

ACTION FORM BRYAN CITY COUNCIL

DATE OF COUNCIL MEETING: July 23, 2013		DATE SUBMITTED: July 3, 2013	
DEPARTMENT OF ORIGIN: Fleet Services		SUBMITTED BY: B. Walker	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	STRATEGIC INITIATIVE:
<input type="checkbox"/> BCD	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1ST READING	<input checked="" type="checkbox"/> PUBLIC SAFETY
<input type="checkbox"/> SPECIAL	<input checked="" type="checkbox"/> CONSENT	<input type="checkbox"/> 2ND READING	<input checked="" type="checkbox"/> SERVICE
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> STATUTORY		<input type="checkbox"/> ECONOMIC DEVELOP.
<input type="checkbox"/> WORKSHOP	<input type="checkbox"/> REGULAR		<input type="checkbox"/> INFRASTRUCTURE
			<input type="checkbox"/> QUALITY OF LIFE
AGENDA ITEM DESCRIPTION: Consider approval of four (4) blanket purchase orders with local vendors for the purchase of new tires in a not to exceed amount of \$180,000.00.			
SUMMARY STATEMENT: Fleet Services is respectfully requesting Council approval authorizing the Purchasing Department to issue blanket purchase orders with four (4) local vendors for the purchase of new tires. Staff continuously reviews all options to encourage local participation in the bid process and in an effort to obtain the best value for the City.			
<p>After review, utilizing existing cooperative purchasing contracts was determined to be the best suitable course of action. When necessary, tire purchases will be obtained through the State of Texas Multiple Award Schedule (TXMAS), the BuyBoard (which is administered by the Texas Association of School Boards and is endorsed by the Texas Municipal League and the Texas Association of Counties), and The Cooperative Purchasing Network (TCPN). Each of the cooperatives are carefully and competitively bid and awarded these individual contracts.</p> <p>Staff continuously reviews contract pricing from the four vendors listed below for the different tire sizes most frequently used in the fleet operations by the various user departments. The lowest unit price is selected by each vendor in order to maximize the savings. Based on this analysis and historical purchases, City staff anticipates spending approximately \$150,000; however, the request amount of \$180,000 provides some flexibility should the City experience an atypical year. This amount does not include tires needed with less frequency, i.e. backhoes, tractors, excavator tracks, etc.</p> <p>If the City Council approves this agenda item, Blanket Purchase Orders (BPOs) will be issued to the following vendors in the stated amounts:</p> <ul style="list-style-type: none"> • Southern Tire Mart (Bryan, TX): \$50,000.00 • Strouhal Tire Inc. (Bryan, TX): \$15,000.00 • Wingfoot Commercial Sales (Bryan, TX): \$100,000.00 • Pilger's Tire & Auto Center (College Station, TX): \$15,000.00 <p>Historical expenditures for tires are as follows:</p> <ul style="list-style-type: none"> • FY2009 - \$136,000 • FY2010 - \$125,500 • FY2011 - \$148,500 • FY2012 - \$140,000 (approximate averages of multiple contracts) • FY2013 - \$95,000 (year to date) 			

These contracts do not include tire repair or roadside service. This service was bid separately with two bidders submitting a responsive bid: Southern Tire Mart and Wingfoot Commercial Sales. The contract was initially awarded to Southern Tire Mart, who breached the contract after approximately two weeks. The contract was then awarded to Wingfoot Commercial Sales and continues to date. The tire repair and roadside service contract was awarded in a not to exceed amount of \$15,000, with approximately \$12,600 being expended to date (PO # 120982, expires 7/26/13).

STAFF ANALYSIS AND RECOMMENDATION: Having multiple contracts allows the City to select the best tire price from local vendors to achieve the best value for the City. Multiple contracts require staff to coordinate the receipt of tires to the tire service vendor. These contracts will expend public funds.

Staff recommends that the City Council approve the contracts for the listed vendors. By having multiple vendors available to provide tires, the City can pick the best value for the tire size and type required. Staff continuously evaluates the bid prices for each vendor as contracts expire, are renewed, or replaced by new contracts. Staff believes the amounts listed above for each vendor will meet the needs of the City. The requested amounts for each vendor may change as dictated by changing contracts, but the overall aggregate requested amount should remain not greater than \$180,000.00.

OPTIONS (In Suggested Order of Staff Preference): (options may require City Council consideration at a future City Council meeting)

1. Approve the Blanket Purchase Orders as requested for each vendor.
2. Solicit formal bids and award a contract to a single vendor.
3. Do not approve and provide direction to staff.
4. Pursue some other option.

ATTACHMENTS:

FUNDING SOURCE: Department operating budgets (General Fund and Enterprise Funds)

APPROVALS: Hugh R. Walker, 07/03/2013

APPROVED FOR SUBMITTAL: CITY MANAGER

APPROVED FOR SUBMITTAL: CITY ATTORNEY Janis K. Hampton, 07-15-2013