

AGENDA



Thursday, July 29, 2010

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 66

Subject: Authorize award and execution of a 36-month requirements service contract with CLEVELAND MACK SALES INC., dba PERFORMANCE TRUCK, Buda, TX to provide parts and repair services for Allison truck transmissions in an estimated amount not to exceed \$946,400, with three 12-month extension options in estimated amounts not to exceed \$449,280 for the first extension option, \$539,136 for the second extension option, and \$646,963 for the third extension option, for a total estimated contract amount not to exceed \$2,581,779.

Amount and Source of Funding: Funding in the amount of \$43,333 is available in the Fiscal Year 2009-2010 Operating Budget of the Financial and Administrative Services Department, Fleet Fund. Funding for the remaining 34 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.

For More Information: Colleen Athey, Buyer I, 972-4012

Purchasing Language: Best-value bid meeting specifications of three bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C 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 contract will provide original equipment manufactured (OEM) parts and repair services for medium and heavy duty diesel truck transmissions manufactured by Allison Transmission.

Parts will be purchased on an as-needed basis for general routine and preventative maintenance repairs by Fleet Services mechanics. This contract will also be used to provide repair services that will supplement the City's vehicle service operations and ensure responsiveness and vehicle availability to City departments.

MBE/WBE solicited: 3/2 MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Ninety-seven notices were sent, including three MBEs and two WBEs. Three bids were received, with no response from the MBE/WBEs.
- c. The pricing offered represents a 12% increase to the last contract award in September 2005. This increase is due to increases in the cost of labor and OEM repair parts.

APPROVAL JUSTIFICATION

- a. Best evaluated bid meeting specifications of three bids received. Cleveland Mack Sales Inc. is the current provider of these parts and services.
- b. The Purchasing Office concurs with the Fleet Services Division's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.