



Detroit Water and Sewerage Department

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Legislation Text

File #: 19-00299, **Version:** 1

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to **approve utilizing a cooperative contract with AutoZone Parts, Inc. for the as-needed purchase of automotive parts and supplies for a total amount not-to-exceed \$3,100,000 and a term of up to 2.5 years**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of November 20, 2019

Item No. 19-00299

Contract No. 6002485

Contractor: AutoZone Parts, Inc.

Address: 7003 Gratiot Avenue, Detroit, MI 48207

Contract Amount: \$3,100,000

Contract Term: 11/21/19 - 4/30/20, with two 1-year renewal options exercisable by the DWSD Director per Omnia Partners extension of the contract.

TO: The Honorable
Board of Water Commissioners
City of Detroit, Michigan

FROM: Gary Brown, Director
Detroit Water and Sewerage Department

RE: Proposed DWSD Contract No. 6002485
Purchase of as-needed automotive parts and supplies from AutoZone Parts, Inc.

MOTION

Upon recommendation of Mamata Burgi, Procurement Manager, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department, authorizes the Director to **approve utilizing a cooperative contract with AutoZone Parts, Inc. for the as-needed purchase of automotive parts and supplies for a total amount not-to-exceed \$3,100,000 and a term of up to 2.5 years**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND / JUSTIFICATION

Automotive parts and supplies are needed for the maintenance and repairs of DWSD vehicles and equipment. Utilizing the Omnia Partners Cooperative Contract #170201 allows DWSD to benefit from volume pricing while using optimal resources in order to keep DWSD vehicles in good working condition. The total contract amount requested will cover the entire term, including all renewal options and will be used among Fleet and Auto Stores Divisions.

Benefits of the cooperative include:

- 50% off list prices on AutoZonePro.com
- OEM, OEM-Quality & Heavy Duty Parts
- Chemicals, shop supplies, tools, equipment & accessories
- Online ordering
- On-demand delivery in less than an hour within five miles
- Multiple locations near DWSD
- Eligibility for bulk discounts with stocking programs

Auto Zone's located within 5 miles of DWSD delivery locations:

AutoZone Locations Near CSF	Distance to CSF	AutoZone locations near West Yard	Distance to WY
8801 Joseph Campau, Hamtramck, MI	2.2 miles	9423 Telegraph, Redford, MI	2 miles
7003 Gratiot Ave, Detroit, MI	2.4 miles	24250 Five Mile, Redford, MI	3.3 miles
12601-27 Gratiot, Detroit, MI	3.3 miles	19850 Grand River, Detroit, MI	3.6 miles
20550 Mound, Detroit, MI	3.8 miles	13465 Middle Belt, Livonia, MI	5 miles
12801 Woodward, Highland Park, MI	4.8 miles		

PROCUREMENT METHOD

The DWSD Procurement Policy allows for participation in cooperative purchasing agreements from other public purchasing consortiums of competitively solicited contracts. Omnia Partners through the National Intergovernmental Purchasing Alliance (National IPA) issued a Request for Proposals (RFP) #17-02 for automotive parts and supplies and awarded based on the highest ranked proposal. The contract term is through April 30, 2020, with two 1-year renewal options.

The DWSD Procurement Policy requires that Detroit Based Businesses (DBB) and Detroit Resident Businesses (DRB) be provided an exclusive opportunity to submit a bid that is equal to or less than the cost of the cooperative purchase price, provided the DBB or DRB will meet or exceed all terms and conditions of the original cooperative contract.

To ensure compliance, DWSD Procurement issued an Invitation to Respond (ITR) on MITN, which yielded three intent to bid responses but only one submitted a bid. Upon reviewing the bid submitted, they were not a certified DBB or DRB business and therefore did not qualify.

Based on the information above, DWSD recommends awarding the contract to AutoZone Parts, Inc.

SUMMARY

A. Contract No.: 6002485

B. Contractor: AutoZone Parts, Inc.

C. Contract Term: 11/21/19 - 4/30/20, with two 1-year renewal options

D. Contract Amount: \$3,100,000

E. Fiscal Year Breakdown: FY 19-20: \$ 615,000
FY 20-21: \$1,230,000
FY 21-22: \$1,230,000

F. Funding Source: O&M Funds

G. GL String[s]: 5720-20276-487611-624115-001688-10732-0000-000000 - 100%

This proposed contract was presented to the DWSD Finance Sub Committee on November 6, 2019. Per the DWSD Procurement Policy, this will also be sent for Post FRC review.