



Recommendation for Action

File #: 19-2096, **Agenda Item #:** 62.

6/20/2019

Posting Language

Authorize award of a multi-term contract with Longhorn International Trucks, Ltd., to provide parts and repair services for International Trucks, for up to five years for a total contract amount not to exceed \$5,757,509.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Fleet Services.

Fiscal Note

Funding in the amount of \$347,321 is available in the Fiscal Year 2018-2019 Operating Budget of Fleet Services. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued an Invitation for Bids (IFB) 7800 JRH1011REBID for these goods and services. The solicitation issued on April 29, 2019 and it closed on May 16, 2019. The recommended contractor submitted the only responsive offer. A complete solicitation package, including a tabulation of the bid received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents <https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=130738>](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=130738).

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or [AgendaOffice@austintexas.gov <mailto:AgendaOffice@austintexas.gov>](mailto:AgendaOffice@austintexas.gov)

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: John Hilbun, at 512-974-1054 or [john.hilbun@austintexas.gov <mailto:john.hilbun@austintexas.gov>](mailto:john.hilbun@austintexas.gov).

Additional Backup Information:

The contract is for the supply of parts and repair services for City owned International brand trucks. The City currently has approximately 350 International trucks in its fleet inventory with Austin Water, Austin Energy, Public Works and Austin Resource Recovery as the main users. The contractor will provide repair services to

supplement the work performed by City technicians and parts will be purchased for maintenance and repairs handled in-house.

The recommended contractor is the current provider for these parts and services. This contract will replace two existing contracts, one for repairs which expires October 18, 2019 and the other for parts expiring April 24, 2020. The requested authorization amount is based on historical spend and allows for a small annual growth for parts and repair services associated with future acquisitions and aging vehicles.

If the City is unable to secure a contract, Fleet Services will not have a reliable source for parts and repair services. This will force the City to procure these requirements on the open market, which could result in higher prices for parts, higher operational costs and increased vehicle down time.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	2 yrs.	\$2,136,026
Optional Extension 1	1 yr.	\$1,148,765
Optional Extension 2	1 yr.	\$1,206,204
Optional Extension 3	1 yr.	\$1,266,514
TOTAL	5 yrs.	\$5,757,509

Note: Contract Authorization amounts are based on the City's estimated annual usage.