


COUNCIL COMMUNICATION

	Number:	24-087	Meeting:	March 4, 2024
	Agenda Item:	40	Roll Call:	24-0349
	Submitted by:	Nickolas Schaul, Finance Director		

AGENDA HEADING:

Approving replenishment of blanket purchase order for Fleet Services Division parts operations.

SYNOPSIS:

Recommend approval to replenish a blanket purchase order for on-site fleet services parts from Genuine Parts Company d/b/a NAPA Auto Parts (Dennis Gibbs, Vice President, Midwest Division, 2222 East Douglas, Des Moines, Iowa 50305) in the amount of \$1,100,000.

FISCAL IMPACT:

Amount: \$1,100,000

Funding Source: Fiscal Year (FY) 2024-2025 Recommended Operating Budget, Page 76, I010 FN024024 Fleet Services Parts

ADDITIONAL INFORMATION:

- NAPA has successfully provided parts procurement and supply services to the City since April 2006, under various contracts to provide all staffing and related services to Fleet Services Division for vehicle and equipment parts.
- A new three (3)-year contract was approved in February of 2022, and an initial blanket purchase order for \$3,000,000 was issued based on anticipated parts needs and projected costs. Parts costs in FY2024 continue to increase at above average inflation rates. Parts usage for major component rebuilds of automated side loading (ASL) refuse trucks has increased as 90% of the City fleet of ASL refuse trucks approach the end of the useful lifecycle. In many instances existing units are exposed to a second major rebuild prior to end of life. Staff is developing an alternate lower lifetime cost of ownership model in response to escalating repair costs.
- Restocking of specific emergency snow and ice control operations consumable parts (cutting edges and traction chains) have contributed to increased costs also.
- Street cleaning and refuse collection equipment is programmed for initial rebuilds of major wear components after an initial five (5) years so that service life can be extended in lieu of acquiring new replacements.

PREVIOUS COUNCIL ACTION(S):

Date: March 6, 2023

Roll Call Number: [23-0321](#)

Action: [Additional](#) funds of \$750,000 for the annual agreement with Genuine Part Company d/b/a NAPA Auto Parts for integrated supply services for use by the Fleet Services Division, total estimated annual amount \$3,750,000. ([Council Communication No. 23-115](#)) Moved by Gatto to adopt. Second by Voss. Motion Carried 7-0.

Date: February 21, 2022

Roll Call Number: [22-0254](#)

Action: [Approving](#) Integrated Supply Agreement with Genuine Parts Company d/b/a NAPA Auto Parts for the purchase of integrated supply services for the repair and servicing of fleet vehicles from March 2022 to December 2024 using Sourcewell contract, annual estimate \$3,000,000. ([Council Communication No. 22-066](#)) Moved by Gatto to adopt. Second by Boesen. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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