



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

**AGENDA ITEM NO.: 22
AGENDA DATE: Thu 06/10/2004
PAGE: 1 of 3**

SUBJECT: Authorize execution of three 12-month supply agreements with FREIGHTLINER OF AUSTIN, Austin, TX, PERFORMANCE INDUSTRIAL POWER, Buda, TX, and LONGHORN INTERNATIONAL TRUCKS LTD, Austin, TX, for the purchase of original equipment manufacturer parts and services for medium and heavy duty diesel engines and transmissions in amounts not to exceed \$185,000, \$100,000 and \$200,000 respectively, with three 12-month extension options in amounts not to exceed \$185,000, \$100,000 and \$200,000 respectively, for total agreement amounts not to exceed \$740,000, \$400,000 and \$800,000 respectively.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$161,667 is available in the Fiscal Year 2003-2004 Approved Operating Budget for the Fleet Maintenance Fund of the Finance and Administrative Services Department. Funding for the remaining eight 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: Stephen T. Aden, Supervising Senior Buyer, 974-2021.

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Lowest bids of four bids 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.

These supply agreements are for the purchase of original equipment manufacturer parts and services for medium and heavy duty diesel engines and transmissions of various manufactures in Fleet's inventory. These parts will be supplied by authorized dealers for Cummins, Detroit, Caterpillar, Mercedes, and Navistar diesel engines, and Allison transmissions. The parts will be purchased on an as needed basis for general routine and preventative maintenance repairs. The contracts are necessary to provide the automotive and equipment fleet service centers with reliable and continuous sources of supply for the parts.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0



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**BID TABULATION
Six Manufacturers OEM Parts
Estimated Annual Expenditures \$485,000
Sample Pricing/Discount Off Manufacturer's Price List
IFB NO. SA04100039**

<u>Description</u>	<u>Freightliner of Austin Austin, Texas</u>	<u>Longhorn International Trucks Austin, Texas</u>	<u>Performance Industrial Power Buda, Texas</u>
1. Cummings Engines Price for 9 items and Est. Annual Expenditures (\$65,000)	\$570.83/-20%	N/B	N/B
2. Detroit Engines Price for 9 items and Est. Annual Expenditures (\$35,000)	\$1,679.30/-20%	N/B	\$1,777.94/+21.957%
3. Allison Transmissions Prices for 10 items and Est. Annual Expenditures (\$100,000)	\$2,160.50/-7%	N/B	\$1,768.61/+21.957%
4. Caterpillar Engines Prices for 10 items and Est. Annual Expenditures (\$35,000)	\$2,277.75/-15%	N/B	N/B
5. Mercedes Diesel Engines for 10 items and Est. Annual Expenditures (\$50,000)	\$1,926.94/-10%	N/B	N/B
6. Navistar Diesel Engines Prices for 9 items Est. Annual Expenditures (\$50,000)	N/B	\$743.52/-39.075%	N/B

Note: A bid submitted by Stewart & Stevenson, Round Rock, Texas was non-responsive due to the bidder's failure to provide a price list with the bid submittal as required by the solicitation.

PRICE ANALYSIS

1. Adequate competition.
2. Ten solicitations were issued. There are no known MBEs or WBEs for this commodity. Four bids were received. There was one "No Bid" received.
3. The current pricing represents an approximate 9% decrease from the last award made in October 2000.



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APPROVAL JUSTIFICATION

- a. Low Bidders.
- b. The Financial and Administrative Services/Fleet Services concurs with the recommendation.
- c. Advertised in the Austin American-Statesman and Internet.