

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	13098	Agenda Number	52.
---------------------	----------	-------	---------------	-----

Meeting Date:	March 22, 2012
---------------	----------------

Department:	Purchasing
-------------	------------

Subject

Authorize award and execution of a 48-month requirements supply agreement with TEXAS MULTIPLE AWARD SCHEDULE (TXMAS), TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE (BUYBOARD) or any other cooperative purchasing organization contracts available within the State of Texas and authorized by the Austin City Council for the purchase of automotive tires for Fleet Services and Aviation in an amount not to exceed \$6,602,640.

Amount and Source of Funding

Funding in the amount of \$700,000 is available in the Fiscal Year 2011 – 2012 Operating Budget of the Financial and Administrative Services Department, Fleet Fund. Funding in the amount of \$17,500 is available in the Fiscal Year 2011 – 2012 Operating Budget of the Aviation Department. Funding for the remaining 41 months of the original contract period 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
----------------------	----------------------

Prior Council Action:	
-----------------------	--

For More Information:	Sharon Patterson, Senior Buyer, 972-4014
-----------------------	--

Boards and Commission Action:	
-------------------------------	--

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.
------------	--

Related Items:	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.
Additional Backup Information	
<p>This contract is for the purchase of automotive tires for the City's fleet of vehicles from TXMAS, BuyBoard, or any other cooperative purchasing organization contracts available within the State of Texas and authorized by the Austin City Council. If during the term of the contract, the City needs to purchase tires from a cooperative purchasing organization other than TXMAS or BuyBoard, Staff will return to Council so that Council may authorize a contract with that cooperative purchasing organization.</p> <p>Excluding the Austin Police Department (APD) units, the City currently has 1,728 passenger and light-duty vehicles, 352 medium-duty trucks, and 911 heavy-duty trucks in its fleet. This contract will establish a reliable source for the purchase of replacement tires for these vehicles. The tires for the APD units are purchased from a separate contract. Although the majority of tires purchased for City-owned vehicles are from Bridgestone-Firestone and Michelin manufacturers, this contract will allow for the purchase of tires from other manufacturers.</p> <p>In the interest of validating the best use of the City's funds, the City conducted a "Best Value" bid solicitation for tires. In order to determine the best-value to the City, the 100 point evaluation criteria included unit cost of specified tires (50 points), dealer's markup percentage for non-specified tires (40 points), and a flat-fee for expedited delivery (10 points).</p> <p>The results of this solicitation were compared with prices from the available cooperatives. The price offered through the cooperatives had a cost savings of \$164,948 over the best-value bids received. Tires purchased from this contract will be purchased from the local vendors who are on the cooperative contracts.</p> <p>Utilizing the TXMAS cooperative contracts provide for volume discount pricing and they provide the flexibility to purchase a wider variety of tires that meet the needs of the City's diverse fleet.</p>	