



Legislation Text

File #: 16-516, **Version:** 1

AUTHORIZATION TO ENTER INTO AMENDMENT NO. 1 TO THE LINKING AGREEMENT WITH FREIGHTLINER OF ARIZONA, LLC, FOR THE PURCHASE OF ONE DUMP TRUCK AND FOR FUTURE PURCHASES OF FOUR REARLOAD TRUCKS

Staff Contact: Jack Friedline, Director, Public Works

Purpose and Recommended Action

This is a request for City Council to authorize the City Manager to enter into Amendment No. 1 to the Linking Agreement with Freightliner of Arizona, LLC, Contract No. C-10961, for an increase of \$1,179,708 to a not to exceed amount of \$1,432,016.35, for the entire term of the Agreement, for the purchase of one dump truck and future purchases of four rearload trucks, and to authorize the City Manager to renew the Agreement, at the City Manager's discretion, for an additional two, one-year renewals. The initial term of the Agreement is effective until January 14, 2017.

Background

Freightliner of Arizona, LLC was awarded a bid by the State of Arizona for Medium and Heavy Duty Cab and Chassis on January 9, 2014. Contract No. ADSP015-093361 had an initial one year term with the option to extend an additional four, one-year renewals, allowing the contract to be extended through January 14, 2019.

Council authorized entering into a Linking Agreement with Freightliner of Arizona, LLC, Contract No. C-10961, utilizing the State of Arizona contract, for the purchase of one rear load truck for the Right of Way Division of Public Works, with an initial term effective through January 14, 2017.

Cooperative purchasing allows counties, municipalities, schools, colleges and universities in Arizona to use a contract that was competitively procured by another governmental entity or purchasing cooperative. Such purchasing helps reduce the cost of procurement, allows access to a multitude of competitively bid contracts, and provides the opportunity to take advantage of volume pricing. The Glendale City Code authorizes cooperative purchases when the solicitation process utilized complies with the intent of Glendale's procurement processes. This cooperative purchase is compliant with Chapter 2, Article V, Division 2, Section 2-149 of the Glendale City Code, per review by Materials Management.

Analysis

The Streets Maintenance Division currently has one dump truck which is utilized for delivering material to street repair sites and hauling away debris. An additional dump truck will allow crews to be more responsive and productive performing street repairs by not having to wait as long for asphalt to be delivered keeping crews productive with much less downtime. When the truck is not used for material delivery to repair sites, it

will supplement hauling away of debris to the landfill more often, also saving time and money. The cost of the dump truck is \$147,906.

The Solid Waste Management Division utilizes rearload trucks for the safe removal of bulk trash items collected monthly. The division has programmed into the 10 year Capital Improvement Plan the replacement of two rear load trucks in Fiscal Year 2017-18 and two rear load trucks in FY 2018-19. Trucks of this type are replaced on a seven year replacement schedule in conjunction with Equipment Management. The estimated cost of the four rearload trucks is \$1,031,802.

Previous Related Council Action

On June 28, 2016, Council authorized entering into a Linking Agreement with Freightliner of Arizona, LLC, Contract No. 10961, for the purchase of one rear load truck, in an amount not to exceed \$252,308.35.

Community Benefit/Public Involvement

Well maintained streets aid in sustaining civic and community pride. Public Works utilizes equipment to perform timely repairs and hauling of bulk trash while maximizing equipment serviceable life.

Cooperative purchasing typically produces the lowest possible volume prices and allows for the most effective use of available funding. The bids are publicly advertised and all Arizona Firms have an opportunity to participate.

Budget and Financial Impacts

Funding is available in the Fiscal Year 2016-17 Capital Improvement Plan budget. The increase in expenditures with Freightliner of Arizona, LLC are not to exceed \$1,179,708 for the entire term of the Agreement.

Cost	Fund-Department-Account
\$147,906	2000-68917-551450, Pavement Management - HURF

Capital Expense? Yes

Budgeted? Yes

Requesting Budget or Appropriation Transfer? No

If yes, where will the transfer be taken from?