


COUNCIL COMMUNICATION

 CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	25-159	Meeting:	April 21, 2025
	Agenda Item:	41	Roll Call:	25-0594
	Submitted by:	Nickolas Schaul, Finance Director		

AGENDA HEADING:

Authorizing amendment and execution of the same contract with NAPA Integrated Business Solutions for on-site Fleet Services parts procurement and supply services.

SYNOPSIS:

1. Recommend approval for a one (1) time Fiscal Year (FY) 2025 contract increase in the amount of \$475,000 to the existing FY 2025 approved NAPA parts contract costs, which will accommodate projected repairs for the remainder of the FY.

Approval of this request encompasses funding for the continued purchase of repair parts and supplies for the repair of City vehicles in various departments utilizing Sourcewell Master Agreement No. 090624-GPC NAPA Integrated Business Solutions (2999 Wildwood Parkway, Atlanta, GA 30339; Enrique Bermeo, Midwest Division IBS Operations Manager) in the amount of \$475,000.

2. Recommend approval for a FY 2026 contract to continue on-site Fleet Services parts procurement and supply services using Sourcewell Master Agreement No. 090624-GPC NAPA Integrated Business Solutions (2999 Wildwood Parkway, Atlanta, GA 30339; Enrique Bermeo, Midwest Division IBS Operations Manager) in the amount of \$4,410,000.

Approval of this request encompasses funding for the continued purchase of repair parts, supplies and operational costs used for the repair of City vehicles in various departments.

3. Reflect the new underlying Sourcewell Master Contract number of No. 090624-GPC.
4. Incorporate the new term of Sourcewell Master Contract No. 090624-GPC, which an initial four (4)-year term, to December 3, 2028, with the possibility of up to three (3) additional one (1)-year terms, for the potential total of up to seven (7) years.
5. Authorize the City Manager to negotiate an amendment to include all the items addressed above and further authorize the City Manager effectuate up to three (3) extensions necessary beyond December 3, 2028, to the NAPA Agreement in an amount not to exceed \$4,410,000, subject to prior approval as to form by the Legal Department and further subject to prior approval by the Finance Department.

FISCAL IMPACT:

For FY 2025

Amount: \$475,000

Funding Source: FY 2024-2025 Recommended Operating Budget, Page 76, I010 FN024024
Fleet Services Parts

For FY 2026

Amount: \$4,410,000

Funding Source: FY 2025-2026 Recommended Operating Budget, Page 75, I010 FN024024
Fleet Services Parts

ADDITIONAL INFORMATION:

- NAPA has successfully provided parts procurement and supply services to the City since April 2006, under various contracts to provide all staffing and related services to Fleet Services Department for vehicle and equipment parts.
- A new three (3)-year contract was approved in February of 2022, and an initial blanket purchase order for \$3,000,000 was issued based on anticipated parts needs and projected costs.
- The FY 2026 requested amount reflects the fact that current average repair parts costs continue to rise. For example, FY 2025 costs are nearly 5% higher than the similar FY 2024 control period. Over the past three (3) years, parts costs surged by over 15%. Two (2) facts contribute to this increased cost: an aging fleet with increased repair demands and increased part/supply costs nationwide.
- Parts usage for major component rebuilds of automated side loading (ASL) refuse trucks has increased as 90% of the City fleet of ASL refuse trucks approach the end of the useful lifecycle. In many instances existing units are exposed to a second major rebuild prior to end of life. The council recently approved the Least Cost of Ownership action to mitigate these increased costs; however, the full benefits of that measure will not occur until FY 2027.
- Street cleaning and refuse collection equipment is programmed for initial rebuilds of major wear components after an initial five (5) years so that service life can be extended in lieu of acquiring new replacements.

PREVIOUS COUNCIL ACTION(S):

Date: March 4, 2024

Roll Call Number: [24-0349](#)

Action: [Extension](#) of agreement with Genuine Parts Company d/b/a NAPA Auto Parts and authorizing annual expenditures of \$4,100,000, including FY 2023-2024 for integrated supply services for the repair and servicing of fleet vehicles. ([Council Communication No. 24-087](#)) Moved by Gatto to adopt. Second by Voss. Motion Carried 6-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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