

Fleet operations require the routine purchase of a wide range of parts, including engine components, brake system parts, suspension components, electrical parts, filters, fluids, and other maintenance-related supplies. Because the City's fleet includes a variety of vehicle make, models, and equipment types, parts availability can vary significantly by vendor. No single supplier consistently carries all parts necessary to support the full fleet inventory.

PAI Holdco, Inc. dba Parts Authority, LLC and Elliott Auto Supply Co., Inc., dba Factory Motor Parts (FMP) Co. are established automotive parts suppliers that provide broad inventory availability, delivery support, and access to competitively solicited cooperative purchasing contracts. Utilizing both vendors allows the City to maintain purchasing flexibility and operational continuity throughout the fiscal year.

DISCUSSION:

Approval of the proposed annual blanket purchase orders will allow Fleet staff to purchase automotive parts and related supplies from PAI Holdco, Inc. dba Parts Authority, LLC (Part Authority) and Elliott Auto Supply Co., Inc., dba Factory Motor Parts (FMP) Co., on an as-needed basis throughout the fiscal year without the need to process individual purchase requests for each transaction. This approach improves administrative efficiency while ensuring continuity of fleet maintenance and repair operations.

The use of two vendors is necessary to meet operational demands. Automotive parts availability may vary based on manufacturer, vehicle type, equipment application, and supply chain conditions. Access to both Parts Authority and FMP improves the City's ability to obtain needed parts quickly, compare availability and pricing, and avoid delays in completing repairs.

The proposed purchases will be made through cooperative purchasing contracts that were competitively bid and awarded by lead public agencies. The City will use PAI Holdco, Inc. dba Parts Authority, LLC through Sourcewell Contract No. 080124-PAH, which expires November 14, 2028, and Elliott Auto Supply Co., Inc., dba Factory Motor Parts (FMP) Co. through Axia Cooperative Contract No. 226051-01, which expires February 8, 2027, with option to renew until February 8, 2028. Using these cooperative contracts provides a compliant and efficient way to procure needed items while ensuring access to competitively priced automotive parts and supplies.

Staff determined that use of these cooperative purchasing contracts is in the best interest of the City for these routine and ongoing parts purchases. The requested authority is for a combined annual not-to-exceed amount of \$500,000 between the two vendors. Actual expenditures will be based on operational needs and available budget appropriations. Approval of this item does not obligate the City to expend the full amount but rather establishes the annual spending authority needed to support ongoing fleet operations.

These purchases support preventive maintenance, corrective repairs, and emergency vehicle repairs for City departments. Delays in obtaining parts can result in increased vehicle downtime, interruptions to service delivery, and higher maintenance costs. Establishing these blanket purchase orders supports efficient fleet management and helps ensure the City's vehicles and equipment remain available for operational use.

Purchasing Overview

On June 13, 2024, Sourcewell issued Request for Proposals (RFP) No. 080124 seeking prospective proposers to provide Original Equipment Manufacturer (OEM) Vehicle Parts and Supplies. A non-mandatory pre-proposal meeting was held on July 18, 2024. RFP No. 080124 closed on August 1, 2024, with a total of 15 responses. Of these, 12 proposals were found to be responsive and responsible, with three proposals deemed nonresponsive for falling outside of the Requested Equipment, Products, or Services of the RFP. Proposals were reviewed by the Proposal Evaluation Committee of four Procurement Analysts. The Evaluation Committee recommended the top five proposals to be awarded contracts, and PAI Holdco, Inc. dba Parts Authority, LLC was one of the top ranked to be awarded a contract.

The City of Tucson issued Request for Proposals (RFP) No. 226051 on August 11, 2022, to establish a comprehensive national cooperative contract for Aftermarket Automotive and Heavy-Duty Vehicle Parts. A non-mandatory pre-proposal meeting was held on August 11, 2022. RFP No. 080124 closed on September 14, 2022, with a total of three responses. The proposals were evaluated by an evaluation committee. Using the evaluation criteria established in the RFP, the committee elected to enter negotiations with Factory Motor Parts and proceed to contract award upon successful completion of negotiations. The City of Tucson, Axia Cooperative and Factory Motor Parts successfully negotiated a contract, and the City of Tucson executed the agreement with a contract effective date of February 9, 2023.

This action is pursuant to Purchasing Resolution 24101, Section 602 which states, “Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required in any of the following circumstances ... (f) When Cooperative Purchasing is available and undertaken or when Goods can be obtained through Federal, State and/or other public entity pricing contracts or price agreements.”

The Purchasing Manager concurs that the recommendation action is compliant with Purchasing Resolution No. 24101.

FISCAL IMPACT:

The fiscal impact of this action is \$500,000. Sufficient funds are budgeted and available in Central Garage Fund, Central Garage Non-Stock Inventory account number 2215000-424210.

Prepared by:	Joe Vieyra, Deputy General Services Director
Approved by:	Lee Withers, General Services Director
Certified as to availability of funds:	Julie Nemes, Interim Finance Director
Approved by:	Edward Enriquez, Assistant City Manager/Chief Financial Officer/City Treasurer
Approved as to form:	Rebecca McKee-Reimbold, Interim City Attorney

Attachments:

1. Sourcewell Master Agreement #080124, Parts Authority
2. Axia Coop LLC Cooperative Contract #226051-01, Factory Motor Parts (FMP)