



Legislation Details (With Text)

File #: 24-0460 **Version:** 1 **Name:** 5/6/24 - Amend PO with Cummins Sales and Service

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Title: Resolution to Amend a Purchase Order with Cummins Sales and Services of New Hudson, MI for Repair and Maintenance Service (\$185,000.00)

Sponsors:

Indexes:

Code sections:

Attachments: 1. R-22-171 Cummins Sales PO.pdf

| Date | Ver. | Action By | Action | Result |
|----------|------|--------------|----------|--------|
| 5/6/2024 | 1 | City Council | Approved | Pass |

Resolution to Amend a Purchase Order with Cummins Sales and Services of New Hudson, MI for Repair and Maintenance Service (\$185,000.00)

On June 6, 2022, City Council approved Resolution #22-171 which authorized issuance of a sole source purchase order to Cummins Sales and Service in an amount not to exceed \$120,000.00 annually for FY23 and FY24. For FY24, the City issued a sole-best source purchase order (#2024-0018) in the amount of \$120,000.00 for replacement parts and repair services to the City’s fleet of vehicles. As a result of a significant repair to a fire apparatus, additional funds will need to be added to the purchase order. Cummins Sales and Service is the sole local dealer for Cummins parts and service and they have locations in both New Hudson and Dearborn. Cummins parts are the only parts that can be used in the repair and maintenance of Cummins trucks to maintain warranty coverage. The City currently has approximately 50 trucks or equipment with Cummins engines in the City’s fleet.

Additional funds in the amount of \$65,000.00 are requested, bringing the amended purchase order total to \$185,000.00. The request is a result of an engine failure on asset #1073, a 2011 Crimson Fire Engine, that will cost approximately \$65,000.00 to replace. Fleet had hoped that the engine could be re-built but there is damage to the engine block that requires a full replacement. Asset #1073 is scheduled to continue in service to the Fire Department until the end of the decade so permanently removing it from service was not a viable option.

Budget/Fiscal Impact: Funding for this increase is available in the FY24 Fleet Services Fund Operations and Maintenance Budget.

Cummins Sales and Service complies with the City’s Conflict of Interest and Non-Discrimination ordinance requirements.

Prepared by: Matthew J. Kulhanek, Fleet & Facilities Unit Manager
Reviewed by: John Fournier, Deputy City Administrator
Approved by: Milton Dohoney Jr., City Administrator

Whereas, The City approved a purchase order with Cummins Sales and Service in the amount of \$120,000.00 for repair parts and services for FY2024;

Whereas, As a result of an engine replacement needed for a fire engine, this amount will be insufficient to address the needs of the City's fleet for the remainder of the fiscal year;

Whereas, An additional amount of \$65,000.00 is needed to amend the purchase order to address this need;

Whereas, Cummins Sales and Service complies with the City's Conflict of Interest and Non-Discrimination ordinance requirements; and

Whereas, Adequate funding for the amended purchase orders is available in the approved FY2024 Fleet Services Fund Operations and Maintenance Budget;

RESOLVED, That the City Council approve the amendment to the Cummins Sales and Service purchase order #2024-0018, increasing the amount by \$65,000.00 to an amended total of \$185,000.00;

RESOLVED, That funding for this amendment comes from the FY2024 Fleet Services Fund Operations and Maintenance Budget; and

RESOLVED, That the City Administrator be authorized to take all necessary actions to implement this resolution.