

**EVALUATION OF BID
PROPOSALS**

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FOR: Requirements Contract for Retreading of Commercial Truck Tires

Bid File No. 9659
Bid Opening: 8/9/2022

BIDDERS

TOTAL NET BID AMOUNT

- | | |
|--|--------------|
| 1. The Goodyear Tire & Rubber Co.
3708 S Bagley Ave.
Fresno, CA 93725 | Withdrew Bid |
| 2. Southern Tire Mart, LLC
800 Highway 98
Columbia, Mississippi 39429 | Withdrew Bid |
| 3. Delray Tire and Retreading
2544 S Cherry Ave
Fresno, California 93706 | \$331,551.00 |

Each bidder has agreed to allow the City Ninety (90) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Monday, August 7, 2023 5:00 P.M.

The current contract pricing is 33% above the previous contract pricing. If the overage is greater than 10% or only one bid was received, give explanation:

The cost of retread tires has gone up. Many factors contribute to the increase in cost of retread tires. This can be attributed to increases in raw materials, shipping costs, labor, and a reduction in the supply of tire casings.

BACKGROUND OF PROJECT (To be completed by Evaluating Department/Division. Explain need for project/equipment):

The Fleet Management Division is responsible for purchasing and maintaining tires for the City's fleet of vehicles. On March 9, 2023 Council awarded a Requirements Contract to The Goodyear Tire & Rubber Co. for the retreading of commercial truck tires. However, The Goodyear Tire & Rubber Co. would not agree to various requirements of the contract (i.e., insurance requirements), has declined the award and has withdrawn their bid. Therefore, the General Services Department is seeking Council approval of the next lowest responsive and responsible bidder to fulfill these requirements.

Retread commercial truck tires are used tires (i.e., casings), which receive a new tread; however, casings are first inspected to ensure they are in suitable condition. The worn tread is

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buffed away, and a new tread is bonded to the casing in a manner similar to how a new tire is made. Tire retreading practices have improved to the point where retread tires perform similar to new tires. Retread tires are the preferred method to replacing worn tires as they are safe, reliable, and cost less than new tires. Moreover, Federal Executive Order 13149 mandates the use of retreads on government vehicles whenever possible.

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

☒ Award a contract in the amount of \$ 331,551.00
to Delray Tire and Retreading
as the lowest responsive and responsible bidder.

Remarks:

☐ Reject all bids. Reason:

Department Head Approval



Title Director

Date 7/24/23

☒ Approve Dept. Recommendation

☐ Disapprove

☐ See Attachment

☒ Approve GSD/Purchasing Recommendation

☐ Disapprove

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GENERAL SERVICES DEPARTMENT

CITY MANAGER


Purchasing Manager 07/24/2023
Date


City Manager or Designee 7/24/23
Date


General Services Director 7/24/23
Date

FISCAL IMPACT STATEMENT

PROGRAM:

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	<u>\$331,551.00</u>	<u>\$331,551.00</u>
Indirect Cost	<u> </u>	<u> </u>
TOTAL COST	<u>\$331,551.00</u>	<u>\$331,551.00</u>
Additional Revenue or Savings Generated	<u> </u>	<u> </u>
Net City Cost	<u>\$331,551.00</u>	<u>\$331,551.00</u>
Amount Budgeted (If none budgeted, identify source)	<u>\$331,551.00</u>	<u>\$331,551.00</u>