

## AGENDA



Thursday, May 3, 2007

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION**
**Item No. 24**

**Subject:** Authorize award and execution of a 36-month requirements supply contract with CAPITOL BEARING SERVICE, Austin, TX for hydraulic hose repair parts and services in an estimated amount not to exceed \$750,000, with three 12-month extension options in an estimated amount not to exceed \$250,000 per extension option, for a total estimated contract amount not to exceed \$1,500,000.

**Amount and Source of Funding:** Funding in the amount of \$104,167 is available in the Fiscal Year 2006-2007 Operating Budget of the Financial and Administrative Services Department, Fleet Fund. Funding for the remaining 31 months of the original contract period and extension options is contingent upon available funding in future budgets.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**For More Information:** Sydney Ceder, Senior Buyer/974-2035

**Purchasing Language:** Sole bid received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified, therefore, no goals were established for this solicitation.

This contract is for hydraulic hose repair services and the supply of hydraulic hoses and fittings for various types of hydraulically powered components installed in many of the City's fleet of vehicles and equipment. The reliable supply of the parts is necessary for the Fleet Services Division to perform hydraulic hose repairs utilizing City staff. This vendor will provide supplemental repair services to support the Fleet Service Centers with these types of repairs on an as needed basis.

When a hydraulically powered component on a truck or piece of equipment is actuated, this puts extreme pressure on the hoses that carry the hydraulic fluid. When a hydraulic hose splits, this allows the hydraulic fluid to leak out of the system and causes a drastic drop in hydraulic operating pressure. Once this occurs, the truck or equipment is functionally disabled. These services are necessary to ensure continuity of fleet services to City departments. MBE/WBE Solicited: 1/0 MBE/WBE Bid: 0/0

- a. Sole bid. Potential vendors stated that their firm did not have the proper equipment to perform the services outlined in the scope of work.
- b. Twenty-six notices were sent including one MBE. There are no known WBEs listed for this commodity code. One bid was received with no response from the MBE.
- c. The pricing offered represents an approximate 10% increase to the last contract award in December 2002.

**APPROVAL JUSTIFICATION**

- a. The Purchasing Office concurs with the Financial and Administrative Services Department, Fleet Services Division's recommended award.
- b. Advertised in the Austin American-Statesman and on the Internet.