



Recommendation for Action

File #: 19-2551, **Agenda Item #:** 46.

8/22/2019

Posting Language

Authorize award of a multi-term contract with Capitol Bearing Service of Austin Inc. D/B/A Capitol Bearing & Hydraulics, to provide parts and repair services for hydraulic components for City vehicles and equipment, for up to five years for a total contract amount not to exceed \$2,052,662.

(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 \$35,000 is available in the Fiscal Year 2018-2019 Operating Budget for the 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 DCM1009 for these goods and services. The solicitation issued on May 13, 2019 and it closed on May 30, 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=128293>](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=128293).

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>>

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Diana McIntosh, at 512-974-2034 or Diana.McIntosh@austintexas.gov <<mailto:Diana.McIntosh@austintexas.gov>>.

Additional Backup Information:

The contract will provide parts and repair services, including replacement cylinders, for various types of hydraulic powered components installed in many of the City's fleet vehicles and equipment. There are many applications for these hydraulic components in City vehicles. There are hydraulic components on all refuse trucks used for the arm mechanism, the mechanism to lift the truck bed, and the compactor mechanism. Dump trucks, 18-wheeler, earth-moving, and sludge trailers as well as Austin Energy bucket trucks and Austin Fire Department ladder trucks also have similar hydraulic equipment. The contractor will provide repair

services to supplement the work performed by the Fleet technicians. Parts will be used on an as-needed basis for Fleet staff in the daily operations of general routine repair and maintenance services.

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. This contract will replace a contract which expires on October 5, 2019. The recommended contractor is the current provider for these parts and services.

If the City is unable to secure a contract, Fleet Services will not have a dependable source for parts and repair services, forcing the City to procure these services at open market which may lead to higher prices for parts and labor, higher operational costs and extended vehicle down time.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	2 yrs.	\$ 821,066
Optional Extension 1	1 yr.	\$ 410,532
Optional Extension 2	1 yr.	\$ 410,532
Optional Extension 3	1 yr.	\$ 410,532
TOTAL	5 yrs.	\$2,052,662

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