

AGENDA



Thursday, March 11, 2010

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 27**

Subject: Authorize award and execution of a 21-month requirements service contract through the Texas Multiple Award Schedule (TXMAS) with STROUHAL TIRE RECAPPING PLANT, INC., Bryan, TX, for the purchase of retread tires in an estimated amount not to exceed \$2,044,900.

Amount and Source of Funding: Funding in the amount of \$667,333 is available in the Fiscal Year 2009-2010 Operating Budget of the Financial and Administrative Services Department, Fleet Fund. Funding for the remaining 14 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.

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

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). This contract is a Cooperative Purchase, therefore, it is exempted under Chapter 791 of the Texas Local Government Code and no goals were established for this solicitation.

This contract will provide a reliable source for retread tires for Fleet Services in lieu of purchasing new tires.

Retreading tires is a process whereby worn tires, called casings, receive a new tread. The cost for a retread tire is approximately 50% less than that of a new tire and provides approximately the same length of service when used on the rear axle. Retread tires are primarily used on the rear axles of the City's fleet of heavy-duty vehicles, trucks, trailers, and off-road equipment. Retread tires are also referred to as "recapped" tires.

Under this contract, the Contractor will make deliveries on a weekly basis, thus ensuring a regular supply of retread tires. The Contractor utilizes a technology known as the Michelin Retread Technology (MRT). This retreading technology has been tested and used successfully by Fleet Services for a number of years.

Strouhal Tire Recapping Plant, Inc. is contracted through TXMAS to supply retread tires to other public entities state-wide. This cooperative purchasing program is coordinated by the State of Texas, Comptroller of Public Accounts and allows the City to use TXMAS contracts that have been developed from contracts competitively bid and awarded by the General Services Administration's Federal Supply Service.