

AGENDA



Thursday, December 18, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**
Item No. 58

Subject: Authorize award and execution of a 36-month requirements supply contract with TEXANA MACHINERY CORPORATION, Manor, TX to provide captive repair parts for Case heavy road equipment in an estimated amount not to exceed \$236,438, with three 12-month extension options in estimated amounts not to exceed \$86,821 for the first extension option, \$91,163 for the second extension option, and \$95,721 for the third extension option, for a total estimated contract amount not to exceed \$510,143.

Amount and Source of Funding: Funding in the amount of \$56,250 is available in the Fiscal Year 2008-2009 Operating Budget of the Financial and Administrative Services Department, Fleet Fund. Funding for the remaining 27 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: Barbara McConnell, Buyer II, 972-4009

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 purchase of captive repair parts for Case heavy road equipment. The contractor will provide original manufactured repair parts on an as-needed basis for use in the daily operations of general repair and maintenance services performed by City mechanics at six Fleet Service Centers. The City currently has six units manufactured by Case in the heavy road equipment Fleet inventory. This contract is necessary to support the Fleet Service Centers with a reliable and continuous source of supply to purchase these captive repair parts.

MBE/WBE solicited: 3/6 MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Sole bid. This vendor has the protected distributorship for Case heavy road equipment in the Austin area; therefore, only one bid was received.
- b. Eighty-four notices were sent. One bid was received, with no response from the MBE/WBEs.
- c. The pricing offered reflects a 6% increase to the last contract award in October 2004.

APPROVAL JUSTIFICATION

- a. Sole bid received. Texana Machinery 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.