



AGENDA MEMORANDUM

Action Item for the City Council Meeting of August 22, 2023

DATE: August 22, 2023

TO: Peter Zaroni, City Manager

FROM: Charles Mendoza, Director of Asset Management
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Purchase of Tires for City Vehicles

CAPTION:

Motion authorizing execution of two, one-year supply agreements, with two one-year options, with Southern Tire Mart, LLC of Columbia, Mississippi, with a location in Corpus Christi, for the purchase of trailer tires and passenger/light truck tires in an amount not to exceed \$430,990.45, and Beasley Tire Service, Inc., of Corpus Christi, for the purchase of larger heavy-duty truck tires in an amount not to exceed \$628,425.00, for a combined amount of \$1,059,415.45 and a potential amount of \$3,178,246.35 if options are exercised, to be utilized by Asset Management, with FY 2023 funding of \$88,284.62 from the Fleet Maintenance Service fund.

SUMMARY:

This motion authorizes the purchase of tires for City vehicles to include sedans, pickup trucks, heavy-duty trucks, and trailers. The supply of tires will keep the City fleet operational and with less downtime.

BACKGROUND AND FINDINGS:

The purchase of these tires is to equip sedans, pickup trucks, heavy-duty trucks, and trailers from the City Fleet. This spectrum of tires covers a large portion of operational requirements for City vehicles to keep them on roads supporting the citizens and for the safety requirements of City employees.

The incumbent was Beasley Tire Service, Inc., of Corpus Christi, including a three-year supply agreement with a total not to exceed \$1,023,279.00.

PROCUREMENT DETAIL:

Finance & Procurement conducted a competitive Request for Bid (RFB) process to obtain bids for a new contract. The City received three responsive bids. The RFB indicated to award by group, there are three groups to be awarded on the bid form. The Goodyear Tire & Rubber Company was non-responsive due to not bidding on Group 1-trailer tires. Staff is recommending the award to the two lowest, responsive, responsible bidders, Southern Tire Mart, LLC for Group 1-trailer tires and Group 3-passenger/light truck tires and Beasley Tire Service, Inc. for Group 2-large tires.

ALTERNATIVES:

The alternative to accepting this bid would be to buy tires as needed through individual purchase orders, which would result in higher costs. Procuring through this supply agreement will have the tires readily available at lower and fixed prices.

FISCAL IMPACT:

The fiscal impact for the Fleet Maintenance Services in FY 2023 is \$88,284.62 for the first year of this potential three-year supply agreement for the purchase of tires for City vehicles, with the remaining cost funded in future years through the annual budget process.

FUNDING DETAIL:

Fund:	5110 Fleet Maintenance Services
Organization/Activity	40180 Parts Room Operations
Mission Element	202 Maintain the Fleet
Project # (CIP only)	N/A
Account:	520210 Cost of Goods Sold

RECOMMENDATION:

Staff recommends approval of this motion authorizing two, one-year service agreements, with two one-year options, with Southern Tire Mart, LLC and Beasley Tire Service, Inc., as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tabulation
Supply Agreements