June 14, 2004

Freightliner of Austin Attn: Dave Holt 1701 Smith Rd Austin, TX 78721-3544

Re: Notice of Award, Solicitation No. SA04100039

Solicitation Description "OEM Parts & Services for Medium & Heavy Duty Diesel Engines &

Transmissions"

Contract No. C040197

Mr. Holt

On June 10, 2004, Austin City Council approved Agenda Item 22, for the execution of a contract with your firm for the items listed below under the subject Invitation for bid. The terms of this agreement are as follows:

Date of Award: June 14, 2004

Contract No.: C040197

Dollar Value: Not to Exceed \$185,000

Items Awarded and Discount for Price List: Item 1 "Cummings Engines" 20%; Item 2 "Detroit Engines" 20%; Item 4 "Caterpillar Engines" 15% Discount; and Item 5 " Mercedes Diesel Engines"

10% Discount

Contract Term: July 1, 2004 through June 30, 2005, with three 12-month Extension Options.

Attached is a copy of the bid submitted by your company including all contract terms and conditions. Thank you for your interest in doing business with the City of Austin. In addition, in accordance with section 0400, paragraph 3, and section 0300, paragraph 32, please provide a certificate of insurance to my attention referencing the above contract number prior to beginning any work under this contract if you are making delivery using your company's vehicles.

If you have any questions regarding this contract, please contact the Contract Manager, Virginia Whitaker (512) 974-2119.

Sincerely,

Stephen T. Aden, Supervising Senior Buyer Purchasing Office Finance and Administrative Services Department

Cc: City Clerks Office Virginia Whitaker, Fleet Services