

AGENDA



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	12171	Agenda Number	36.
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Meeting Date:	January 26, 2012
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Department:	Purchasing
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Subject

Authorize award and execution of a 5-month requirements contract through the State of Texas Procurement and Support Services Cooperative Purchasing Program (State of Texas COOP-TXMAS), with STROUHAL TIRE RECAPPING PLANT, INC., for the purchase of retread tires for Fleet Services in an estimated amount not to exceed \$270,750, with two 12-month extension options in an estimated amount not to exceed \$779,761 for the first option and \$935,713 for the second option, for a total estimated contract amount not to exceed \$1,986,225.

Amount and Source of Funding

Funding in the amount of \$530,671 is available in the Fiscal Year 2011-2012 Operating Budget of the Financial and Administrative Services Department, Fleet Fund. Funding for the remaining eight months of the first extension option and future extension option is contingent upon available funding in future budgets.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Cooperative Purchase
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Prior Council Action:	
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For More Information:	Sydney Ceder, Senior Buyer /974-2035
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Boards and Commission Action:	
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MBE / WBE:	This Cooperative Purchase is exempt from the MBE /WBE Ordinance. This exemption is in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this contract.
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Related Items:	
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Additional Backup Information

This contact will provide a reliable source for retread tires for Fleet Services in lieu of purchasing new tires.

Retreading is a process whereby worn tires, called casings, receive a new tread. The cost for a retread tire is approximately 50% less than that of a new tire and provides approximately the same length of service when used on the rear axle. Retread tires are primarily used on the rear axles of the City's Fleet of heavy-duty vehicles, trucks, trailers, and off-road equipment. Retread tires are also referred to as "recapped" tires.

Under this contract, Strouhal will pick up City owned tire casings and will deliver recapped City tires on a weekly basis thus ensuring a regular supply of retread tires. The Contractor utilizes a technology known as Michelin Retread Technologies (MRT). This retreading technology has been tested and used successfully by Fleet Services for a number of years.

Strouhal Tire Recapping Plant, Inc., Bryan, TX, is contracted through TXMAS to supply retread tires to other public entities state-wide. This cooperative purchasing program is coordinated by the State of Texas, Comptroller of Public Accounts and allows the City to use TXMAS contracts that have been developed from contracts competitively bid and awarded by the General Services Administration's Federal Supply Service