



## CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ALL

Item Creation Date: 10/5/2017

S26257 - Cummins Replacement Parts &amp; Repair Services

Agenda Item#:

**Background:**

**Formal Bids Received for S40-S26257 - Approve an award to Rush Truck Centers of Texas, LP in an amount not to exceed \$6,388,814.00 for Cummins replacement parts and repair services for the Fleet Management Department.**

**Specific Explanation:**

The Director of the Fleet Management Department and the Chief Procurement Officer recommend that City Council approve an award to **Rush Truck Centers of Texas, LP** on its low complete bid meeting specification in an amount not to exceed **\$6,388,814.00** for Cummins replacement parts and repair services for the Fleet Management Department (FMD). It is further requested that authorization be given to make purchases, as needed, for a **thirty-six month term with two (2) one-year options**. This award consists of price lists for various Cummins replacement parts; which includes but are not limited to belt tensioners, fuel check valves, transfer pumps, water pumps, EGR coolers, starting motors, solenoids, oxygen sensors, wiring harnesses, fuel injectors, fuel pumps, reconditioned engines and engine blocks. These materials will be used by FMD to repair and maintain equipment with Cummins engines citywide. This award also includes a **\$1,596,950.00** labor component for the repair of equipment that cannot be performed by City maintenance personnel.

This is a price list and line item award. Relative to the price list, the best discount which determines the low bid for a price list is the best bid received for quantities of high-use items selected as sample pricing items based on the current needs of the department. The bid total for sample pricing items does not represent the total amount estimated to be purchased; rather, this recommendation is for the total estimated expenditures projected over the awarded term based on the low bid submitted for the representative samples.

This project was advertised in accordance with the State of Texas bid laws. Five prospective bidders downloaded the solicitation document from SPD's e-bidding website, and four bids were received as outlined below.

**Rush Truck Centers of Texas, LP:** Award on its low complete bid meeting specifications for Groups 1 - 6 in an amount not to exceed \$6,388,814.00.

	<b><u>Company</u></b>	<b><u>Sample Pricing &amp; Line Item Total</u></b>
1.	Homer J. Wood	\$ 620.50 (Partial Bid/Did Not Meet Specifications)
2.	Southern Tire Mart, LLC	\$ 919,445.83 (Partial Bid/Did Not Meet Specifications)
3.	<b>Rush Truck Centers of Texas, LP</b>	<b>\$1,672,574.96</b>
4.	Cummins Southern Plains, LLC	\$2,218,629.16

**MWBE:**

Zero-percentage goal document approved by the Office of Business Opportunity.

**Hire Houston First:**

The proposed award requires compliance with the City's 'Hire Houston First' (HHF) ordinance that promotes economic opportunity for Houston businesses and supports job creation. In this case, the proposed supplier does not meet the requirements of HHF; no HHF firms were within three percent.

**Fiscal Note:**

Funding for this item is included in the FY18 Adopted Budget. Therefore, no fiscal note is required as stated in the Financial Policy Ord. 2014-1078.

  
Jerry Adams, Chief Procurement Officer  
Finance/Strategic Procurement Division\_\_\_\_\_  
Department Approving Authority Signature**Estimated Spending Authority**

Department	FY18	Out Years	Total
Fleet Management	\$1,277,762.80	\$5,111,051.20	\$6,388,814.00

**Amount of Funding:**

\$6,388,814.00 - Fleet Management Fund (1005)

**Contact Information:**

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**ATTACHMENTS:****Description**OBO DOCSFAIR CAMPAIGNDELINQUENT TAXBID TABFORM BBUDGET FORM A**Type**

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Financial Information