

Mayor and Council Communication

DATE: 03/26/24

M&C FILE NUMBER: M&C 24-0233

LOG NAME: 13P AMMEND ITB 19-0070 ROADSIDE TIRE SERVICES KQ PMD

SUBJECT

(ALL) Authorize Execution of an Amendment to Mayor and Council Communication P-12322 with Rick's Tire Service, Inc. for Roadside Tire Services to Increase the Annual Amount by \$275,205.00 for the Property Management Department for a New Annual Amount of \$1,626,025.00

RECOMMENDATION:

It is recommended that the City Council authorize execution of an amendment to Mayor and Council Communication P-12322 with Rick's Tire Service, Inc. for roadside tire services to increase the annual amount by \$275,205.00 for the Property Management Department for a new annual amount of \$1,626,025.00.

DISCUSSION:

On April 16, 2019, City Council approved Mayor and Council Communication (M&C) P-12322, which authorized an Agreement with Rick's Tire Service, Inc. in the amount of \$1,300,820.00 for the Property Management Department. Under the Agreement, the vendor supplies roadside tire services for the City's fleet, including but not limited to, tire patches and replacements, tire rotation and alignment, disposal services for tires, and repairs of bent rims.

During the life of this agreement, an administrative change order of \$50,000.00, which does not require specific City Council approval, was executed as allowed by relevant law and Fort Worth City Code, bringing the total annual amount to \$1,350,820.00. The change order was used to provide additional funding for roadside tire services. However, due to unanticipated increased demand, additional funds are necessary. The vendor has continued providing services to the City while this increase is being processed. The City anticipates using roughly \$210,000 to pay invoices for services rendered during that time, and this M&C ratifies such expenditures.

In this scenario, the administrative change order cap based on the original contract amount is \$325,205. On February 19, 2024, The Property Management Department approached the Purchasing Division to use the remaining \$275,205.00 of this cap, resulting in a final annual amount of \$1,626,025.00 (\$1,300,820+\$325,205). This approval from City Council will exhaust out the agreement's administrative change order capacity, which is set at 25% of the original annual amount of \$1,300,820.00. The Property Management Department will use the funding to provide additional roadside tire services to the City's fleet.

Funding is budgeted in the Fleet Svc Outside Rep & Maint account within the Fleet & Equipment Serv Fund for the PM Fleet Parts & Fuel Inventory Department.

AGREEMENT TERMS - The current term of this Agreement will expire on April 15, 2024.

Business Equity - A waiver of the goal for Business Equity subcontracting requirement is approved by the DVIN-BE, in accordance with the Business Equity Ordinance, because the purchase of goods or services is from sources where subcontracting or supplier opportunities are negligible.

RENEWAL TERMS: The contract doesn't have any additional renewals.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies 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.

Submitted for City Manager's Office by: Reginald Zeno 8517

Dana Burghdoff 8018

Originating Business Unit Head: Reginald Zeno 8517

Marilyn Marvin 7708

Additional Information Contact: Jo Ann Gunn 8525

Karen Quintero 8321