

AGENDA



Thursday, August 21, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 22

Subject: Authorize award and execution of a 36-month requirements supply contract with RUSSELL & SMITH FORD, Houston, TX for the purchase of heavy duty brake parts for city vehicles in an estimated amount not to exceed \$945,750, with three 12-month extension options in an estimated amount not to exceed \$347,288 for the first extension option, \$364,652 for the second extension option, and \$382,885 for the third extension option, for a total estimated contract amount not to exceed \$2,040,575.

Amount and Source of Funding: Funding in the amount of \$52,542 is available in the Fiscal Year 2007-2008 Operating Budget of the Financial and Administrative Services Department, Fleet Fund. Funding for the remaining 34 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: Steve Cocke, Buyer II/974-2003

Purchasing Language: Lowest bid meeting specifications of eight bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9D 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 the supply of brake parts for City-owned heavy duty vehicles that require brake repairs. The contractor will provide these brake parts for city-owned vehicles on an as needed basis.

This contract is necessary to support the automotive and equipment fleet service centers with a reliable and continuous source of supply to purchase these parts. The parts will be used for the daily operations of general routine repair and maintenance services for heavy duty vehicles performed by city mechanics in five Fleet Service Centers. Vehicles requiring these parts include fire trucks, ambulances, dump trucks, garbage/refuse trucks, tractors, sweepers, truck-mounted aerial towers, and service type vehicles. The City currently has approximately 987 heavy duty vehicles in the Fleet inventory.

MBE/WBE Solicited: 0/1

MBE/WBE Bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Forty-eight notices were sent, including one WBE. There are no known MBEs available for this commodity. Eight bids were received, with no response from the WBE.
- c. The pricing offered represents an approximate 25% decrease from previous spot purchases made since October 2007. The decrease in price is due to volume discounts available due to a long-term contract.

APPROVAL JUSTIFICATION

- a. Lowest bid received meeting specifications.
- b. The Purchasing Office concurs with the Fleet Services' recommended award.

c. Advertised in the Austin American-Statesman and on the Internet.