I.

AGENDA ITEM REPORT

DATE: June 7, 2022 DEPARTMENT: Fleet Management REQUESTER: Mack Young TITLE: Approve Contract Amendment for Sprinter Parts & Repair Service

MOTION REQUESTED

A) Approve Amendment No. 2 with Naples North, LLC, and SAI Fort Myers M, LLC, under Solicitation No. B200483MIF, Parts and Repair Service for Sprinters with Mercedes Engines, to change the pricing structure for products and fluids from a "percentage off of catalog price" structure for products to a "percentage above the Vendor's cost" price structure, to allow the Vendor to offer additional products the County needs. The new price for the "percentage above the Vendor's cost" will be 25% above cost.

B) Authorize the County Manager or designee to execute the amendment on behalf of the Board of County Commissioners.

II. ITEM SUMMARY

Amends contracts with Naples North, LLC and SAI Fort Myers M, LLC for Parts and Repair Service for Sprinters with Mercedes Engines to update the pricing structure for products and fluids. Supply chain volatility has greatly impacted the cost and availability of parts to the extent that it is financially impractical for Mercedes to continue selling products and parts at a discount to catalog prices. As Fleet requires these parts and products to ensure operability of Emergency Medical Service ambulances, it is recommended that the County accept the new vendor cost plus twenty-five percent (25%) price. Total expenditures during Fiscal Year 2020- 2021 were \$327,710.00.

III. BACKGROUND AND IMPLICATIONS OF ACTION

A) Board Action and Other History

On April 28, 2021, the Board of County Commissioners awarded B200483MIF, Parts and Repair Service for Sprinters with Mercedes Engines, to both Naples North, LLC, and SAI Fort Myers M, LLC, to provide services and repair of Sprinters with Mercedes engines, as well as original equipment manufacturer (OEM) parts, accessories, tools, and lubricants for warranty repairs, on an as needed basis.

On November 16, 2021, the Board of County Commissioners approved Amendment No. 1 to B200483MIF, Parts and Repair Service for Sprinters with Mercedes Engines, for both Naples North, LLC, and SAI Fort Myers M, LLC, to add additional products for rebuilt parts.

- B) Policy Issues
- C) BoCC Goals
- D) <u>Analysis</u>

Approval of Amendment No. 2 with Naples North, LLC, and SAI Fort Myers M, LLC, under Solicitation No. B200483MIF, Parts and Repair Service for Sprinters with Mercedes Engines, is recommended to change the pricing structure for products and fluids from a "percentage off of catalog price" structure for products to a "percentage above the Vendor's cost" price structure. The new price for the "percentage above the Vendor's cost" will be 25% above cost.

Supply chain volatility has greatly impacted the cost and availability of parts to the extent that it is financially impractical for Mercedes to continue selling products and parts at a discount to catalog prices. Fleet requires these parts and products to ensure operability of Emergency Medical Service ambulances. The vendor has the option to cancel the current contract if the amendment is not accepted.

E) Options

IV. FINANCIAL INFORMATION

A)	Current year dollar amount of item:	See Comments below.	
B)	Is this item approved in the current budget?	Yes	
C)	Is this a revenue or expense item?	Expense	
D)	Is this Discretionary or Mandatory?	Discretionary	
	Will this item impact future budgets? If yes, please include reasons in III(D) above.	No	

Coversheet

F)	Fund: Program: Vehicle Repair Parts Project: Account Strings: JB5191059400.504655			
G)	Fund Type?	Other: Vehicle Repair Parts		
H)	Comments: Purchases will be on an as needed basis and are in accordance with the department's annual adopted budget.			

V. RECOMMENDATION

Approve

VI. TIMING/IMPLEMENTATION

VII. FOLLOW UP

ATTACHMENTS:

Description <u>Mercedes of Fort Myers</u> <u>Vendor executed amendment</u>	BS Mercedes	Upload Date 5/16/2022 5/27/2022	Type Backup Material Change Order
REVIEWERS:			
Department	Reviewer	Action	Date
Fleet Management	Tucker, Mary	Rejected	5/25/2022 - 1:46 PM
Fleet Management	Tucker, Mary	Approved	5/31/2022 - 4:04 PM
Fleet Management	Young, Mack	Approved	6/1/2022 - 12:05 PM
Budget Services	Henkel, Anne	Approved	6/1/2022 - 12:35 PM
Budget Services	Winton, Peter	Approved	6/1/2022 - 12:51 PM
County Attorney	Swindle, Amanda	Approved	6/1/2022 - 1:26 PM
County Manager	Salyer, Glen	Approved	6/1/2022 - 1:36 PM