June 14, 2004

Longhorn International Trucks LTD Attn: Tim Jones 4711 E 7th St. Austin, TX 78702

Re: Notice of Award, Solicitation No. SA04100039

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

Transmissions"

Contract No. C040198

Mr. Jones

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.: C040198

Dollar Value: Not to Exceed \$200,000

Items Awarded and Discount for Price List: Item 6 "Navistar Diesel" 39.05%

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.

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

Style T. Row

Purchasing Office

Finance and Administrative

Services Department

Cc: City Clerks Office

Virginia Whitaker, Fleet Services