

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	68853	Agenda Number	37.
Meeting Date:	March 23, 2017			
Department:	Purchasing			
Subject				
Authorize negotiation and execution of a 36-month contract with AUSTIN TRUCK & EQUIPMENT, INC. LTD DBA FREIGHTLINER OF AUSTIN, to provide parts and repair services for vehicles with Daimler Truck of North America brand components, in an estimated amount of \$1,158,000, with two 12-month extension options in an estimated amount of \$386,000 per extension option, for a total contract amount not to exceed \$1,930,000.				
Amount and Source of Funding				
Funding in the amount of \$225,167 is available in the Fiscal Year 2016-2017 Operating Budget of Fleet Services. Funding for the remaining 29 months of the original contract period and extension options are contingent upon available funding in future budgets.				
Fiscal Note				
A fiscal note is not required.				
Purchasing Language:	Sole Source			
Prior Council Action:				
For More Information:	Marian Moore, Buyer II, 512-974-2062			
Boards and Commission Action:				
Related Items:				
MBE / WBE:	This contract is exempt from the City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no subcontracting goals were established.			
Additional Backup Information				

The contract is for the supply of original equipment manufacturer (OEM) parts and repair services for the City owned vehicles with Daimler Trucks of North America (DTNA) brand components including Freightliner truck cab and chassis, Detroit Diesel engines and Mercedes Diesel engines. The contractor will provide repair services to supplement the work performed by City technicians. The contractor is the only authorized OEM parts dealer and repair facility in the Austin region by the manufacturers for DTNA vehicles and vehicle components.

This contract will consolidate requirements from two contracts, one of which expired February 15, 2017. The requested authorization amounts were determined using departmental estimates based on historical spend. The requested authorization amounts will also allow for a small annual growth for parts and repair services requirements associated with aging vehicles and future vehicle acquisitions.

A contract is needed to ensure parts and repair services are available to minimize vehicle down time. If the City is unable to secure a contract, departments will not have a reliable source for parts and repair services, and will be forced to procure these requirements on an as needed basis, which may result in higher prices and higher operational costs.

AUSTIN TRUCK & EQUIPMENT, INC. LTD DBA FREIGHTLINER OF AUSTIN				
	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	36	\$ 1,158,000	n/a	n/a
Extension Option 1	12	\$ 386,000	n/a	n/a
Extension Option 2	12	\$ 386,000	n/a	n/a
TOTAL	60	\$ 1,930,000	\$ -	\$ -