

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

32892

Agenda Number

30.

Meeting Date:

May 22, 2014

Department:

Purchasing

Subject

Authorize award and execution of two 36-month requirements supply contracts with HESSELBEIN TIRE SOUTHWEST, INC. AND YOUNGBLOOD AUTOMOTIVE & TIRE, LLC to provide tires and tubes in a total amount not to exceed \$4,833,807 each and combined, with three 12-month extension options in a total amount not to exceed \$1,611,269 per extension option each and combined, for a total contract amount not to exceed \$9,667,614 each and combined; or consistent with the City's authority under statute to consider a bidder's local presence in awarding contracts, authorize award and execution of three 36-month requirements supply contracts with HESSELBEIN TIRE SOUTHWEST, INC., KANDO PARTNERS DBA KLINGEMANN AMERICAN CAR CARE CENTER, AND YOUNGBLOOD AUTOMOTIVE & TIRE, LLC to provide tires and tubes in a total amount not to exceed \$4,845,711 each and combined, with three 12-month extension options in a total amount not to exceed \$1,615,237 per extension option each and combined, for a total contract amount not to exceed \$9,691,422 each and combined.

Amount and Source of Funding

Funding in the amount of \$648,015 is available in the Fiscal Year 2013-2014 Operating Budget of the Fleet Services Department and funding in the amount of \$25,000 is available in the Fiscal Year 2013-2014 Operating Budget of the Aviation Department. Funding for the remaining 31-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.

Prior Council
Action:For More
Information:

Jonathan Dalchau, Senior Buyer, 512-974-2938

Boards and
Commission
Action:

May 14, 2014 - Approved by the Austin Airport Advisory Commission on a 4-0 vote.

Related Items:		
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.	
Additional Backup Information		
<p>This contract is for the purchase of automotive, truck and off-the-road (OTR) tires including tubes for the City's fleet of vehicles. Excluding the Austin Police Department (APD) units, the City currently has 1,759 passenger and light-duty vehicles, 409 medium-duty trucks, 970 heavy-duty trucks, and 4,666 off-the-road vehicles 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>Recommended vendor awards are based on tire manufacture. Tire manufactures considered are Bridgestone, Carlisle, Crosswind, Deestone, Duramax, Firestone, Galaxy, Hercules, Michelin, Supermax, and Superstrong.</p> <p>MBE/WBE solicited: 2/0</p> <p>MBE/WBE bid: 0/0</p>		
<p><u>BID TABULATION:</u> <u>IFB JRD0009</u> Tires and Tubes (66 line items)</p>		
<u>Vendor</u>	<u>Total Bid Sample Items</u> <u>(Item Lines Bid)</u>	<u>Total Award</u> <u>(Item Lines Award)</u>
GCR Tire Centers Pflugerville, TX	\$1,136,144 (66 of 66)	
Southern Tire Mart Columbia, MS	\$1,158,277 (66 of 66)	
Kando Partners Austin, TX	\$1,164,211 (66 of 66)	
Hesselbein Tire Southwest San Antonio, TX	\$1,167,703 (66 of 66)	\$202,555 (32 of 65)
Youngblood Automotive & Tire Austin, TX	\$1,205,192 (66 of 66)	\$997,693 * (33 of 65)
Beasley Tire Service Houston, TX	\$1,395,059 (66 of 66)	
Tire Centers Austin, TX	\$1,475,034 (66 of 66)	
The Goodyear Tire & Rubber Co.	\$893,969	

Austin, TX (38 of 66)

Paosum Global **

* Located outside the City of Austin Taxing District

** Vendor was deemed non-responsive.

ALTERNATE BID TABULATION IF LOCAL PREFERENCE IS INVOKED:

<u>Vendor</u>	<u>Total Bid Sample Items</u> <u>(Item Lines Bid)</u>	<u>Total Award</u> <u>(Item Lines Award)</u>
GCR Tire Centers Pflugerville, TX	\$1,136,144 (66 of 66)	
Southern Tire Mart Columbia, MS	\$1,158,277 (66 of 66)	
Kando Partners Austin, TX	\$1,164,211 (66 of 66)	\$192,191 * (31 of 65)
Hesselbein Tire Southwest San Antonio, TX	\$1,167,703 (66 of 66)	\$14,333 (1 of 65)
Youngblood Automotive & Tire Austin, TX	\$1,205,192 (66 of 66)	\$997,693 ** (33 of 65)
Beasley Tire Service Houston, TX	\$1,395,059 (66 of 66)	
Tire Centers Austin, TX	\$1,475,034 (66 of 66)	
The Goodyear Tire & Rubber Co. Austin, TX	\$893,969 (38 of 66)	
Paosum Global	***	

* Recommended using Local Preference

** Located outside the City of Austin Taxing District

*** Vendor was deemed non-responsive.

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

PRICE ANALYSIS

- a. Adequate competition.
- b. Ninety notices were sent, including 2 MBEs and 0 WBEs. Nine Bids were received with no MBEs/WBEs responding.
- c. The pricing offered reflects a 2% decrease when comparing similar lines to the last contract award in April 2012.

APPROVAL JUSTIFICATION

- a. Lowest bids received meeting specifications.
- b. The Purchasing Office concurs with the Fleet Service's recommended award for local preference.
- c. Advertised in the Austin American-Statesman and on the Internet.