



CITY COUNCIL AGENDA ITEM

Date: August 6, 2014

To: Brian Kischnick, City Manager

From: MaryBeth Murz, Purchasing Manager
Timothy L. Richnak, Public Works Director
Samuel P. Lamerato, Superintendent of Fleet Maintenance

Subject: Standard Purchasing Resolution 4: Cooperative Contract Award – Two (2) Dump Trucks with snow removal and deicing systems and One (1) truck chassis

History

The Cities of Auburn Hills, Farmington Hills, Madison Heights, Midland, St. Clair Shores, Troy, and Warren; members of the Michigan Inter-governmental Trade Network (MITN) cooperatively developed and issued a Request for Proposal (RFP) for the purchase of Single/Tandem Axle Dump Truck(s), parts, and related services. The RFP was developed with the intent of procuring Single/Tandem Axle Dump Trucks for Snow and Ice Removal Services meeting all of the entities' specifications, and to create a contract that would offer a comprehensive list of chassis, truck equipment, parts and related services for Single/Tandem Axle Dump Trucks. The intent of the RFP was to create a comprehensive contract for MITN cooperative entities so as to utilize and aggregate purchasing volumes of the agencies to generate best value offers from Single/Tandem Axle Chassis Vendors and Truck Equipment Vendors. The MITN cooperative group estimates and anticipates an initial purchase of twenty-five (25) trucks; based on this cooperative effort.

From the proposal review process the evaluation committee shortlisted and subsequently requested interviews and site visits from the qualified and approved proposers. Scoring for each phase was conducted. Wolverine Freightliner and Truck and Trailer Specialties, Inc. were selected and unanimously supported by the entities as providing the best value, quality product, timely delivery, exceptional services, an ongoing training program, and also offering the most comprehensive options to meet all of the entities needs. The selection was supported by several positive references received from other communities utilizing these companies for the purchase of their equipment.

The two (2) tandem axle dump/salt trucks are used on a daily basis by the DPW Streets and Drains division for snow plowing and de-icing major and local roads, grading, road repairs, ditch cleaning, and by the Water and Sewer division for water and sewer main breaks and repairs.

The one (1) single axle truck chassis is used on a daily basis by the DPW Water division for water service installs and water main and sewer repairs.



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Purchasing

Request for Proposals were solicited utilizing the Michigan Inter-governmental Trade Network (MITN) website. Five (5) proposal responses were received.

The proposal review process consisted of three stages; proposal review, interviews, and site visits. Proposals were evaluated by the City of Rochester Hills Fleet personnel and purchasing staff, as well as representatives from the participating cooperative MITN members.

Financial

Funds are available in the Public Works Fleet Division capital account.

Also note; built into the RFP is an additional *potential* quantity discount for MITN entities participating in this cooperative purchase. The discount is based on the aggregate yearly purchase. The additional potential discount structure is as follows:

- 10-19 units will receive a 1% discount
- 20 plus units will receive a 2% discount
- The percentage of discount applies to the Truck and Trailer Specialties portion of the purchase only.

Recommendation

City management recommends awarding purchase orders for the purchase of two (2) tandem axle truck chassis, one (1) for \$98,479.00 and one (1) for \$98,923.00 and also one (1) single axle truck chassis for \$81,386.00 to *Wolverine Freightliner-Eastside, Inc., of Mount Clemens, MI* for an estimated total price of \$278,788.00.

City management also recommends awarding purchase orders for the purchase of one (1) dump body, snow removal and deicing system for the Streets Division for \$87,983.00 and one (1) heated dump body, snow removal and deicing system for the Water Division for \$90,395.00 to *Truck and Trailer Specialties, Inc., of Dutton, MI* for an estimated price of \$178,378.00.

The combined purchase of the three (3) truck chassis and two (2) dump body, snow removal and deicing systems is for an estimated total cost of \$457,166.00 as per the MITN cooperative purchasing group RFP pricing.