive	No catalog
John Deere Mower Parts	Kirk's Automotive	No catalog
Monroe Plow Parts	Kirk's Automotive	Catalog does not include Monroe parts/no price sheet
Root Plow Parts	Kirk's Automotive	Catalog does not include Root parts/no price sheet
Sterling Truck Heavy Duty Parts	Kirk's Automotive Motor City Truck Sales	No catalog or price sheet No catalog or price sheet

To: The Honorable Mayor and City Council
Re: Bid Award – Automotive, Light Truck, Farm and Construction Equipment
Replacement Parts

Radiators	Kirk's Automotive	No catalog or price sheet
	B&L Detroit Radiator	No catalog or price sheet
	Four Seasons Radiator	No catalog or price sheet
	Motor City Truck Sales	No catalog or price sheet

No bids were received for the following product lines: **Badger parts, Case parts, Dodge parts, E.J. Ward parts, Galion parts, JCB parts and John Deere.** We will rebid these items, as well as the listed product lines where no bidder met the City's specifications. Revisions will be made to the bid to include a pre-bid meeting and the use of web sites for parts and price catalogs.

BUDGET

Funds are available in the Motor Pool Equipment and Operating Budget.

51 Bids Sent
15 Bid Responses Rec'd
3 No Bids
1 Late Bid

BIDDERS LIST
AUTOMOTIVE, LIGHT TRUCK, FARM AND
CONSTRUCTION EQUIPMENT REPLACEMENT PARTS

AIS CONSTRUCTION EQUIPMENT	56555 PONTIAC TRAIL	NEW HUDSON	MI	48165
ALLIED, INCORPORATED	260 METTY DRIVE PO BOX 988	ANN ARBOR	MI	48106
ARROW TRUCK PARTS & SERVICE ATTN: KEITH KURTZ	2637 W FORT ST	DETROIT	MI	48216
AUTO TRUCK EQUIPMENT CO	15970 COMMON RD	ROSEVILLE	MI	48066
B&L DETROIT RADIATOR INC	5173 E 8 MILE RD	WARREN	MI	48091
BEARING SERVICE INC	2219 E 9 MILE RD	WARREN	MI	48091
BILL FOX CHEVROLET	725 ROCHESTER RD	ROCHESTER	MI	48307
BILL WINK CHEVROLET GMC	10700 FORD RD	DEARBORN	MI	48126
BIRMINGHAM CHRYSLER	2100 W MAPLE RD	TROY	MI	48084
BOSTICK GMC TRUCK CENTER	1368 JOSLYN AVE	PONTIAC	MI	48340
CLAWSON AUTO PARTS CO	1511 N MAIN ST	CLAWSON	MI	48017
COACH & MOTOR CO ATTN: MIKE FARMER	33460 LIPKE	MT CLEMENS	MI	48043
D&D AUTO PARTS	4314 ROCHESTER RD	ROYAL OAK	MI	48073
DEAN SELLERS INC	2600 W MAPLE	TROY	MI	48084
DETROIT BALL BEARING	493 S SAGINAW	PONTIAC	MI	48341
JACK DOHENY SUPPLIES INC	BOX 609	NORTHVILLE	MI	48167
ELDER FORD	777 JOHN R	TROY	MI	48083
FOUR SEASONS RADIATOR SVC	45 W 14 MILE RD	MADISON HGTS	MI	48071
H&H WHEEL SERVICE	2520 22 ND ST	DETROIT	MI	48216

BIDDERS LIST
AUTOMOTIVE, LIGHT TRUCK, FARM AND
CONSTRUCTION EQUIPMENT REPLACEMENT PARTS

JOHN R SPRING	1782 E MAPLE	TROY	MI	48083
JOINT CLUTCH & GEAR SERVICE	30200 CYPRESS AVE	ROMULUS	MI	48174
KIRK'S AUTOMOTIVE INC	9330 ROSELAWN	DETROIT	MI	48204
KNAPHEIDE TRUCK EQUIPMENT	4103 HOLIDAY DR	FLINT	MI	48507
LEE GMC INC	PO BOX 40770	LANSING	MI	48901
METROPOLITAN DIESEL SUPPLY	18211 WEAVER	DETROIT	MI	48228
MICHIGAN CAT	25000 NOVI RD	NOVI	MI	48375
MONROE TRUCK EQUIPMENT	2400 REO DRIVE	FLINT	MI	48507
MIKE SAVOIE CHEVROLET ATTN: CARL GLASS	1900 W MAPLE RD	TROY	MI	48099
MOTOR CITY TRUCKS INC	39300 SCHOOLCRAFT RD PO BOX 9246	LIVONIA	MI	48150
MUNN TRACTOR SALES INC	3700 S LAPEER RD	LAKE ORION	MI	48359
OAKLAND DODGE INC	101 W 14 MILE RD	MADISON HGTS	MI	48071
RADIATOR SPECIALTY ATTN: RICK BROWN	PO BOX 34689	CHARLOTTE	NC	28234
RUBBER MATERIALS CORP	31731 SHERMAN DR	MADISON HGTS	MI	48071
RUSH EQUIPMENT	7200 15 MILE RD	STERLING HGTS	MI	48312
SHULTS EQUIPMENT INC	1532 S STATE RD PO BOX 127	ITHACA	MI	48847
SEAL METHODS EQUIPMENT INC	10016 ROMANDEL	SANTE FE SPRINGS	CA	90670
SERVICE AUTOMOTIVE SUPPLY	2600 W FORT ST	DETROIT	MI	48216

BIDDERS LIST
AUTOMOTIVE, LIGHT TRUCK, FARM AND
CONSTRUCTION EQUIPMENT REPLACEMENT PARTS

SOUTHWEST BRAKE & PARTS INC	21235 DEQUINDRE	HAZEL PARK	MI	48030
STERLING HEIGHTS DODGE	40111 VAN DYKE	STERLING HGTS	MI	48078
TERMINAL SUPPLY	1800 THUNDERBIRD	TROY	MI	48084
VIP TRUCK CENTER INC	11757 GLOBE RD	LIVONIA	MI	48150
E.J. WARD	PO BOX 17888	SAN ANTONIO	TX	78217
WEINGARTZ SUPPLY ATTN: RON WEINGARTZ	39050 GRAND RIVER	FARMINGTON HILLS	MI	48335
WEINGARTZ SUPPLY	46061 VAN DYKE	UTICA	MI	48317
WILLIAMS DETROIT DIESEL- ALLISON	500 GORDON INDUSTRIAL COURT	GRAND RAPIDS	MI	49509
WOLVERINE TRACTOR	25900 W EIGHT MILE	SOUTHFIELD	MI	48034
WOLVERINE TRUCK SALES INC	3550 WYOMING	DEARBORN	MI	48120