

## AGENDA



Thursday, December 11, 2008

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 53

**Subject:** Authorize award and execution of a 36-month requirements supply contract with STERLING & WESTERN STAR OF AUSTIN, Austin, TX for the supply of captive repair parts for Cummins diesel engines in an estimated amount not to exceed \$472,875, with three 12-month extension options in estimated amounts not to exceed \$173,644 for the first extension option, \$182,326 for the second extension option, and \$191,442 for the third extension option, for a total estimated contract amount not to exceed \$1,020,287.

**Amount and Source of Funding:** Funding in the amount of \$131,354 is available in the Fiscal Year 2008-2009 Operating Budget of the Financial and Administrative Services Department, Fleet Fund. Funding for the remaining 26 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 four 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 captive repair parts necessary for preventative maintenance and repair of vehicles equipped with Cummins diesel engines in the City's fleet on an as needed basis.

The parts will be used for the daily operations of general routine repair and maintenance services performed by City mechanics in five Fleet Service Centers. The City currently has approximately 110 pieces of equipment in the Fleet inventory that are equipped with Cummins diesel 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. Adequate competition.
- b. Fifty-five notices were sent. There are no known MBE/WBEs available for this commodity. Four bids were received.
- c. The pricing offered represents a 5% increase to the last contract award in June 2004.

**APPROVAL JUSTIFICATION**

- a. Lowest bid received. Sterling & Western Star is not the current provider of these parts.
- b. The Purchasing Office concurs with Fleet Services' recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.