CITY OF
CORPUS CHRISTI

AGENDA MEMORANDUM
Action Item for the City Council Meeting August 11, 2026

DATE: August 11, 2026

TO: Peter Zanoni, City Manager

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Tires for Fleet Maintenance

CAPTION:

Motion authorizing execution of two one-year supply agreements, with two one-year options, with Southern Tire Mart, LLC, of Columbia, Mississippi, in an amount up to $748,325.00 for the purchase of trailer tires and large tires, and with Beasley Tire Service of Houston, Inc., in an amount up to $462,820.00 for the purchase of passenger and light truck tires, both have offices in Corpus Christi, for a total combined amount not to exceed $1,211,145.00 and a potential up to $3,633,435.00 if options are exercised, for the Asset Management Department, with FY 2026 funding of $201,857.50 from the Fleet Maintenance Service Fund.

SUMMARY:

This item seeks approval of two supply agreements for the purchase of tires for City vehicles, including sedans, pickup trucks, heavy-duty trucks, and trailers. Establishing these agreements will ensure consistent tire availability, support uninterrupted fleet operations, and reduce vehicle downtime.

BACKGROUND AND FINDINGS:

The Fleet Maintenance Division requires a diverse range of tires to support the City's operational needs, including tires for sedans, pickup trucks, heavy-duty trucks, and a variety of trailers. Because these vehicles account for a substantial portion of the City fleet, maintaining an adequate inventory of reliable, properly rated tires is critical for keeping units on the road, minimizing downtime, and ensuring the safety of City employees.

The tires are categorized according to their types and intended use. Group 1 (Trailer Tires) consists of tires that fit trailers which are pulled behind vehicles. Group 2 (Large Tires) consists of most commonly stocked tires across vendors that only fit passenger vehicles and light trucks. Group 3 (Passenger/Light Truck Tires) consists of Class 8 tires suited for large, CDL-required-vehicles with gross vehicle weight ratings of 26,000 pounds or more.

The current contract structure was approved by Council in 2023 as one-year supply agreement with two, one-year renewal options. The contract was awarded to two vendors: Southern Tire Mart for Group 1 (Trailer Tires) and Group 2 (Large Tires) and Beasley Tire Service for Group 3 (Passenger/Light Truck Tires). Southern Tire Mart elected not to exercise continuation options. Their contract ended in September 2025. Beasley Tire Service pursued their renewal options, and their contract is set to expire on September 13, 2026.

During the procurement process for the new contract, the team decided to categorize tires into three groups consistent with the current contract: trailer tires, large tires, and passenger/light truck tires. This approach allows vendors specializing in specific tires, like non-trailer tires, to bid without the need to meet all three categories. This increases vendor diversity and provides better procurement options, including potentially better pricing. Consolidating all groups of tires in one single bid help save staff working hours and costs compare to bidding out each group of tires separately. The quantities outlined in the new bid reflect both historical consumption and anticipated future needs, including incidental and seasonal operational surges. In 2025, the actual number of tires needed from three groups was as follows: Group 1(Trailer Tires) - $23,755; Group 2 (Large Tires)- $697,060, and Group 3 (Passenger/Light Truck Tires) - $408,000.

Under the new solicitation, tire pricing is notably more competitive. The average bid price for the new contract is $221.99 per tire, while the previous contract from 2023 was $247.95 per tire, reflecting a decrease of $25.96 per tire. Based upon historical data, the new agreement anticipates an annual purchase of 975 additional tires, while achieving a cost reduction by $129,415. This presents an estimated 10% cost savings when applied across projected annual usage. These lower prices align with the City's historical trend of receiving below-industry-standard pricing due to purchasing volume.

Overall, the new contract helps stabilize tire supply, supports rapid replenishment—often same-day delivery—and increases cost efficiency for the Fleet Maintenance Division. These improvements strengthen the City's ability to maintain safe, road-ready vehicles while responsibly managing budgetary resources.

PROCUREMENT DETAIL:

Finance & Procurement conducted a competitive Request for Bid (RFB) process to obtain bids for a new contract. The City received four responsive bids, and following evaluation, staff recommend awarding the contract to the two lowest, responsive, responsible bidders, Southern Tire Mart, LLC for Group 1 (Trailer Tires) and Group 2 (Large Tires), and Beasley Tire Service, Inc. for Group 3 (Passenger/Light Truck Tires).

Table 1 below shows the cost comparison between the bids submitted.

Table 1 - Bid Tab Comparison	Staff Recommends			
Group 1 – Trailer Tires	Southern Tire Mart	Beasley Tire Service	A6 Scientific Corp.	Goodyear Commercial Tire & Service Centers
	$27,265.00	$29,548.00	$31,650.00	$43,631.50
Group 2 - Large Tires	Southern Tire Mart	Beasley Tire Service	A6 Scientific Corp.	Goodyear Commercial Tire & Service Centers
	$721,060.00	$773,460.00	$1,003,100.00	$1,106,239.00
Group 3 - Passenger/Light Truck Tires	Beasley Tire Service	Southern Tire Mart	Goodyear Commercial Tire & Service Centers	A6 Scientific Corp.
	$462,820.00	$475,582.00	$478,548.50	$525,700.00

ALTERNATIVES:

The alternative is not to execute supply agreements for tires. The Fleet Maintenance Division would be required to obtain quotes as needed for individual purchase orders, which would result in higher costs and extended downtime for mission-critical equipment. Procuring through these two supply agreements will ensure the tires are readily available at lower and fixed prices.

FISCAL IMPACT:

There is a fiscal impact for FY2026 in an amount of $201,857.50. The remaining amount will be budgeted in future years through the annual budget process.

Funding Detail:

Fund:	5110	Fleet Maint Svc
Organization/Activity:	40180	Parts Room Operations
Dept:	13	Fleet Maintenance
Project # (CIP Only):	N/A	
Account:	520210	Cost of Goods Sold
Amount:	$201,857.50	

RECOMMENDATION:

Staff recommends approval of this motion authorizing execution of two one-year supply agreements, with two one-year options, with Southern Tire Mart, LLC of Columbia, Mississippi, for the purchase of trailer tires and large tires and Beasley Tire Service, Inc., of Houston, for the purchase of passenger/light truck tires.

LIST OF SUPPORTING DOCUMENTS:

Supply Agreement: 7211 Southern Tire Mart
Supply Agreement: 7318 Beasley Tire Service
Bid Tab