



## CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ALL

Item Creation Date:

L29612 – Tire Retreading Services - ORDINANCE

Agenda Item#:

### **Background:**

**Formal Bids Received September 3, 2020 for S78 – L29612: Approve an ordinance awarding a contract to Southern Tire Mart, LLC in the maximum contract amount not to exceed \$4,607,393.00 for Tire Retreading Services for the Fleet Management Department.**

### **Specific Explanation:**

The Director of the Fleet Management Department and the Chief Procurement Officer recommend that City Council approve an ordinance awarding a **three-year contract, with two one-year options** to **Southern Tire Mart, LLC** on its low bid meeting specification for Tire Retreading Services in the maximum contract amount not to exceed **\$4,607,393.00** for the Fleet Management Department.

This project was advertised in accordance with the requirements of the State of Texas bid laws. Three (3) prospective bidders downloaded the solicitation document from SPD's e-bidding website, and three (3) bids were received as detailed below:

<b>Company</b>	<b>Bid Amount</b>
Goodyear Tire & Rubber Company	\$3,894,439.86 (Did not meet specification)
<b>Southern Tire Mart, LLC</b>	<b>\$4,607,393.00</b>
Beasley Tire Services Inc	\$4,770,712.00

The scope of services is for the replacement of worn tire tread rubber on heavy-duty tires for vehicles owned or used by the City of Houston. The contract requires the contractor to provide all labor, materials, repairs, equipment, tools, supervision, training, and transportation necessary to execute the contract. Services include but are not limited to providing retreading and tire repair services used on commercial trucks, waste haul trucks, and tractor-trailers. In addition, the purpose of this services contract allows the Fleet Management Department to maintain and ensure the City's vehicle in a maximum safety condition for the City employees on the road.

### **M/WBE Participation:**

M/WBE Zero Percentage Goal approved by the Office of Business Opportunity.

### **Pay or Play:**

The proposed contract requires compliance with the City's 'Pay or Play' ordinance regarding health benefits for employees of City contractors. In this case, Southern Tire Mart, LLC provides health benefits to eligible employees in compliance with City policy.

### **Hire Houston First:**

The proposed contract require compliance with the City's 'Hire Houston First' (HHF) ordinance that promotes economic opportunity for Houston businesses and supports job creation. In this case, Southern Tire Mart, LLC is a designated HHF, but they were the successful awardee without application of the HHF designation preference.

### **Fiscal Note:**

Funding for this item is included in the FY2021 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

DocuSigned by:

*Jerry Adams*

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**Jerry Adams, Chief Procurement Officer  
Finance/Strategic Procurement Division**

10/14/2020

DocuSigned by:

*Victor Ayres*

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**Department Approval Authority**

10/14/2020

**Estimated Spending Authority**

Department	FY2021	Out Years	Total
Fleet Management	\$691,108.92	\$3,916,284.08	\$4,607,393.00

**Amount of Funding:**

**\$4,607,393.00**  
Fleet Management Fund  
Fund No.: 1005

**Contact Information:**

NAME:	DEPARTMENT/DIVISIO	PHONE NO
Richard Morris, Division Manager	FIN/SPD	(832) 393-8736
Katie Moore, Sr. Procurement Specialist	FIN/SPD	(832) 393-8710
Victor Ayres, Director	FIN/SPD	(832) 393-6901

**ATTACHMENTS:**

Description	Type
Form A - Fair Campaign Ordinance	Backup Material
Form B - Fair Campaign Ordinance	Backup Material
OBO Waiver	Backup Material
Certificate of Funding	Backup Material
Award Recommendation	Backup Material
Deliquent Tax Report	Backup Material
Affidavit Ownership	Backup Material
SAP Verification of Funds	Signed Cover sheet