

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	33812	Agenda Number	58.
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Meeting Date:	June 26, 2014
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Department:	Purchasing
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Subject

Authorize award and execution of a 24-month requirements supply contracts with BEASLEY TIRE SERVICE – HOUSTON, INC. DBA BEASLEY TIRE SERVICE to provide tire retread and repair services in a total amount not to exceed \$1,102,370, with four 12-month extension options in a total amount not to exceed \$551,185 per extension option, for a total contract amount not to exceed \$3,307,110.

Amount and Source of Funding

Funding in the amount of \$183,728 is available in the Fiscal Year 2013-2014 Operating Budget of the Fleet Services Department. Funding for the remaining 20-months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note

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

Purchasing Language:	Lowest bid received meeting specifications.
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Prior Council Action:	
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For More Information:	Jonathan Dalchau, Senior Buyer, 512-974-2938
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Boards and Commission Action:	
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9D (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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Additional Backup Information

This contract will provide a reliable source for retread tire services for Fleet Services in lieu of purchasing new tires. Retreading is a process whereby worn tires, called casing, receive 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 rear axles of the City's Fleet of heavy-duty vehicles and trucks. Retread tires are also used on trailers and off-road equipment.

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.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0

BID TABULATION:

IFB LMR0007

**Tire Retread and Repair
(56 line items)**

<u>Vendor</u>	<u>Total Bid Sample Items (Item Lines Bid)</u>
Beasley Tire Service Houston, TX	\$357,368
Strouhal Tire Recapping Plant Hungerford, TX	\$359,564
Youngblood Automotive & Tire Austin, TX	\$380,413
Southern Tire Mart Austin, TX	*
GCR Tire Centers Pflugerville, TX	*

* These vendors were deemed Non-Responsive in the evaluation process for not meeting specifications

A complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FSD Purchasing Office website.

PRICE ANALYSIS

- Adequate competition.
- 43 notices were sent, including 0 MBEs and 0 WBEs. Five Bids were received with no MBEs/WBEs responding.
- The pricing offered reflects a 10% decrease when comparing similar lines to the last contract award in April 2012.

APPROVAL JUSTIFICATION

- Lowest bid received meeting specifications.
- The Purchasing Office concurs with the Fleet Service's recommended.

c. Advertised in the Austin American-Statesman and on the Internet.