

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	46344	Agenda Number	53.
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Meeting Date:	June 18, 2015
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Department:	Purchasing
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Subject

Authorize award and execution of a 36-month contract with PERFORMANCE TRUCK to provide diesel engine parts and repair services in an amount not to exceed \$768,600 with three 12-month extension options in an amount not to exceed \$256,200 per extension option, for a total contract amount not to exceed \$1,537,200.

Amount and Source of Funding

Funding in the amount of \$85,400 is available in the Fiscal Year 2014-2015 Operating Budget of Fleet Service. Funding for the remaining 32-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:	Lowest bid received for parts and repair services of Cummins diesel engines.
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Prior Council Action:	
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For More Information:	Sandy Wirtanen, Buyer II, 512-974-7711
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Boards and Commission Action:	
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.
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Additional Backup Information

The contract is for the supply of repair parts used by Fleet Service Technicians for preventative maintenance and repairs of Cummins diesel engines. The Contractor will also provide repair services on an as-needed basis to ensure the continuity of fleet services to City departments. The repair services will be used to supplement the repairs performed by Fleet Service Technicians at the Fleet Service Center.

The City's fleet with Cummins engines includes Fire Trucks and Apparatus, Ambulances, Austin Energy Emergency Response Vehicles and Garbage trucks. Performance Maintenance (PM) is Fleet's main focus to all City owned vehicles. The PM Program was designed to thoroughly inspect each unit annually, as well as manufacturer recommended routine maintenance intervals, to minimize breakdown and unscheduled repair. Repairs conducted by the vendor are done if no resources are available (i.e. shortage of technicians, time, facility, etc.) and are used as a supplement when needed.

If this contract is not approved the purchase of parts and repair services will be on an as needed basis and costs would be more significant than a contracted price.

Sub-contracting is not feasible for this type of contract because Performance Truck is the authorized service dealer for Cummins engines. The purchases of parts are all original manufactured parts that the vendor purchases directly from the manufacturer.

MBE /WBE solicited: 0/0

MBE /WBE bid: 0/0

BID TABULATION

IFB SLW 0104

Parts and Repair Services for Cummins Diesel Engines
(23 Line Items)

<u>Vendor</u>	<u>Total Bid Sample Items (Item Lines Bid)</u>
Performance Truck Buda, TX	\$265,620
Longhorn International Trucks Austin, TX	\$273,949
Rush Truck Center of Texas, LP Buda, TX	\$367,869

A complete bid tabulation is on file in the Purchasing Office and is on the City's Financial Services Austin Finance Online website at: http://ci.austin.tx.us/financeonline/vendor_connection/solicitation/search.cfm

PRICE ANALYSIS

- Adequate competition.
- 87 notices were sent with no known MBE or WBE. Three bids were received with no response from MBE /WBE.
- There are no comparable part numbers to the last purchase awarded in December 2008. There is a 10% increase

in the labor rate proposed to the previous contract awarded in March 2009.

APPROVAL JUSTIFICATION

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