



AGENDA MEMORANDUM

Action Item for the City Council Meeting December 17, 2019

DATE: December 10, 2019

TO: Peter Zaroni, City Manager

FROM: Jim Davis, Director of Asset Management
JimD@cctexas.com
(361) 826-1909

Kim Baker, Director of Contracts and Procurement
KimB2@cctexas.com
(361) 826-3169

Purchase of Tires for City Vehicles

CAPTION:

Motion authorizing a three-year supply agreement, for a total amount not to exceed \$1,023,279.00, with Beasley Tire Service-Houston Inc., of Houston, Texas, for the purchase of tires for City owned sedans, pickup trucks, heavy-duty trucks and trailers to be installed by Asset Management, effective upon issuance of notice to proceed, with FY 2020 funding in the amount of \$284,244.17 available through the Fleet Maint Svs 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 and heavy-duty trucks and trailers that are part of the City Fleet. This spectrum of tires covers a large portion of operational requirements for City vehicles to keep them on the streets supporting the citizens and for the health and safety requirements of City employees.

Currently, the City Fleet Department purchases tires on an as needed basis from various vendors. Prices vary from each vendor and this is not cost efficient to the City.

The Contracts and Procurement Department conducted a competitive Request for Bid process to obtain bids for three groups of tires to be considered for award separately for a new supply agreement(s). The bid contained three groups of tires based on the type of tires and the bidders could bid on any or all of the three groups. The City received five bids for Groups 1,2 and 3, of which five bids were responsive, responsible bids for Groups 1 and 3. Three bids were responsive, responsible and two were non-responsive for Group 2. Staff recommends the award of all three groups to Beasley Tire Service-Houston Inc. under one supply agreement.

ALTERNATIVES:

The alternative to accepting this bid would be to buy tires as needed through individual purchase orders, which would result in higher costs. However, 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 2020 is \$284,244.17 for the first year of this 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 Maint Svs
Organization/Activity:	40180 Parts Room Operation
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 a three-year agreement with Beasley Tire Service-Houston Inc. for tires as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tabulation
Supply Agreement