

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

38979

Agenda Number

9.

Meeting Date:

January 29, 2015

Department:

Purchasing

Subject

Authorize award and execution of a 24-month requirements supply contract with MCADAMS GROUP, LLC DBA TEXAS ALTERNATOR STARTER SERVICE to provide remanufactured and new alternators, starters and parts in an amount not to exceed \$308,086, with four 12-month extension options in an amount not to exceed \$154,043 per extension option, for a total contract amount not to exceed \$924,258.

Amount and Source of Funding

Funding in the amount of \$99,361 is available in the Fiscal Year 2014-2015 Operating Budget of the Fleet Services Department. Funding in the amount of \$3,334 is available in the Fiscal Year 2014-2015 Operating Budget of the Aviation Department. Funding for the remaining 16-months of the original contract period and extension options are contingent upon available funding in future budgets.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing
Language:

Sole bid received.

Prior Council
Action:For More
Information:

Jonathan Dalchau, Senior Buyer, 512-974-2938

Boards and
Commission
Action:

January 13, 2015 - Recommended by the Austin Airport Advisory Commission on a 6-0 vote.

Related Items:

MBE / WBE:
Related Items:

This contract will be awarded in compliance with City Code Chapter 2-9D Minority-Owned and Women-Owned Business Enterprise Procurement Program. No subcontracting opportunities were identified; therefore, no goals were established for this contract.

Additional Backup Information

This contract is for the purchase of remanufactured and new starters, alternators, and parts for the City's fleet of light, medium, heavy, and emergency service vehicles, as well as off road equipment. The current contract, which expires February 3, 2015, has been re-scoped from the original contract awarded in September 2008. Increases in the cost of the contract are attributable to the producer price index for the motor vehicle maintenance and repair.

The Fleet Department has determined that the rebuilt starters and alternators offer lower prices and comparable quality when compared to new versions; therefore, Fleet purchases new alternators and starters only when remanufactured ones are not available or too costly. The City will provide the vendor with the damaged starter or alternator core and receive a ready to install rebuilt unit. The rebuilt starters and alternators are restored to the original manufacturer's specifications.

The City owns over 7,000 various size and type of vehicles and equipment in its fleet and will purchase the rebuilt alternators and starters on an as needed basis. 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. It is estimated that the City will exchange/purchase 300 rebuilt/new alternators and 160 rebuilt/new starters and parts each year.

MBE/WBE solicited: 13/10

MBE/WBE bid: 0/0

BID TABULATION:

IFB JRD0027

**Remanufactured Parts for Alternators and Starters
(41 line items)**

<u>Vendor</u>	<u>Total Price for List of Sample Parts</u>
Texas Alternator Austin, TX	\$63,337
Performance Truck Buda, TX	*

* Bid was determined non-responsive during the evaluation process.

A complete bid tabulation is on file in the Purchasing Office and on the City's, FSD Purchasing website.

PRICE ANALYSIS

- Sole bid received.
- 507 notices were sent, including 13 MBE and 10 WBEs. One bid was received with no response from the MBEs/WBEs.
- The pricing offered reflects a 10% increase in the one line item that is similar for the contract awarded in September 2008. Factors that affect the price increase are a 13% increase in the producer price index for motor vehicle maintenance and repair.

APPROVAL JUSTIFICATION

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