

Mayor and Council Communication

DATE: 04/09/24

M&C FILE NUMBER: M&C 24-0269

LOG NAME: 13P AMEND CSCO 61117 ROADSIDE TIRE SERVICES KQ PMD

SUBJECT

(ALL) Authorize Amendment to City Secretary Contract No. 61117 with Southern Tire Mart, LLC., for Roadside Tire Services to Increase the Authorized Amount by \$700,000.00 for a New Authorized Amount Up to \$800,000.00 Per Term and Authorize Two Annual Renewal Options for the Property Management Department

RECOMMENDATION:

It is recommended that the City Council authorize the execution of an amendment to City Secretary Contract No. 61117 with Southern Tire Mart, LLC., for roadside tire services to increase the authorized amount by \$700,000.00 for a new authorized amount up to \$800,000.00 per term and authorize two annual renewal options for the Property Management Department.

DISCUSSION:

The purpose of this Mayor & Council Communication (M&C) is to authorize an agreement with Southern Tire Mart, LLC using TIPS contract 230403 to secure roadside tire services for the City until a successor contract to the City's current contract is awarded and put in place.

On April 16, 2019, City Council approved Mayor and Council Communication (M&C) P-12322 for an agreement for roadside tire services award on bid 19-0070 with Rick's Tire Service, Inc. (Current Agreement). The Current Agreement will expire on April 15, 2024. The City has increased the Current Agreement to the maximum allowed under state law, and it is anticipated that all of the contract capacity will be used by April 15, 2024.

On February 27, 2024, the City released Request for Proposal (RFP) 24-0143 for roadside tire services seeking an agreement to replace the Current Agreement. It is anticipated that this agreement will be executed in June 2024 (Future Agreement).

Because there is a gap between the expiration date of the Current Agreement and the anticipated start date of the Future Agreement, a bridge agreement is necessary to ensure that the City can still receive the necessary roadside tire services. On March 14, 2024, the Property Management Department (PMD) entered into a purchasing agreement with Southern Tire Mart, LLC using TIPS Contract 230403 for roadside tire services. The original agreement was executed in an amount up to \$100,000.00, the amount allowed by administrative action, to allow PMD to immediately begin using the contract and securing services for the City's fleet needs for roadside tire services to patch and plug or replace tires, vehicle alignment, and related services. However, actual needs exceed that amount, and this M&C will authorize the actual amount needed per term, \$800,000.00. The maximum amount allowed under this agreement will be \$800,000.00 per term. However, the actual amount used will be based on the needs of the department and the available budget. Funding is budgeted in the Fleet Srvc Outside Rep & Maint account within the Fleet & Equipment Serv Fund for the PM Fleets Parts&Fuel Inventory Department.

An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

Agreement Terms: The initial term of the agreement expires on June 30, 2024, with two (2) one-year renewal options. This agreement will only be renewed if no award is made on RFP 24-0143.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certified that upon approval of the recommendation, funds are available in the current operating budget, as previously appropriated in the Fleet & Equipment Serv Fund. Prior to an expenditure being incurred, the Property Management Department has the responsibility to validate the availability of funds.

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