Thursday, June 24, 2010

## Purchasing Office RECOMMENDATION FOR COUNCIL ACTION

Item No. 60

**Subject:** Authorize award and execution of a 36-month requirements supply contract with MIDWAY AUTO SUPPLY, INC., Dallas, TX to provide automotive filters in an estimated amount not to exceed \$910,000, with three 12-month extension options in estimated amounts not to exceed \$432,000 for the first extension option, \$518,400 for the second extension option, and \$622,080 for the third extension option, for a total estimated contract amount not to exceed \$2,482,480.

**Amount and Source of Funding:** Funding in the amount of \$62,500 is available in the Fiscal Year 2009-2010 Operating Budget of the Financial and Administrative Services Department, Fleet Fund. Funding for the remaining 33 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: Sharon Patterson, Senior Buyer, 972-4014

Purchasing Language: Lowest bid meeting specification of ten 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 will provide a reliable supply of automotive filters (oil, fuel, air, water) for the maintenance of light, medium, and heavy-duty vehicles and equipment owned and operated by the City.

The filters will be purchased on an as-needed basis for general routine and preventative maintenance repairs.

This contract is necessary to supply the fleet service centers with a reliable and continuous supply of these filters. The reliable supply of filters is necessary to ensure the continuity of fleet services to City departments.

MBE/WBE solicited: 16/8 MBE/WBE bid: 0/0

## PRICE ANALYSIS

- a. Adequate competition.
- b. One hundred and sixty-six notices were sent, including 16 MBEs and eight WBEs. Ten bids were received, with no response from the MBE/WBEs.
- c. The pricing offered represents a 4% decrease from the last contract award in August 2007.

## APPROVAL JUSTIFICATION

- a. Lowest bid received meeting specifications. Midway Auto Supply, Inc. is not the current provider 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.