

AGENDA



Thursday, September 25, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 68

Subject: Authorize award and execution of a 36-month requirements supply contract with Texas Alternator Starter Service, Austin, TX. for the purchase of rebuilt starters and alternators in an estimated amount not to exceed \$630,500, with three 12-month extension options in an estimated amount not to exceed \$231,525 for the first extension option, \$243,101 for the second extension option, and \$255,256 for the third extension option, for a total estimated contract amount not to exceed \$1,360,382.

Amount and Source of Funding: Funding in the amount of \$200,000 is available in the Fiscal Year 2008-2009 Operating Budget of the Financial and Administrative Services Department, Fleet Fund. Funding for the remaining 24 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 of two 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 purchase of rebuilt starters and alternators for the City's Fleet of light, medium, heavy, off road, and emergency service vehicles and equipment. The City has historically purchased rebuilt components rather than new ones primarily due to the lower prices for the same quality. City authorized representatives will provide the vendor with the damaged starters/alternators and receive ready to install rebuilt starters/alternators that are compatible with the units that are replaced. The rebuilt starters and alternators are rebuilt to the original manufacturer's specifications.

The City owns over 4,000 various size and type vehicles and equipment in its fleet and will purchase the rebuilt alternators and starters on an as needed basis. In the past year, the City purchased approximately 165 rebuilt alternators and 235 rebuilt starters. This contract is necessary to support the automotive and equipment fleet service centers with a reliable and continuous source of supply to purchase these products.

MBE/WBE Solicited: 0/1

MBE/WBE Bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Forty-eight notices were sent, including one WBE. Two bids were received, with no response from the WBE.
- c. The pricing offered represents a 13% increase to the last contract award in October 2003. The increase is attributed to the rise in cost for steel and transportation.

APPROVAL JUSTIFICATION

- a. Lowest bid received.
- b. The Purchasing Office concurs with the Fleet Services' recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.