



CITY OF
CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for the City Council Meeting June 23, 2026

DATE: June 23, 2026

TO: Peter Zanoni, City Manager

FROM: Juan Rivera, Director of Asset Management
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Recap Tires for Fleet Maintenance

CAPTION:

Motion authorizing execution of a three-year service agreement with Southern Tire Mart, LLC, of Columbia, Missouri, with an office in Corpus Christi, in an amount up to \$793,500.00, for recap tires for the Asset Management Department's Fleet Division, with FY 2026 funding of \$84,000.00 from the Fleet Maintenance Service Fund.

SUMMARY:

This item is to approve a service agreement with Southern Tire Mart, LLC, of Columbia, Missouri, with an office in Corpus Christi, for recap tire repairs for Asset Management, Fleet Maintenance Division.

BACKGROUND AND FINDINGS:

The Fleet Maintenance Division needs recap tires for heavy-duty trucks, primarily refuse trucks. This service agreement will enable the Fleet Maintenance Division to meet the high demand for repaired recap tires and keep up with the City's Vehicle Fleet Operation.

Recap tires and repairs are a safe and affordable alternative to purchasing new tires; with data showing that new tires last about four to five years, and recap tires average three to four years. A new tire costs an average of \$350.00, while a recap tire costs between \$168.00 and \$185.00, resulting in an annual savings of approximately \$174,000.00.

Fleet Maintenance is unable to perform this type of service in-house due to the machinery

required, the technical experience needed to conduct inspections and operate the machinery, the storage requirements for chemicals and retread material, and the space needed for the operations.

PROCUREMENT DETAIL:

Procurement conducted a competitive Request for Bid process to obtain bids for a new contract. The City received three responsive bids. Staff is recommending the award to the lowest, responsive, responsible bidder: Southern Tire Mart, LLC.

Table 1 below shows the three-year cost savings between the bids submitted. Southern Tire Mart, LLC submitted the lowest bid, \$7,500.00 below the other bidders, who offer better economic value for the term of the contract. Table 2 compares the costs of the 2023 and 2026 contracts. The quantity reduction is due to historical actuals (an average of 986 tires per year) and a decrease in reliance on this particular tire type. As Fleet purchases newer refuse units, tire weight requirements are increasing, and therefore fewer units in the City fleet require this particular, lower weight capable, type of tire.

Table 1 - Bid Tab Comparison

	Southern Tire Mart, LLC	Goodyear Tire & Rubber Company	Beasley Tire Service
DESCRIPTION	Total Price	Total Price	Total Price
RECAP TIRES - 1500 tires per year	\$793,500.00	\$801,000.00	\$801,000.00

Table 2 - Historical Contract Comparison

	Goodyear Tire & Rubber Company	Southern Tire Mart, LLC	Variance \$\$
Contract Term	2023-2026	2026-2029	
Quantity Per Year	2500	1500	
Unit Cost Per Tire	\$181.00	\$176.33	-\$4.67
Three-Year Contract Amount	\$1,363,750.00	\$793,500.00	-\$570,250.00

ALTERNATIVES:

The alternative is not to execute a three-year service agreement for recap tires for Fleet Maintenance. Given the volume of tires purchased annually, the Fleet Division of Asset Management would need to obtain quotes for every new tire replaced to remain in compliance with statutory purchasing requirements. Obtaining quotes would extend downtime for mission-critical equipment and potentially increase service costs.

FISCAL IMPACT:

There is a fiscal impact for FY2026 totaling \$84,000.00, which will be paid through the FY2026 Fleet Maintenance Service Fund, with the remaining amount to 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:	\$84,000.00	

RECOMMENDATION:

Staff recommends approval of this motion authorizing execution of a three-year service agreement with Southern Tire Mart, LLC, of Columbia, Missouri, with an office in Corpus Christi, for recap tires for the Asset Management Department's Fleet Division.

LIST OF SUPPORTING DOCUMENTS:

Service Agreement
Bid Tab