



**CITY OF HOUSTON - CITY COUNCIL**

Meeting Date:

ALL

Item Creation Date: 8/25/2017

S25703-A1 - Caterpillar Replacement Parts and Repair Services

Agenda Item#:

**Background:**

**S40-S25703-A1 - Amend Council Motion 2016-0373, passed August 3, 2016 to increase the spending authority from \$634,997.00 to \$793,746.25 for Caterpillar 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 amend Council Motion 2016-0373, to increase the spending authority for Caterpillar replacement parts and repair services awarded to **Mustang Machinery Company, Ltd. dba Mustang Cat** from \$634,997.00 to \$793,746.25.

Spending authority has been exhausted earlier than anticipated due to the underfunding of the original award and the number of Caterpillar engines in the fleet requiring repair work. The additional spending authority will enable the Department to continue to make purchases until a new award is able to be presented to City Council for award within the next 120 days.

This award began on August 10, 2016 for a thirty-six month term with two (2) one-year options to extend in an amount not to exceed \$634,997.00. Expenditures as of November 13, 2017 totaled \$627,392.99. All other terms and conditions shall remain as previously approved by City Council.

This award consists of a price list for various Caterpillar replacement parts; which includes but is not limited to belt tensioners, fuel check valve, transfer pump, water pump, EGR cooler, starting motor, solenoid, oxygen sensor, wiring harness, fuel injectors, fuel pumps, reconditioned engines and engine blocks. These materials will be used by the FMD to repair and maintain equipment with Caterpillar engines citywide. The award also includes a labor component for equipment that cannot be repaired by Department personnel.

**MWBE:**

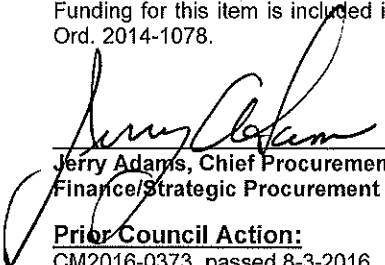
Zero-percentage goal document approved by the Office of Business Opportunity.

**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, Mustang Machinery Company Ltd. dba Mustang Cat 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

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 Department Approval Authority Signature

**Prior Council Action:**

CM2016-0373, passed 8-3-2016

**Amount of Funding:**

\$158,749.25 - Fleet Management Fund (1005) FY18

**Contact Information:**

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**ATTACHMENTS:**

**Description**

OBO Docs

CM 2016-0373

Delinquent Tax

Budget Form A

**Type**

Backup Material

Backup Material

Backup Material

Financial Information