



Recommendation for Action

File #: 22-3108, **Agenda Item #:** 14.

10/13/2022

Posting Language

Authorize award of a contract with Southern Tire Mart LLC to provide tire retread and repair services, for a term of five years in an amount not to exceed \$2,486,584.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Financial Services Department.

Client Department(s)

Fleet Mobility Services.

Fiscal Note

Funding in the amount of \$497,316 is available in the Fiscal Year 2022-2023 Operating Budget of Fleet Mobility Services. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Financial Services Department issued an Invitation for Bids (IFB) 7800 JOG1029 for these services. The solicitation was issued on June 20, 2022 and closed on July 12, 2022. Of the three offers received, the recommended contractor submitted the lowest responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=137031)
<https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=137031>.

For More Information:

Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Jo Gutierrez, at 512-974-2829 or jo.gutierrez@austintexas.gov
<<mailto:jo.gutierrez@austintexas.gov>>.

Additional Backup Information:

The contract will provide a reliable source for tire retreading and repair services in lieu of purchasing new tires. Retreading is a process in which worn tires called casings receive new tread. The cost for a retread tire is approximately 50% less than a new tire purchase 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 vehicles, trailers, and off-road equipment. Fleet Mobility Services will use this contract to maintain the City's fleet of over 7,000 vehicles.

The contract will replace a contract which expires on October 29, 2022. The requested authorization amount

is based on historical spend and allows for growth for service requirements associated with aging tires and future tire purchases.

If a contract is not secured, the City will not have a reliable source for tire services and will be forced to procure these services on an as needed basis, which may result in higher prices and increased vehicle downtime.

Strategic Outcome(s):

Mobility.