

AGENDA



Thursday, October 16, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 27

Subject: Authorize award and execution of a 36-month requirements supply contract with LONGHORN INTERNATIONAL TRUCKS, Austin, TX for the purchase of captive repair parts for Navistar engines in an estimated amount not to exceed \$788,125, with three 12-month extension options in estimated amounts not to exceed \$289,406 for the first extension option, \$303,876 for the second extension option, and \$319,070 for the third extension option, for a total estimated contract amount not to exceed \$1,700,477.

Amount and Source of Funding: Funding in the amount of \$250,000 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: Sole bid 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 captive repair parts for Navistar engines in the City's fleet. The contractor will provide these captive repair parts for various City-owned vehicles on an as needed basis.

The parts will be used for the daily operations of general routine repair and maintenance services for vehicles equipped with Navistar engines. Work is to be performed by City mechanics in five Fleet Service Centers. The City currently has approximately 432 vehicles in the fleet inventory that are equipped with Navistar engines. This contract is necessary to support the automotive and equipment fleet service centers with a reliable and continuous source of supply to purchase these captive repair parts.

MBE/WBE Solicited: 0/0

MBE/WBE Bid: 0/0

PRICE ANALYSIS

- a. Sole bid. Attempts were made to contact other potential vendors with no response. These parts must be provided through an authorized Navistar truck dealership and Longhorn International is the only Navistar dealer in Austin.
- b. Fifty-five notices were sent. There are no known MBE/WBEs available for this commodity. One bid was received.
- c. The pricing offered represents a 6% increase to the last contract award in July 2004.

APPROVAL JUSTIFICATION

- a. Sole bid received. Longhorn International is the current supplier of these parts.
- b. The Purchasing Office concurs with the Fleet Services Division's recommended award.

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