



**Purchasing Supply Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 20
AGENDA DATE: Thu 03/25/2004
PAGE: 1 of 2**

SUBJECT: Authorize execution of a 12-month supply agreement with CENTRAL TEXAS HARLEY-DAVIDSON LP, Austin, TX for the annual supply of maintenance and repair parts, and limited repair services for the City's fleet of Harley-Davidson motorcycles for APD in an amount not to exceed \$100,000, with three 12-month extension options in an amount not to exceed \$100,000, for a total agreement amount not to exceed \$400,000.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$58,334 is available in the Fiscal Year 2003-2004 Approved Operating Budget of the Financial and Administrative Services Department, Fleet Fund. Funding for the remaining five 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.

REQUESTING Purchasing	DIRECTOR'S
DEPARTMENT: for Financial and	AUTHORIZATION: <u>Vickie Schubert</u>
Administrative Services -	
Fleet Services;	

FOR MORE INFORMATION CONTACT: Rick Fudge, Supervising Sr. Buyer

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Only bid received.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 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 agreement is for the annual supply of maintenance and repair parts for the City's fleet of 65 APD motorcycles manufactured by Harley-Davidson. The parts will be purchased on an as needed basis for general preventative maintenance procedures, as well as any other necessary repairs. The type of parts purchased under this contract include any item on the Harley-Davidson motorcycles, such as: tires, filters, brakes, fuel system parts, engine system parts, throttle and clutch cables, lights, speedometers, etc.

Central Texas Harley-Davidson will also provide limited repair services on an as needed basis. The City's Fleet Service Center will provide most of the preventative maintenance and repairs, but may need the contractor's repair services in some instances such as: extreme accidents, problems that may require factory technical assistance and to serve as back up as needed. Central Texas is an authorized Harley-Davidson dealership with an adequate supply of repair parts and employee factory-trained Harley-Davidson mechanics.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0



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BID TABULATION

Captive Repair Parts for
Harley-Davidson Police Motorcycles
(Estimated Annual Expenditure - \$100,000)
IFB No. RF04100002

<u>Vendor</u>	<u>% Added to Harley-Davidson Price List – Dealer Cost</u>	<u>Labor Rate</u>
Central Texas Harley-Davidson Austin, Texas	24.985%	\$75 per hour

PRICE ANALYSIS

- Only bidder. Austin Harley-Davidson, the only other Harley-Davidson dealership in Austin that could bid, chose not to submit a bid. A pre-bid conference was held to get comments from interested bidders. They did not attend. Numerous phone calls were made to the parts manager and general manager to insure that our specifications and terms and conditions were within industry guidelines. The City made several changes to the solicitation documents in order to accommodate both dealerships and still meet the City's needs. Austin Harley-Davidson indicated that they are not interested in bidding.
- Five bids were issued. There are no known MBE/WBEs for this commodity. One bid was received.
- The last contract for these parts was awarded in April 2001. The awardee offered a 20% discount from the published Harley-Davidson price list, **retail price column**. The current bidder offered a plus 24.985% to the published Harley-Davidson price list, **dealer cost column**. A comparison has been made between the same parts from both price lists and it has been determined that the current unit price of parts have decreased approximately 5.1% from the previous contract.

APPROVAL JUSTIFICATION

- Only bidder.
- The Financial and Administrative Services Department, Fleet Services Division concurs with the recommended award.
- Advertised in the Austin American-Statesman and Internet.