

AGENDA



Thursday, December 16, 2010

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**
Item No. 52

Subject: Authorize award and execution of a 36-month requirements service contract with LONGHORN INTERNATIONAL TRUCKS LTD., Austin, TX to provide repair services with associated parts for vehicles and equipment with Caterpillar engines in an estimated amount not to exceed \$291,200, with three 12-month extension options in estimated amounts not to exceed \$138,240 for the first extension option, \$165,888 for the second extension option, and \$199,065 for the third extension option, for a total estimated contract amount not to exceed \$794,393.

Amount and Source of Funding: Funding in the amount of \$66,667 is available in the Fiscal Year 2010-2011 Operating Budget of the Financial and Administrative Services Department, Fleet Fund. Funding for the remaining 26 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: Sai Xoomsai, Buyer I, 972-4016

Purchasing Language: Lowest bid 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 repair services and any associated repair parts for vehicles and equipment with Caterpillar engines. Currently, the City owns 18 vehicles and pieces of equipment with Caterpillar engines. The contractor will provide repair service and repair parts on an as needed basis. The repair services will be used to supplement the Caterpillar repairs performed by the Fleet mechanics at the Fleet Service Centers. The reliable supply of repair services is necessary to ensure continuity of fleet services to City departments.

MBE/WBE solicited: 4/2

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Sixty-five notices were sent, including four MBEs and two WBEs. Three bids were received, with no response from the MBE/WBEs.
- c. This is the first contract for these services; therefore, there is no pricing history available.

APPROVAL JUSTIFICATION

- a. Lowest bid received.
- b. The Purchasing Office concurs with the Fleet Services Division's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.