



## Cover Memorandum/Staff Report

File #: 19-598

Agenda Date: 6/18/2019

Item #: 6.G.2

**TO: Mayor and Commissioners**  
**FROM: Missie Barletto, Assistant Public Works Director**  
**THROUGH: Neal de Jesus, Interim City Manager**  
**DATE: June 18, 2019**

APPROVAL OF RESOLUTION NO. 100-19 TO AWARD A SOLE SOURCE AGREEMENT WITH RECHTIEN INTERNATIONAL TRUCKS, INC. FOR INTERNATIONAL OEM PARTS AND RELATED SERVICES - \$75,000

**Recommended Action:**

Motion to approve Resolution No. 100-19 to award a sole source agreement with Rechten International Trucks, Inc. for International OEM parts and related services in an estimated cost of \$75,000 and authorize the City Manager to approve renewal options, in the same amounts, contingent upon appropriation of funds.

**Background:**

The City of Delray Beach (City) Fleet Maintenance Division of the Public Works Department has a responsibility to maintain the City's fleet of International Truck and Engine Corporation/Navistar Inc. ("International") branded vehicles. International qualifies and designates specific dealers for different regions throughout the United States. The designated International dealer for the State of Florida is Rechten International Trucks, Inc. (Rechten). On March 20, 2019, the City approved Rechten as a sole source for International original equipment manufacturer (OEM) parts and related services.

The agreement term will commence upon approval by City Commission and expire March 19, 2020. The agreement may be renewed for up to four additional years, subject to Rechten remaining a sole source factory-authorized dealer for International OEM parts and related services.

Staff forecasts that approximately \$75,000 will be spent annually on preventive maintenance, repair parts, and related services. Parts delivery and services will be performed by Rechten per negotiated quotes on an as-needed basis. Should the City exercise all renewal options provided in the agreement, the cumulative agreement value is provided below.

Estimated Contract Value		
Initial Term	May 21, 2019 - March 19, 2020	\$75,000
Renewal Term 1:	March 20, 2020 - March 19, 2021	\$75,000
Renewal Term 2:	March 20, 2021 - March 19, 2022	\$75,000
Renewal Term 3:	March 20, 2022 - March 19, 2023	\$75,000
Renewal Term 4:	March 20, 2023 - March 19, 2024	\$75,000

Total \$375,000

Staff is anticipating \$75,000 annually based upon past fiscal year expenditures with Rechten, which are shown below.

Fiscal year 2016 - \$43,808.23

Fiscal year 2017 - \$54,668.01

Fiscal year 2018 - \$65,984.07

This motion is in accordance with City Code of Ordinances Section 36.02, Commission Approval Required and Purchasing Policies; Limited or No Competition Acquisitions.

**Attachments:**

1. Agreement
2. Resolution
3. Legal Review Checklist
4. Approved Sole Source Memo

**City Attorney Review:**

Approved as to form and legal sufficiency.

**Funding Source/Financial Impact:**

Funding is available from 501-43-000-549.52-51 - Operating Supplies C.G. - Outside Service and 501-43-000-549.52-52 - Operating Supplies External Parts.