



# City Council Report

**Date:** August 24, 2009  
**To:** City Council  
**Through:** Bryan Raines, Deputy City Manager  
**From:** Edward Quedens, Business Services Director  
**Subject:** Renewal of the Term Supply Contract for Automotive Lubricant and Oil Products for the Fire and Fleet Services Departments (Contract #SCC070001-1-A5)  
"Citywide" contract

## Purpose and Recommendation

Council is requested to approve the Renewal of the Term Supply Contract for Automotive Lubricant and Oil Products as recommended. State contract pricing was evaluated by the Materials & Supply and Purchasing Divisions.

The Purchasing Division recommends authorizing purchase from the State of Arizona contract with Brown Evans Distributing Company at \$251,000.00, based on estimated annual purchases.

## Background/Discussion

These automotive lubricants and oils are used for fire vehicles, equipment and apparatus maintained by Fire Maintenance, as well as, City vehicles and equipment maintained by the Fleet Services Department. The State of Arizona has renewed this contract through September 30, 2010.

## Alternatives

Council may choose not to authorize purchase from this supply contract and new bids would be obtained. However, the State contract is considered extremely competitive and contains a "most favored customer clause". This clause prohibits the successful bidder(s) from offering other Arizona customers a better price for similar items without extending that price to the State of Arizona as well. Because this clause exists, it is doubtful that the City could obtain a better price by obtaining separate bids.

## Fiscal Impact

The total amount of \$251,000.00 is available: \$229,000.00 from the Fleet Department's budget and \$22,000.00 from the Fire Department's budget.

**Coordinated With:**

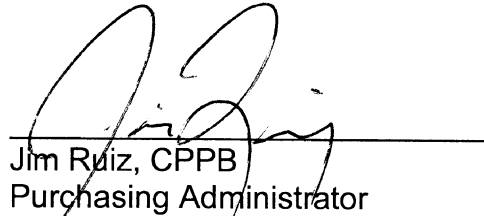
Fleet Services Department  
Fire Department – Fleet Maintenance



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Pamela Chavez,  
Management Assistant II



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Edward Quedens, CPPO, C.P.M.  
Business Services Director



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Jim Ruiz, CPPB  
Purchasing Administrator



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Bryan Raines,  
Deputy City Manager

**CITY OF MESA  
RENEWAL RECOMMENDATION  
AUTOMOTIVE LUBRICANTS AND OIL PRODUCTS  
(STATE CONTRACT #SCC070001-1-A5)  
Contract Valid Through September 30, 2010**

**Brown Evans Distributing Company  
Mesa, AZ**

<b>Description</b>	<b>Total Anticipated Expenditures</b>
Automotive Lubricants and Oil Products	<b>\$251,000.00</b>